

Industry Highlights - Q4 of 2023 Vs Q4 of 2022

No.	Description	Quarter 04 - 2023	Quarter 04 - 2022
		Value (Rs.'000)	Value (Rs.'000)
1	Profit of Insurance Companies (Before Tax)	1. Life Insurance 2. General Insurance	23,438,504 26,897,331
	Profit of Insurance Companies (After Tax)	1. Life Insurance 2. General Insurance	Not Available Not Available
2	Underwriting Profit of Insurance Companies underwriting profit of	1. Life Insurance 2. General Insurance	Not Applicable 16,268,251
	Capital levels of Insurance Companies	1. Life Insurance 2. General Insurance	139,000,737 132,357,210
3	Compliance with Solvency Margin (RBC)	All life insurers (TAC & CAR)	All Life Insurance companies and
4	Total Assets of the insurance sector	1,087,572,702	947,259,348
5	Distribution of total assets of insurance companies	1. Life Insurance Note 7	819,922,611
		Government Debt Securities	425,769,876
	Equities	39,536,430	37,211,523
	Investments in Subsidiaries	6,772,684	5,970,684
	Investments in Associates	8,536,171	4,422,558
	Corporate Debt	138,706,249	134,969,301
	Land & Buildings	7,444,287	6,226,262
	Deposits	91,737,662	69,621,557
	Unit Trusts	12,613,419	6,907,010
	Investments in Gold	235,155	211,500
	Reinsurance receivable	3,020,624	3,486,800
	Policy Loans	9,232,923	9,064,637
	Mortgage Loans	-	-
	Premium receivable from policyholders and intermediaries	6,127,227	4,871,026
	Intangible Assets	9,569,601	2,986,849
	Property Plant and Equipments	19,595,879	17,136,045
	Other loans	4,885,041	4,440,577
	Other Assets	28,143,631	29,059,094
	Cash and Cash Equivalents	7,995,752	7,728,102
	2. General Insurance	267,650,091	278,583,474
	Government Debt Securities	77,782,271	88,899,374
	Equities	11,616,028	9,994,554
	Investments in Subsidiaries	23,345,139	22,917,521
	Investments in Associates	305,660	266,445
	Corporate Debt	14,826,981	18,343,172
	Land & Buildings	4,731,839	4,561,898
	Deposits	32,758,168	24,186,922
	Unit Trusts	3,768,426	2,732,082
	Investments in Gold	21,503	11,250
	Reinsurance receivable	18,772,457	18,981,181
	Policy Loans	-	-
	Mortgage Loans	-	-
	Premium receivable from policyholders and intermediaries	28,149,758	33,377,887
	Intangible Assets	2,603,804	2,514,763
	Property Plant and Equipment	20,979,950	20,118,746
	Other Loans	735,450	1,271,513
	Other Assets	18,559,010	19,470,373
	Cash and cash equivalents	8,693,647	10,935,794
	Total	280,955,350	257,580,283
6	Gross Premiums for different classes of insurance	1. Life Insurance	135,367,337
		2. General Insurance	122,212,946
	a. Motor	65,893,039	65,436,224
	b. Fire	22,297,202	18,131,016
	c. Marine	4,549,250	4,287,794
	d. Health	20,266,184	18,386,162
	e. Other categories	15,156,620	15,971,750
No.	Description	Quarter 04 - 2023 Value (Rs.'000)	Quarter 04 - 2022 Value (Rs.'000)
7	Reinsurance by Insurance Companies ^{Note 4}	1. Reinsurance premiums	36,557,918
	a. Life Insurance	6,847,029	6,608,795
	b. General Insurance	29,710,889	24,119,854
	A. Reinsurance total after excluding SRCC premium income ^{Note 6}	29,710,889	24,119,854
	B. Premium Income of SRCC included in the reinsurance premium	8,583,947	8,063,134
	C. Total Reinsurance including premium income of SRCC ^{Note 5}	38,294,836	32,182,988
	a. Motor	7,179,213	3,000,780
	b. Fire	17,120,561	14,524,507
	c. Marine	3,214,911	3,010,687
	d. Health	822,413	693,911
	e. Other categories	9,957,738	10,953,104
	Retention by Insurance Companies ^{Note 4}	2. Retention of Premium	239,611,470
	a. Life Insurance	145,946,027	128,758,542
	b. General Insurance	98,458,114	98,093,092
	a. Motor	58,713,827	62,435,444
	b. Fire	5,176,641	3,606,510
	c. Marine	1,334,339	1,277,108
	d. Health	19,443,770	17,692,250
	e. Other categories	5,198,882	5,187,136
	f. SRCC	8,590,655	7,894,643
8	Earned Premiums for different classes of insurance ^{Note 4}	Total	245,074,425
		1. Life Insurance	128,758,542
	2. General Insurance	94,815,757	
	a. Motor	60,621,477	60,641,643
	b. Fire	4,644,763	3,196,360

