



## Date

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## Analyst

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## Applicable Criteria

- Methodology | Life Insurance (Jun 18)

## Related Research

- Sector Study | Life Insurance (Jun 19)

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## PACRA Maintains IFS Rating of IGI Life Insurance Company

Rating Type	Insurer Financial Strength(IFS)	
	Current (27-Jun-2019)	Previous (26-Dec-2018)
Action	Maintain	Maintain
IFS Rating	A+	A+
Outlook	Stable	Stable
Rating Watch	-	-

Packages Group, with the brand of IGI, has been operating in the industry since 1953. IGI Life has been a step towards holistic presence in insurance industry - General as well as life. This is unlocking synergistic benefits. The market share of the company has diluted, owing to change in the business strategy: to reduce dependence on the single premium and shift towards the regular premium. The reduced GPW coupled with high expenses related to the launch of 'Vitality' and IT infrastructure has led to a falling bottom-line. Going forward, IGI Life aims to improve penetration in the market, on the back of expansion in branch network and gradually building up portfolio through 'Vitality'. The company's association with Packages Group engenders sound governance framework remains a key rating factor.

The rating is dependent on sustained improvement in business and financial risk profile of the company in line with its relative positioning within the industry. At the same time, improved equity and liquidity profile are crucial to cushion the policyholder's liabilities. The performance of company's new product 'Vitality' remains essential.

### About the Entity

IGI Life Insurance Limited (IGILife), a quoted public company, listed on the Pakistan Stock Exchange, started its operations in May-1995. With its head office in Karachi, the company operates through three business Hubs - South, Central and North - with a total of 24 branches. IGILife is majority owned by IGI Holdings. In 2013, erstwhile IGI Insurance Limited entered into a share purchase agreement with American Life Insurance Company for acquisition of majority stake (69.67%) in its Pakistan business.

The overall control of the company vests in seven member board of directors. Mr. Syed Hyder Ali, the CEO of the company since Apr-14, carries more than three decades of experience in different industries. Currently, he is also serving as CEO of Packages Limited. Mr. Nadeem Rehman Malik and Mr. Ali Nadim in their roles as Deputy CEO and COO provide vital insight and guidance in the day to day affairs of the company. They are assisted by a team of experienced professionals.

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