

Industry Highlights - Q3 of 2023 Vs Q3 of 2022

No.	Description	Quarter 03 - 2023 ^{Note 1}	Quarter 03 - 2022 ^{Note 1}	
		Value (Rs.'000)	Value (Rs.'000)	
1	Profit of Insurance Companies (Before Tax)	1. Life Insurance	19,629,559	17,951,991
		2. General Insurance	16,835,551	21,162,078
	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	10,299,315	11,178,543
3	Capital levels of Insurance Companies	1. Life Insurance	175,609,641	134,061,116
		2. General Insurance	150,817,855	127,027,158
	Compliance with Solvency Margin (RBC)	All life insurers (TAC & CAR) had complied with the minimum requirement. Except MBSL all other General Companies comply with minimum capital requirement	All Life Insurance companies and all General Insurance companies complied with minimum requirement.	
4	Total Assets of the insurance sector	1,089,456,497	925,379,331	
5	Distribution of total assets of insurance companies	1. Life Insurance ^{Note 7}	789,819,425	656,631,243
		Government Debt Securities	410,011,555	316,686,217
		Equities	41,648,739	38,811,728
		Investments in Subsidiaries	5,974,319	5,964,684
		Investments in Associates	4,718,644	4,336,419
		Corporate Debt	138,058,449	134,697,256
		Land & Buildings	7,207,373	6,087,160
		Deposits	88,224,608	66,510,624
		Unit Trusts	8,524,114	6,706,350
		Investments in Gold	217,165	204,788
		Reinsurance receivable	3,043,073	3,036,489
		Policy Loans	9,510,984	8,529,002
		Mortgage Loans	-	-
		Premium receivable from policyholders and intermediaries	4,546,911	3,394,845
		Intangible Assets	2,653,931	3,015,457
		Property Plant and Equipments	18,972,031	16,983,997
		Other loans	4,631,756	4,293,291
		Other Assets	25,636,516	26,887,908
		Cash and Cash Equivalents	16,239,257	10,485,028
				2. General Insurance
Government Debt Securities	104,994,863			89,558,685
Equities	15,109,217			10,692,343
Investments in Subsidiaries	22,965,255			21,741,979
Investments in Associates	305,660			275,178
Corporate Debt	15,401,488			17,971,278
Land & Buildings	4,820,878			4,462,699
Deposits	30,105,098			22,910,315
Unit Trusts	3,237,370			2,540,668
Investments in Gold	19,858			-
Reinsurance receivable	19,052,605			18,857,722
Policy Loans	-			-
Mortgage Loans	-			-
Premium receivable from policyholders and intermediaries	29,264,409			30,434,091
Intangible Assets	2,654,057			2,199,293
Property Plant and Equipment	20,327,086			20,131,339
Other Loans	1,589,929			771,479
Other Assets	19,331,993			18,130,732
Cash and cash equivalents	10,457,306			8,070,287
6	Gross Premiums for different classes of insurance			Total
		1. Life Insurance	109,931,361	98,307,715
		2. General Insurance	96,159,556	93,049,396
		a. Motor	49,108,519	49,683,300
		b. Fire	17,991,204	13,183,407
		c. Marine	3,372,082	3,155,620
		d. Health	15,313,094	15,019,251
e. Other categories	10,374,657	12,007,818		
No.	Description	Quarter 03 - 2023 Value (Rs.'000)	Quarter 02 - 2022 Value (Rs.'000)	
7	Reinsurance by Insurance Companies ^{Note 4}	1. Reinsurance premiums	27,605,428	24,619,238
		a. Life Insurance	5,287,844	4,825,315
		b. General Insurance	22,317,584	19,793,923
		A. Reinsurance total after excluding SRCC premium income ^{Note 6}	22,317,584	19,793,923
		B. Premium Income of SRCC included in the reinsurance premium	5,586,238	4,686,608
		C. Total Reinsurance including premium income of SRCC ^{Note 5}	27,903,822	24,480,531
		a. Motor	4,762,298	2,837,847

