

Industry Highlights - Q1 of 2022 Vs Q1 of 2021

No.	Description		Quarter 01 - 2022 ^{Note1 & 2}	Quarter 01 - 2021
			Value (Rs.'000)	Value (Rs.'000)
1	Profit of Insurance Companies (Before Tax)	1. Life Insurance	3,094,435	4,038,049
		2. General Insurance	6,324,820	4,170,860
	Profit of Insurance Companies (After Tax)	1. Life Insurance	Not Available	Not Available
		2. General Insurance	Not Available	Not Available
2	Underwriting Profit of Insurance Companies underwriting profit of	1. Life Insurance	Not Applicable	Not Applicable
		2. General Insurance	2,278,420	4,925,254
3	Capital levels of Insurance Companies	1. Life Insurance	130,437,884	125,646,826
		2. General Insurance	119,735,219	114,182,825
	Compliance with Solvency Margin (RBC)	All Life Insurance companies & General Insurance companies complied with minimum requirement.	All Life Insurance companies & General Insurance companies complied with minimum requirement.	
4	Total Assets of the insurance sector		877,888,106	819,879,842
5	Distribution of total assets of insurance companies	1. Life Insurance	632,987,961	585,508,874
		Government Debt Securities	277,611,720	232,081,219
		Equities	32,513,097	35,053,752
		Investments in Subsidiaries	5,964,684	3,889,684
		Investments in Associates	2,415,770	2,225,392
		Corporate Debt	137,487,801	123,842,287
		Land & Buildings	6,118,741	6,212,449
		Deposits	81,269,117	89,555,116
		Unit Trusts	11,322,678	14,133,574
		Investments in Gold	-	68,936
		Reinsurance receivable	3,659,063	2,351,833
		Policy Loans	7,268,634	7,026,654
		Mortgage Loans	-	-
		Premium receivable from policyholders and intermediaries	3,510,308	2,748,913
		Intangible Assets	3,250,265	3,216,924
		Property Plant and Equipment	16,960,948	16,300,983
		Other Loans	4,205,595	4,267,733
Other Assets	27,787,359	22,139,107		
	Cash and cash equivalents	11,642,180	20,394,317	

		2. General Insurance	244,900,145	234,370,968
		Government Debt Securities	79,619,889	68,804,647
		Equities	10,365,227	11,576,774
		Investments in Subsidiaries	20,144,852	21,271,980
		Investments in Associates	275,211	164,125
		Corporate Debt	18,108,658	17,764,663
		Land & Buildings	2,625,100	1,964,966
		Deposits	20,266,408	24,278,166
		Unit Trusts	6,343,904	6,846,335
		Investments in Gold	-	-
		Reinsurance receivable	13,475,744	11,586,988
		Policy Loans	-	-
		Mortgage Loans	-	-
		Premium receivable from policyholders and intermediaries	30,366,017	29,139,692
		Intangible Assets	2,193,271	2,188,651
		Property Plant and Equipment	18,655,321	17,636,659
		Other Loans	1,156,623	967,436
		Other Assets	16,187,819	13,033,147
		Cash and cash equivalents	5,116,101	7,146,740
6	Gross Premiums for different classes of insurance	Total	66,477,121	59,202,083
		1. Life Insurance	34,279,645	29,164,679
		2. General Insurance	32,197,476	30,037,405
		a. Motor	16,658,955	16,133,150
		b. Fire	4,189,323	3,817,411
		c. Marine	873,489	809,541
		d. Health	5,543,135	5,168,598
		e. Other categories	4,932,574	4,108,704

No.	Description	Quarter 01 - 2022 ^{Note 1} Value (Rs.'000)	Quarter 01 - 2021 Value (Rs.'000)	
7	Reinsurance by Insurance Companies Note 5	1. Reinsurance premiums	7,810,420	8,244,058
		a. Life Insurance	1,443,830	1,278,800
		b. General Insurance	6,366,591	6,965,258
		A. Reinsurance total after excluding SRCC premium income Note 7	6,366,591	6,965,258
		B. Premium Income of SRCC included in the reinsurance premium	1,923,169	1,201,375
		C. Total Reinsurance including premium income of SRCC Note 6	8,289,760	8,166,633
		a. Motor	730,904	1,308,957
		b. Fire	3,083,541	2,942,389
		c. Marine	568,520	465,940
	d. Health	309,877	619,655	
	e. Other categories	3,596,918	2,829,692	
	Retention by Insurance Companies Note 5	2. Retention of Premium	58,666,700	50,958,026
		a. Life Insurance	32,835,815	27,885,879
		b. General Insurance	25,830,885	23,072,147
		a. Motor	15,928,051	14,824,193
b. Fire		1,105,782	875,022	
c. Marine		304,969	343,601	
d. Health		5,233,258	4,548,944	
e. Other categories	1,445,645	1,276,159		
f. SRCC	1,813,180	1,204,228		
8	Earned Premiums for different classes of insurance Note 5	Total	54,019,926	49,437,647
		1. Life Insurance	32,835,815	27,885,512
		2. General Insurance	21,184,111	21,552,135
		a. Motor	13,032,859	13,741,174
		b. Fire	692,905	533,105
		c. Marine	304,341	287,791
		d. Health	4,476,614	4,495,696
e. Other categories	1,009,035	1,033,272		
f. SRCC	1,668,357	1,461,097		

