

Industry Highlights - Q3 of 2024 Vs Q3 of 2023

No.	Description	Quarter 03 - 2024 <small>Note 1</small>		Quarter 03 - 2023 <small>Note 1</small>	
		Value (Rs.'000)		Value (Rs.'000)	
1	Profit of Insurance Companies (Before Tax)	1. Life Insurance	18,390,307		19,629,559
		2. General Insurance	15,043,943		16,835,551
	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	1. Life Insurance	Not Applicable		Not Applicable
		2. General Insurance	15,327,769		10,299,315
3	Capital levels of Insurance Companies	1. Life Insurance	162,727,644		175,609,641
		2. General Insurance	117,028,042		150,817,855
	Compliance with Solvency Margin (RBC)		All Insurance Companies (Life and General) had complied with the minimum capital requirement of the RBC.		All Life Insurance Companies had complied with the minimum requirement, except MBSL and all General Insurance Companies comply with minimum capital requirement
4	Total Assets of the insurance sector		1,152,053,215		1,089,456,498
5	Distribution of total assets of insurance companies	1. Life Insurance	872,979,207		789,819,426
		Government Debt Securities	483,898,640		410,011,555
		Equities	33,663,135		41,648,739
		Investments in Subsidiaries	2,976,141		5,974,319
		Investments in Associates	8,720,083		4,718,644
		Corporate Debt	159,917,990		138,058,449
		Land & Buildings	7,479,349		7,207,373
		Deposits	77,272,553		88,224,608
		Unit Trusts	11,347,064		8,524,114
		Investments in Gold	271,135		217,165
		Reinsurance receivable	3,305,188		3,043,073
		Policy Loans	9,641,446		9,510,984
		Mortgage Loans	-		-
		Premium receivable from policyholders and intermediaries	5,023,618		4,546,911
		Intangible Assets	9,201,834		2,653,931
		Property Plant and Equipments	21,613,325		18,972,031
		Other loans	3,174,720		4,631,756
		Other Assets	25,770,118		25,636,516
		Cash and Cash Equivalents	9,702,870		16,239,257
		2. General Insurance	279,074,008		299,637,072
		Government Debt Securities	108,497,330		104,994,863
		Equities	8,838,864		15,109,217
		Investments in Subsidiaries	4,648,058		22,965,255
		Investments in Associates	115,906		305,660
		Corporate Debt	20,641,470		15,401,488
		Land & Buildings	2,698,249		4,820,878
		Deposits	27,171,872		30,105,098
		Unit Trusts	3,788,814		3,237,370
		Investments in Gold	24,793		19,858
		Reinsurance receivable	23,388,537		19,052,605
		Policy Loans	-		-
		Mortgage Loans	-		-
		Premium receivable from policyholders and intermediaries	33,485,420		29,264,409
		Intangible Assets	2,548,461		2,654,057
		Property Plant and Equipment	8,769,463		20,327,086
		Other Loans	2,103,162		1,589,929
		Other Assets	26,027,684		19,331,993
		Cash and cash equivalents	6,325,925		10,457,306
6	Gross Premiums for different classes of insurance	Total	237,382,134		203,696,069
		1. Life Insurance	131,184,151		109,931,361
		2. General Insurance	106,197,983		93,764,708
		a. Motor	46,555,851		46,647,371
		b. Fire	14,156,119		13,162,448
		c. Marine	3,574,054		3,339,632
		d. Health	17,269,369		15,311,565
		e. Other categories	9,851,360		9,717,455
		f. SRCC <small>Note 3</small>	14,791,230		5,586,238
No.	Description	Quarter 03 - 2024		Quarter 03 - 2023	
		Value (Rs.'000)		Value (Rs.'000)	
7	Reinsurance by Insurance Companies <small>Note 4</small>	1. Reinsurance premiums	26,115,790		25,210,580
		a. Life Insurance	5,699,606		5,287,844
		b. General Insurance	20,416,184		19,922,736
		a. Motor	2,372,454		2,301,149
		b. Fire	9,353,494		8,754,805
		c. Marine	2,456,474		2,358,842
		d. Health	675,988		566,408
		e. Other categories	5,557,774		5,948,132
		e. SRCC <small>Note 3</small>	-		(6,601)
	Retention by Insurance Companies	2. Retention of Premium	211,266,344		178,485,489
		a. Life Insurance	125,484,545		104,643,517
		b. General Insurance	85,781,798		73,841,972
		a. Motor	44,183,398		44,346,222
		b. Fire	4,802,625		4,407,643
		c. Marine	1,117,580		980,790
		d. Health	16,593,381		14,745,158
		e. Other categories	4,293,586		3,769,323
		f. SRCC <small>Note 3</small>	14,791,230		5,592,839

