



## Rating Action

Lahore : 15-Jun-2015

## Analyst

Amara Gondal  
(+92-42-35869504)  
amara.gondal@pacra.com  
www.pacra.com

## PACRA Suspends IFS Rating of Silver Star Insurance Company Limited

The Pakistan Credit Rating Agency (PACRA) has suspended the Insurer Financial Strength (IFS) rating of Silver Star Insurance Company Limited (SSIC) ('A-', **RW Developing Status**). PACRA placed the IFS rating of Silver Star on Rating Watch on April 07, 2015, attributed to the investigative action taken against the Company.

There has been deterioration in the risk profile of the company; hence the current rating no longer properly captures the exact insurance financial strength of SSIC. To update its opinion, PACRA needs information, for which requests were made to the company. However, there are delays in arranging the information. Consequently, PACRA has suspended the IFS rating of SSIC. PACRA would update its opinion on availability of requisite information.

## About the Company

Silver Star Insurance Company Limited commenced commercial operations in September 1984. The company, listed on all three bourses of the country, is majority owned (72%) by Sadiq family and close associates. SSIC is operating through a network of 64 branches mainly concentrated in Punjab. It is a small sized company. KRESTON Hyder Bhimji & Company Chartered Accountants are the auditors of the company.

The overall control of the company vests in seven members BoD including the CEO, Mr. Zahir Sadiq. Apart from the CEO, all board members are non-executive and mostly are close associates of Sadiq Family.

## Applicable Criteria and Related Research

- Insurance | General - Viewpoint | Nov-13
- Insurer Financial Strength Rating Methodology

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