		b. Fire	13,583,562	10,418,414
		c. Marine	2,391,292	2,223,092
		d. Health	567,937	664,588
		e. Other categories	6,598,733	8,336,591
	Retention by Insurance Companies ^{Note 4}	2. Retention of Premium	178,485,489	166,737,873
		a. Life Insurance	104,643,517	93,482,400
		b. General Insurance	73,841,972	73,255,473
		a. Motor	44,346,221	46,843,896
		b. Fire	4,407,642	2,768,033
		c. Marine	980,790	935,338
		d. Health	14,745,157	14,354,657
		e. Other categories	3,769,323	3,776,932
		f. SRCC	5,592,839	4,576,619
8	Earned Premiums for different classes of insurance ^{Note 4}	Total	178,167,853	163,624,476
		1. Life Insurance	104,640,747	93,481,899
		2. General Insurance	73,527,106	70,142,577
		a. Motor	45,317,666	44,583,652
		b. Fire	3,612,176	2,046,270
		c. Marine	983,273	935,338
		d. Health	14,210,217	14,354,657
		e. Other categories	3,553,926	3,286,365
		f. SRCC	5,849,849	4,936,295
9	Claims of Insurance companies ^{Note 4}	1. Life Insurance	55,921,399	40,631,484
		2. General Insurance	46,734,203	46,294,951
		a. Motor	28,253,854	26,210,177
		b. Fire	2,201,678	1,436,052
		c. Marine	358,525	426,459
		d. Health	14,134,900	13,558,481
		e. Other categories	1,793,755	3,525,541
		f. SRCC	(8,510)	1,138,241
10	Investments of the Insurance sector with breakup	1. Life Insurance	718,727,706	592,827,519
		Government Debt Securities	410,011,555	316,686,217
		Equities	41,648,739	38,811,728
		Investments in Subsidiaries	5,974,319	5,964,684
		Investments in Associates	4,718,644	4,336,419
		Corporate Debt	138,058,449	134,697,256
		Land & Buildings	7,207,373	6,087,160
		Deposits	88,224,608	66,510,624
		Unit Trusts	8,524,114	6,706,350
		Investments in Gold	217,165	204,788
		Policy Loans	9,510,984	8,529,002
		Mortgage Loans	-	-
		Other Loans	4,631,756	4,293,291
	Investments of the Insurance sector with breakup	2. General Insurance	198,549,616	170,924,624
		Government Debt Securities	104,994,863	89,558,685
		Equities	15,109,217	10,692,343
		Investments in Subsidiaries	22,965,255	21,741,979
		Investments in Associates	305,660	275,178
		Corporate Debt	15,401,488	17,971,278
		Land & Buildings	4,820,878	4,462,699
		Deposits	30,105,098	22,910,315
		Unit Trusts	3,237,370	2,540,668
		Investments in Gold	19,858	-
		Policy Loans	-	-
		Mortgage Loans	-	-
		Other Loans	1,589,929	771,479
11	Investment Income of Insurance Companies	1. Life Insurance	72,825,750	43,737,287
		2. General Insurance	23,348,062	10,772,377
12	Description		Quarter 03 - 2023	Quarter 03 - 2022
	Aspects of Financial System	Indicator	General Insurance ^{Note 2}	Life Insurance
			General Insurance	Life Insurance
	Capital Adequacy	Capital Adequacy Ratio	259%	398%
		Capital to Total Assets	0.50	0.22
		Capital to Technical Reserves	1.90	N/A
		Technical Reserve Ratio (%)	124.39	N/A
	Earnings and Profitability	Profitability Ratio (%)	16.55	17.86
		Underwriting Ratio (%)	14.01	N/A
		Return on Assets (ROA) (%)	7.94	3.49
		Return on Equity (ROE) (%)	16.25	16.32
		Net Combined Operating Ratio (%)	110.38	97.62
		Investment Yield Ratio (%)	15.80	14.00
		Premium Stability Ratio (%)	4.10	11.82
	Liquidity	Liquidity Ratio	0.98	0.84
		Loss Ratio (%)	63.56	53.44
	Reinsurance and Actuarial Issues	Retention (Reinsurance) Ratio (%)	72.57	95.19
			72.40	95.09

	Costs	Management Expense Ratio (%)	46.82	44.18	39.43	40.22
13	Total Assets of the Insurance Brokering Companies Note 2			12,377,797		9,202,286
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 an increase (Rs 1.7 Bn) in the 3rd quarter 2023. Overall profits (PBT) of General Insurance business shows a decrease of Rs. 6.9Bn (33% decrease)				
		Assets of the Life Insurance business had recorded an increase of 20% due to increase in Government Securities (29%), Deposits (33%), Land & Building (18%), Unit trust (27%), Premium receivable from policyholders and intermediaries (34%) and Cash and cash Equi (55%). Assets of General Insurance business had decreased by 1%. Government securities (14%), Corporate debt (14%) and Premium receivable (12%) had indicated a decrease. However Equity, Deposits and Other loan components depicts an increase. Capital Levels had increased by 31% for the Life Insurance business and depicts a decrease of 1% for General Insurance business respectively.				
		Premium growth for Life Insurance business was 12%, while General Insurance business also recorded an increase of 1% & overall industry premium growth was 7%.				
		Claims of Life Insurance business had increased by 38% and claims of General Insurance business had decreased by 3%.				

Notes

- Note 1** The data above for Q3 2023 represents all General Insurance Companies and Life Insurance Companies. The comparative column for Q3 2022 also includes data for all General Insurance Companies and Life Insurance Companies.
- Note 2** Total assets of the Insurance Brokering Companies represents all Insurance Brokering Companies except one insurance Brokering companies due to an legal issue & pending resubmission.
- Note 3** 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
- 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.
- Note 6** 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.