		c. Marine	1,351,981	1,192,468
		d. Health	19,172,653	18,985,315
		e. Other categories	4,980,573	4,592,683
		f. SRCC	8,357,464	6,207,287
9	Claims of Insurance companies ^{Note 4}	1. Life Insurance	76,501,670	60,638,634
		2. General Insurance	61,415,568	61,623,570
		a. Motor	37,377,808	35,410,052
		b. Fire	3,168,613	2,095,035
		c. Marine	-37,023	395,308
		d. Health	17,977,661	18,182,062
		e. Other categories	2,862,415	4,077,264
		f. SRCC	66,094	1,463,848
10	Investments of the Insurance sector with breakup	1. Life Insurance	745,469,898	603,407,958
		Government Debt Securities	425,769,876	324,362,348
		Equities	39,536,430	37,211,523
		Investments in Subsidiaries	6,772,684	5,970,684
		Investments in Associates	8,536,171	4,422,558
		Corporate Debt	138,706,249	134,969,301
		Land & Buildings	7,444,287	6,226,262
		Deposits	91,737,662	69,621,557
		Unit Trusts	12,613,419	6,907,010
		Investments in Gold	235,155	211,500
		Policy Loans	9,232,923	9,064,637
		Mortgage Loans	-	-
		Other Loans	4,885,041	4,440,577
	Investments of the Insurance sector with breakup	2. General Insurance	169,891,465	173,184,731
		Government Debt Securities	77,782,271	88,899,374
		Equities	11,616,028	9,994,554
		Investments in Subsidiaries	23,345,139	22,917,521
		Investments in Associates	305,660	266,445
		Corporate Debt	14,826,981	18,343,172
		Land & Buildings	4,731,839	4,561,898
		Deposits	32,758,168	24,186,922
		Unit Trusts	3,768,426	2,732,082
		Investments in Gold	21,503	11,250
		Policy Loans	-	-
		Mortgage Loans	-	-
		Other Loans	735,450	1,271,513
11	Investment Income of Insurance Companies	1. Life Insurance	96,581,240	62,187,242
		2. General Insurance	28,969,332	16,369,573
	Description		Quarter 04 - 2023	Quarter 04 - 2022
12	Aspects of Financial System	Indicator	General Insurance Note 2	Life Insurance
	Capital Adequacy	Capital Adequacy Ratio	25.2%	35.8%
		Capital to Total Assets	0.49	0.22
		Capital to Technical Reserves	1.9	N/A
		Technical Reserve Ratio (%)	136.49	N/A
	Earnings and Profitability	Profitability Ratio (%)	15.17	20.04
		Underwriting Ratio (%)	13.48	N/A
		Return on Assets (ROA) (%)	7.34	4.11
		Return on Equity (ROE) (%)	15.24	19.08
		Net Combined Operating Ratio (%)	111.94	99
		Investment Yield Ratio (%)	16.28	14.32
		Premium Stability Ratio (%)	1.29	12.87
	Liquidity	Liquidity Ratio	0.87	0.82
		Loss Ratio (%)	63.43	52.42
	Reinsurance and Actuarial Issues	Retention (Reinsurance) Ratio (%)	70.99	95.52
	Costs	Management Expense Ratio (%)	48.21	46.58
13	Total Assets of the Insurance Brokering Companies ^{Note 2}		12,377,797	9,689,352
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 7.1 Bn) in the 4th quarter 2023. Overall profits (PBT) of General Insurance business shows a decrease of Rs. 6.9Bn (26% decrease)		
		Assets in the life insurance business recorded an increase of 21% due to increases in government securities (31%), deposits (30%), unit trusts (83%), investments in assets (93%), and intangible assets (217%). The assets of the general insurance business had decreased by 4%.		
		Premium growth for Life Insurance business was 12%, while General Insurance business also recorded a increase of 3% & overall industry premium growth was 8%.		
		Claims of Life Insurance business had increased by 25% and claims of General Insurance business had decreased by 2%.		

Notes

Note 1 The above data for Q4 2023 and the comparative column Q4 2022 include data for all General Insurance Companies and Life Insurance Companies.

Note 2 Total assets of the all Insurance Brokering Companies reported in Q3 2023 has been taken in to consideration due to unavailability of majority of Q4 2023 Broker returns as of 16th Feb 2024. Previously reported Q3 2023 figure has been changed due to delayed submission of Two brokers.Hence updated the Q3 figure in this quarter.

Note 3 As per previous submissions, IRCSL informed that particulars related to the National Insurance Trust Fund (NITF) have not been included. The reason for excluding NITF information when submitting previous insurance industry statistics was the inability to categorise some of the data on NITF according to the provided format. However, IRCSL has incorporated NITF statistics (except for reinsurance and crop) for quarter 1, 2 and 3 submission to provide more accurate information about 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.

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.