8	Earned Premiums for different classes of insurance	Total	205,413,824	178,167,854			
		1. Life Insurance	125,479,816	104,640,747			
		2. General Insurance	79,934,008	73,527,107			
		a. Motor	45,499,695	45,317,667			
		b. Fire	4,377,286	3,612,177			
		c. Marine	1,117,639	983,273			
		d. Health	15,447,481	14,210,218			
		e. Other categories	4,107,552	3,553,926			
9	Claims of Insurance companies	f. SRCC Note 3	9,384,355	5,849,849			
		1. Life Insurance	62,185,174	55,921,399			
		2. General Insurance	46,783,483	46,734,203			
		a. Motor	27,437,273	28,253,854			
		b. Fire	3,117,087	2,201,678			
		c. Marine	411,027	358,525			
		d. Health	13,844,765	14,134,900			
		e. Other categories	1,880,848	1,793,755			
10	Investments of the Insurance sector with breakup	f. SRCC Note 3	92,484	(8,510)			
		1. Life Insurance	798,362,255	718,727,705			
		Government Debt Securities	483,898,640	410,011,555			
		Equities	33,663,135	41,648,739			
		Investments in Subsidiaries	2,976,141	5,974,319			
		Investments in Associates	8,720,083	4,718,644			
		Corporate Debt	159,917,990	138,058,449			
		Land & Buildings	7,479,349	7,207,373			
		Deposits	77,272,553	88,224,608			
		Unit Trusts	11,347,064	8,524,114			
	Investments in Gold	271,135	217,165				
	Policy Loans	9,641,446	9,510,984				
	Mortgage Loans	-	-				
	Other Loans	3,174,720	4,631,756				
	Investments of the Insurance sector with breakup	2. General Insurance	178,528,517	198,549,616			
		Government Debt Securities	108,497,330	104,994,863			
		Equities	8,838,864	15,109,217			
		Investments in Subsidiaries	4,648,058	22,965,255			
		Investments in Associates	115,906	305,660			
		Corporate Debt	20,641,470	15,401,488			
Land & Buildings		2,698,249	4,820,878				
Deposits		27,171,872	30,105,098				
Unit Trusts		3,788,814	3,237,370				
Investments in Gold		24,793	19,858				
Policy Loans	-	-					
Mortgage Loans	-	-					
Other Loans	2,103,162	1,589,929					
11	Investment Income of Insurance Companies	1. Life Insurance	73,548,121	72,825,750			
		2. General Insurance	15,810,004	23,348,062			
12	Description	Indicator	Quarter 03 - 2024		Quarter 03 - 2023		
	Aspects of Financial System	Capital Adequacy	Capital Adequacy Ratio	231%	335%	259%	398%
			Capital to Total Assets	0.42	0.19	0.50	0.22
			Capital to Technical Reserves	1.33	N/A	1.90	N/A
			Technical Reserve Ratio (%)	125.22	N/A	124.39	N/A
	Earnings and Profitability	Profitability Ratio (%)	14.17	14.02	17.96	17.86	
		Underwriting Ratio (%)	19.18	N/A	14.01	N/A	
		Return on Assets (ROA) (%)	7.52	3.53	7.94	3.49	
		Return on Equity (ROE) (%)	16.25	17.37	16.25	16.32	
		Net Combined Operating Ratio (%)	104.53	90.70	110.38	97.62	
		Investment Yield Ratio (%)	11.37	9.70	15.67	14.00	
		Premium Stability Ratio (%)	13.26	19.33	(4.06)	11.82	
Liquidity	Liquidity Ratio	0.88	0.80	0.98	0.84		
	Loss Ratio (%)	58.53	49.56	63.56	53.44		
Reinsurance and Actuarial Issues	Retention (Reinsurance) Ratio (%)	80.78	95.66	78.75	95.19		
Costs	Management Expense Ratio (%)	46.01	41.14	46.82	44.18		
13	Total Assets of the Insurance Brokering Companies ^{Note 2}		14,468,348		12,377,797		
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	The Profits Before Tax (PBT) of the both Life Insurance business and General Insurance business show a decrease of Rs. 1,239 Mn and Rs. 1,791 Mn, respectively, in the 3rd quarter 2024.					
		Assets of the Life Insurance business had recorded an increase of 11% due to increase in Government Securities (18%), Investments in Associates (85%), Unit Trust (33%), and Intangible assets (247%).					
		Assets of General Insurance business had Decreased by 7%. Equities (-42%), Investments in Subsidiaries (-80%), Investment in Associates (-62%), Land and Building (-44%), PPE (-57%) and Cash & Cash Equ (-40%) had indicated an Decreased.					
		Capital Levels had decreased by 7% for the Life Insurance business & by 22% for the General Insurance business.					
		Premium growth for Life Insurance business was 19%, while General Insurance business also recorded an increase of 13% & overall industry premium growth was 17%.					
		Claims of Life Insurance business had increased by 11%.					

Notes

- Note 1** The above data for Q3 2024 and the comparative column Q3 2023 include data for all General Insurance Companies and Life Insurance Companies. The Q1 2024 figures have been revised for two Life Insurance Companies and one General Insurance Company.
- Note 2** Total assets of the all Insurance Brokering Companies reported in Q2, 2024 has been taken in to consideration due to unavailability of majority of Q3, 2024 Broker returns as of 16th November 2024
- Note 3** Referring to Cabinet Approval Memorandum Number MF/PE/007/CM/2024/098, starting from 1st January 2024, all general insurance companies are now required to cede the full SRCC premium (100%) collected under the motor category to NITF. As a result, the format has been revised to add extra rows for presenting the SRCC scheme (segments 6 & 7) of NITF, thereby enhancing data representation.
- Note 4** It has been decided to remove Columns A, B, and C from Item 7 due to availability of wise SRCC premium (from the previous submission)