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## Askari General Insurance Proposes Share Capital Increase

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Askari General Insurance Company Limited has proposed a significant increase in its authorized share capital, alongside amendments to its Memorandum and Articles of Association, to strengthen its financial base and support future growth.

Askari General Insurance Company Limited (AGIC), a prominent non-life insurance provider in Pakistan, announced on Wednesday that its Board of Directors has approved a plan to substantially increase the company's authorized share capital. The decision, disclosed in a notice to the Pakistan Stock Exchange (PSX), aims to bolster AGIC's financial foundation and enhance its capacity to expand operations. The proposal also includes amendments to the company's Memorandum and Articles of Association to align with the increased capital structure and regulatory requirements.

The company, a subsidiary of the Army Welfare Trust (AWT), which holds approximately 59.25% of its issued share capital, operates in key insurance segments, including fire, marine, motor, health, and miscellaneous. The proposed capital increase is seen as a strategic move to support AGIC's growth ambitions in a competitive market. According to the company's statement, the enhanced capital will provide greater flexibility to pursue new business opportunities and strengthen its market position.

AGIC's leadership emphasized that the decision reflects a commitment to long-term stability and shareholder value. The company, incorporated in 1995 and listed on the PSX, has a paid-up share capital of 54,368,134 shares at a par value of Rs. 10 per share, as per its last reported data. The proposed changes to the Memorandum and Articles of Association will ensure compliance with the Companies Act, 2017, and other regulatory frameworks. The board's recommendation is subject to shareholder approval at an upcoming general meeting, with details to be shared in due course.

This move comes as AGIC continues to navigate a challenging economic environment marked by inflation and rising claims, as noted in its 2023 third-quarter report, which highlighted a 36% increase in gross premium written but a 46% decline in underwriting profit. Despite these pressures, AGIC's focus on capital enhancement signals confidence in its operational resilience and future growth prospects. The company's extensive network of 19 branches across Pakistan and its diverse insurance offerings position it well to capitalize on this strategic initiative.