

Industry Highlights - Q4 of 2022 Vs Q4 of 2021

No.	Description		Quarter 04 - 2022	Quarter 04 - 2021
			Value (Rs.'000)	Value (Rs.'000)
1	Profit of Insurance Companies (Before Tax)	1. Life Insurance	23,438,504	23,129,625
		2. General Insurance	26,897,330	19,042,376
	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	16,268,251	21,571,660
3	Capital levels of Insurance Companies	1. Life Insurance	138,900,737	134,712,268
		2. General Insurance	132,357,210	124,259,790
	Compliance with Solvency Margin (RBC)		All Life Insurance companies except LIC and all 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		947,259,348	881,844,174
5	Distribution of total assets of insurance companies	1. Life Insurance ^{Note 7}	668,675,874	632,626,679
		Government Debt Securities	324,362,348	262,410,756
		Equities	37,211,523	42,692,463
		Investments in Subsidiaries	5,970,684	4,753,684
		Investments in Associates	4,422,558	1,602,981
		Corporate Debt	134,969,301	139,619,921
		Land & Buildings	6,226,262	9,273,787
		Deposits	69,621,557	88,265,112
		Unit Trusts	6,907,010	13,426,656
		Investments in Gold	211,500	142,731
		Reinsurance receivable	3,486,800	3,164,827
		Policy Loans	9,064,637	7,022,135
		Mortgage Loans	-	-
		Premium receivable from policyholders and intermediaries	4,871,026	3,299,351
		Intangible Assets	2,986,849	3,090,691
		Property Plant and Equipment	17,136,045	13,074,550
		Other Loans	4,440,577	248,990
Other Assets	29,059,094	25,427,581		
Cash and Cash Equivalents	7,728,102	15,110,463		

		2. General Insurance	278,583,473	249,217,495
		Government Debt Securities	88,899,374	76,226,076
		Equities	9,994,554	12,998,583
		Investments in Subsidiaries	22,917,521	21,741,980
		Investments in Associates	266,445	231,706
		Corporate Debt	18,343,172	20,092,438
		Land & Buildings	4,561,898	2,203,600
		Deposits	24,186,922	23,470,757
		Unit Trusts	2,732,082	7,356,946
		Investments in Gold	11,250	-
		Reinsurance receivable	18,981,181	14,966,120
		Policy Loans	-	-
		Mortgage Loans	-	-
		Premium receivable from policyholders and intermediaries	33,377,887	28,673,779
		Intangible Assets	2,514,763	2,172,763
		Property Plant and Equipment	20,118,746	20,783,833
		Other Loans	1,271,513	1,841,695
		Other Assets	19,470,373	11,163,091
		Cash and cash equivalents	10,935,794	5,294,128
6	Gross Premiums for different classes of insurance	Total	257,580,283	233,512,392
		1. Life Insurance	135,367,337	124,752,003
		2. General Insurance	122,212,946	108,760,388
		a. Motor	65,436,224	59,733,959
		b. Fire	18,131,016	10,324,853
		c. Marine	4,287,794	3,074,111
		d. Health	18,386,162	19,960,147
		e. Other categories	15,971,750	15,667,318

No.	Description	Quarter 03 - 2022 Value (Rs.'000)	Quarter 03 - 2021 Value (Rs.'000)	
7	Reinsurance by Insurance Companies Note 4	1. Reinsurance premiums	30,728,649	25,503,283
		a. Life Insurance	6,608,795	5,024,788
		b. General Insurance	24,119,854	20,478,495
		A. Reinsurance total after excluding SRCC premium income Note 6	24,119,854	20,478,495
		B. Premium Income of SRCC included in the reinsurance premium	8,063,134	6,754,134
		C. Total Reinsurance including premium income of SRCC Note 5	32,182,988	27,232,629
		a. Motor	3,000,780	3,625,979
		b. Fire	14,524,507	7,997,992
		c. Marine	3,010,687	1,885,798
	d. Health	693,911	1,662,947	
	e. Other categories	10,953,104	12,059,913	
	Retention by Insurance Companies Note 4	2. Retention of Premium	226,851,634	208,009,109
		a. Life Insurance	128,758,542	119,727,216
		b. General Insurance	98,093,092	88,281,893
		a. Motor	62,435,444	56,107,980
b. Fire		3,606,510	2,326,860	
c. Marine		1,277,108	1,188,314	
d. Health		17,692,250	18,297,200	
e. Other categories	5,187,136	3,607,405		
f. SRCC	7,894,643	6,754,134		
8	Earned Premiums for different classes of insurance Note 4	Total	223,571,071	206,705,344
		1. Life Insurance	128,755,315	119,724,380
		2. General Insurance	94,815,757	86,980,964
		a. Motor	60,641,643	56,001,558
		b. Fire	3,196,360	2,144,141
		c. Marine	1,192,468	1,135,974
		d. Health	18,985,315	18,077,560
e. Other categories	4,592,683	3,307,351		
f. SRCC	6,207,287	6,314,379		
9	Claims of Insurance companies Note 4	1. Life Insurance	60,638,634	46,112,791
		2. General Insurance	61,623,570	48,353,603
		a. Motor	35,410,052	26,587,890
		b. Fire	2,095,035	2,431,448
		c. Marine	395,308	519,210
		d. Health	18,182,062	17,267,200
		e. Other categories	4,077,264	1,510,957
f. SRCC	1,463,848	36,899		

