

## Date

30-Sep-25

## Analyst

Zaeem Ul Rehman  
zaeemulrehman@pacra.com  
+92-42-35869504  
www.pacra.com

## Applicable Criteria

- [Assessment Framework | General Insurance](#) | Mar-25
- [Methodology | Rating Modifiers](#) | Apr-25

## Related Research

- [Sector Study | General Insurance](#) | Jul-25

## Disclaimer

This press release is being transmitted for the sole purpose of dissemination through print/electronic media. The press release may be used in full or in part without changing the meaning or context thereof with due credit to PACRA

## PACRA Maintains the IFS Rating of The United Insurance Company of Pakistan Limited

Rating Type	IFS	
	Current (30-Sep-25 )	Previous (27-May-25 )
Action	Maintain	Maintain
IFS Rating	AA+ (ifs)	AA+ (ifs)
Outlook	Stable	Stable
Rating Watch	-	Yes

The assigned IFS rating of The United Insurance Company of Pakistan Limited ('United Insurance' or 'the Company') is supported by its sound and established presence in the insurance industry. The Company is the flagship entity of the United International Group (UIG), which maintains diversified interests across sectors, including insurance, microfinance, IT, dairy, and vehicle tracking. United Insurance operates within the non-life segment, managing both conventional (~81%) and window Takaful (~19%) operations, with active efforts underway to realize the full potential of the Takaful segment. The revenue structure is primarily dependent on the miscellaneous segment (including hospitalization, travel, and bond business), which contributes ~30% of the total Gross Premium Written (GPW), followed by crop insurance at ~22%. In CY24, the Company's GPW demonstrated promising growth of ~29% (CY24: PKR 13bln, CY23: PKR 10bln), backed by improvements in both conventional and Takaful sides. While GPW was subdued in 6MCY25, the Company's active management of ceded reinsurance led to a ~14% growth in Net Premium Written (NPW). Operationally, the Company's combined ratio indicates sound performance, and it has successfully managed claim expenses, which were a challenge historically. The Company's investment book, predominantly composed of cash, bank balances, and government securities, has generated a notable increase in income, positively contributing to the overall financial performance. Underwriting results are expected to be supported by sustained growth across all insurance segments. United Insurance benefits from a strong panel of reinsurers and a solid equity base. The operational reliance on reinsurers means the bulk of claims is expected to be settled by them; however, liquidity enhancement remains important. While the combined ratio is sound, the Company's forward-looking risk profile requires attention to its liquidity profile, especially as it seeks to diversify into the real estate and life insurance sectors. The successful and timely execution of these diversification efforts will be crucial for the stability of the ratings.

Following the stay order granted by the Islamabad High Court and the subsequent withdrawal of the earlier press release by SECP (dated 21-May-25), PACRA maintains the IFS rating of United Insurance at AA+. This rating denotes a very strong capacity to meet policyholders and contract obligations. Risk factors are very low, and the impact of any adverse business and economic factors is expected to be minimal.

The assigned IFS rating is contingent upon management successfully achieving the core objectives, by leveraging its well-established platform for business expansion, and executing its strategic objectives. Concurrently, maintaining a stable liquidity profile and strengthening equity levels are likewise essential requirements for sustaining the current rating.

### About the Entity

The United Insurance Company of Pakistan Limited ('United Insurance' or 'the Company') was established in 1959 and listed on the Pakistan Stock Exchange (PSX). The Company is primarily owned by the United International Group (UIG), which holds a controlling stake of ~89.3%. The remaining shares are distributed among individuals and institutions. United Insurance specializes in non-life insurance, offering products through conventional and Window Takaful operations across major segments including Fire, Marine, Health, Motor, and Crop insurance. Mr. M. Ashraf Khan serves as the Chairman of the Board, while Mr. M. Akram Shahid leads the management team as the Chief Executive Officer, supported by a professional staff.

The primary function of PACRA is to evaluate the capacity and willingness of an entity to honor its obligations. Our ratings reflect an independent, professional and impartial assessment of the risks associated with a particular instrument or an entity. PACRA's comprehensive offerings include instrument and entity credit ratings, insurer financial strength ratings, fund ratings, asset manager ratings and real estate gradings. PACRA opinion is not a recommendation to purchase, sell or hold a security, in as much as it does not comment on the security's market price or suitability for a particular investor.