9	Claims of Insurance companies Note 5	1. Life Insurance	13,231,632	9,828,196
		2. General Insurance	14,638,491	12,700,544
		a. Motor	8,546,327	7,205,822
		b. Fire	364,417	493,061
		c. Marine	91,695	97,936
		d. Health	5,254,069	4,416,463
		e. Other categories	371,677	478,775
	f. SRCC	10,306	8,487	
10	Investments of the Insurance sector with breakup	1. Life Insurance	566,177,837	518,356,797
		Government Debt Securities	277,611,720	232,081,219
		Equities	32,513,097	35,053,752
		Investments in Subsidiaries	5,964,684	3,889,684
		Investments in Associates	2,415,770	2,225,392
		Corporate Debt	137,487,801	123,842,287
		Land & Buildings	6,118,741	6,212,449
		Deposits	81,269,117	89,555,116
		Unit Trusts	11,322,678	14,133,574
		Investments in Gold	-	68,936
		Policy Loans	7,268,634	7,026,654
		Mortgage Loans	-	-
	Other Loans	4,205,595	4,267,733	
	Investments of the Insurance sector with breakup	2. General Insurance	158,905,872	153,639,091
		Government Debt Securities	79,619,889	68,804,647
		Equities	10,365,227	11,576,774
		Investments in Subsidiaries	20,144,852	21,271,980
		Investments in Associates	275,211	164,125
		Corporate Debt	18,108,658	17,764,663
Land & Buildings		2,625,100	1,964,966	
Deposits		20,266,408	24,278,166	
Unit Trusts		6,343,904	6,846,335	
Investments in Gold		-	-	
Policy Loans		-	-	
Mortgage Loans		-	-	
Other Loans	1,156,623	967,436		
11	Investment Income of Insurance Companies	1. Life Insurance	7,687,681	11,979,118
		2. General Insurance	1,364,407	2,079,090

12	Description		Quarter 01 - 2022 ^{Note 1}		Quarter 01 - 2021	
	Aspects of Financial System	Indicator	General Insurance	Life Insurance	General Insurance	Life Insurance
12	Capital Adequacy	Capital Adequacy Ratio	285%	375%	308%	342%
		Capital to Total Assets	0.49	0.21	0.49	0.21
		Capital to Technical Reserves	1.66	N/A	1.85	N/A
		Technical Reserve Ratio (%)	126.40	N/A	136.54	N/A
	Earnings and Profitability	Profitability Ratio (%)	18.54	9.03	13.35	13.85
		Underwriting Ratio (%)	10.76	N/A	22.85	N/A
		Return on Assets (ROA) (%)	8.55	3.15	9.78	2.97
		Return on Equity (ROE) (%)	17.52	14.99	20.58	13.62
		Net Combined Operating Ratio (%)	108.07	77.87	96.58	77.45
		Investment Yield Ratio (%)	6.34	9.21	10.75	10.17
	Liquidity	Premium Stability Ratio (%)	9.23	17.54	4.35	34.18
		Liquidity Ratio	0.84	0.74	0.83	0.71
	Loss Ratio (%)	Loss Ratio (%)	69.10	40.30	58.93	35.24
		Retention (Reinsurance) Ratio (%)	75.70	95.79	73.86	95.62
Reinsurance and Actuarial Issues	Management Expense Ratio (%)	38.96	37.57	37.65	42.21	
Costs	Total Assets of the Insurance Brokering Companies ^{Note 3}		7,776,079		7,047,015	
13	Compliance with regulatory requirements	Any non-compliance with the Regulatory requirements will be informed to the relevant companies to take corrective actions and monitored those accordingly.				
15	Developments in the insurance industry, with specific references to the buildup of risk	Profits (PBT) of Life Insurance business shows a decrease (Rs. 944n) in the 1st quarter 2022. Overall profits (PBT) of General Insurance business increased by 52%.				
		Assets of Life Insurance business had recorded an increase by 8% due to increase in Government Securities (20%) and Corporate Debts (11%). Assets of General Insurance business had increased by 4%. Government Securities (16%), Investment in Associates (68%) and Land & building (34%) had indicated an increase. Equity 10%, Cash & Cah equivalents (28%) & Deposits (17%) had recorded a decrease during the quarter. Capital Levels had increased by 4% & 5% for Life Insurance business and General Insurance business respectively.				
		Premium growth for Life Insurance business was 18%, while General Insurance business also recorded a increase of 7% & overall industry premium growth was 12%.				

Claims of Life Insurance business had increased by 35% and claims of General Insurance business had decreased by 15%.

Notes

- Note 1** Information for the quarter ended 2022 is excluding data of Amana Takaful Life due to non submission of the quarterly return for the quarter ended 31st March 2022. However the comparative column include data of all life insurance companies.
- Note 2** Information for the quarter ended 2022 is excluding data of Amana Takaful PLC & Cooperative Insurance Company PLC Ltd due to non submission of the quarterly return for the quarter ended 31st March 2022. However the comparative column include data of all general insurance companies.
- Note 3** Total assets of the Insurance Brokering Companies represents all Insurance Brokering Companies excluding 13 Brokering Companies due to non-submission of Quarterly Returns.
- Note 4** As per previous submissions IRCSL had informed that particulars related to National Insurance Trust Fund (NITF) have not been included. The reason for excluding NITF information when submitting previous insurance industry statistics was the inability of categorizing some of the data of NITF according to the provided format. However IRCSL has incorporated NITF statistics (except for reinsurance and crop) for quarter 1 submission to provide more accurate information of the insurance industry.
- Note 5** The format has modified by including few rows to present SRCC scheme (segment) of NITF (Items 7,8 and 9).
- Note 6** Reinsurance premium (outgo) recorded in the Statement of Income of insurance companies included premium income belongs to SRCC which remitted to NITF.
- Note 7** The submitted data of General Insurance companies are excluded SRCC premium together with reinsurance premium. Accordingly, segment-wise SRCC premium cannot be identified separately based on submitted returns. Therefore SRCC reported by NITF excluded from the total reinsurance balance to avoid the duplication.