10	Investments of the Insurance sector with breakup	1. Life Insurance ^{Note 7}	603,407,958	569,459,216
		Government Debt Securities	324,362,348	262,410,756
		Equities	37,211,523	42,692,463
		Investments in Subsidiaries	5,970,684	4,753,684
		Investments in Associates	4,422,558	1,602,981
		Corporate Debt	134,969,301	139,619,921
		Land & Buildings	6,226,262	9,273,787
		Deposits	69,621,557	88,265,112
		Unit Trusts	6,907,010	13,426,656
		Investments in Gold	211,500	142,731
		Policy Loans	9,064,637	7,022,135
		Mortgage Loans	-	-
		Other Loans	4,440,577	248,990
	Investments of the Insurance sector with breakup	2. General Insurance	173,184,730	166,163,781
		Government Debt Securities	88,899,374	76,226,076
		Equities	9,994,554	12,998,583
		Investments in Subsidiaries	22,917,521	21,741,980
		Investments in Associates	266,445	231,706
		Corporate Debt	18,343,172	20,092,438
		Land & Buildings	4,561,898	2,203,600
		Deposits	24,186,922	23,470,757
		Unit Trusts	2,732,082	7,356,946
Investments in Gold		11,250	-	
Policy Loans		-	-	
Mortgage Loans		-	-	
Other Loans	1,271,513	1,841,695		
11	Investment Income of Insurance	1. Life Insurance	62,187,242	54,249,795
		2. General Insurance	16,369,573	11,282,159

Description		Quarter 04 - 2022		Quarter 04 - 2021		
12	Aspects of Financial System	Indicator	General Insurance	Life Insurance	General Insurance	Life Insurance
			Note 2			
12	Capital Adequacy	Capital Adequacy Ratio	210%	303%	307%	384%
		Capital to Total Assets	0.48	0.21	0.50	0.21
		Capital to Technical Reserves	1.79	N/A	1.76	N/A
		Technical Reserve Ratio (%)	129.43	N/A	124.72	N/A
	Earnings and Profitability	Profitability Ratio (%)	20.65	17.31	16.48	18.54
		Underwriting Ratio (%)	16.94	N/A	24.80	N/A
		Return on Assets (ROA) (%)	10.14	3.60	7.97	3.87
		Return on Equity (ROE) (%)	20.76	17.13	16.25	17.74
		Net Combined Operating Ratio (%)	105.32	89.54	95.29	81.11
		Investment Yield Ratio (%)	9.63	10.60	7.89	10.17
		Premium Stability Ratio (%)	12.76	8.51	3.73	21.12
	Liquidity	Liquidity Ratio	0.85	0.76	0.83	0.73
		Loss Ratio (%)	64.03	47.10	55.59	38.52
	Reinsurance and Actuarial Issues	Retention (Reinsurance) Ratio (%)	75.30	95.12	76.41	95.97
	Costs	Management Expense Ratio (%)	41.28	42.44	39.70	42.59
	13	Total Assets of the Insurance Brokering Companies <small>Note 1</small>		9,229,834		8,508,871
14	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 increase (Rs. 309 Mn) in the 4th quarter 2022. Overall profits (PBT) of General Insurance business increased by 41%.				
		Assets of Life Insurance business had recorded an increase by 6% due to increase in Government Securities (24%). Assets of General Insurance business had increased by 12%. Government Securities (17%), Land & building (107%), Reinsurance Receivables (27%) and Cash (107%) had indicated an increase. Equity (23%), & Unit trust (63%) had recorded a decrease during the quarter. Capital Levels had increased by 3% & 7% for the Life Insurance business and General Insurance business respectively.				
		Premium growth for Life Insurance business was 9%, while General Insurance business also recorded a increase of 12% & overall industry premium growth was 10%.				
		Claims of Life Insurance business had increased by 32% and claims of General Insurance business had increased by 27%.				

Notes

Note 1 Total assets of the Insurance Brokering Companies represents all Insurance Brokering Companies excluding 7 Brokering Companies due to non-submission of Quarterly Returns.

Note 2 The Industry Capital Adequacy Ratio & Technical reserve amount of the General Insurance segment for Q4 2022 has been calculated excluding NITF due to non submission of data.

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 4 The format has modified by including few rows to present SRCC scheme (segment) of NITF (Items 7,8 and 9).

Note 5 Reinsurance premium (outgo) recorded in the Statement of Income of insurance companies included premium income belongs to SRCC which remitted to NITF.

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.

Note 7 Information related to Investments recorded under Ceylinco Life of Q2 2022 & Q3 2022 were changed from the previously submitted. Hence the changes have been incorporated with the current submission.