

Industry Highlights - Q4 of 2024 Vs Q4 of 2023

No.	Description	Quarter 04 - 2024 ^{Note 1} Value (Rs. '000)	Quarter 04 - 2023 ^{Note 1} Value (Rs. '000)		
1	Profit of Insurance Companies (Before Tax)	1. Life Insurance	32,520,903	30,617,186	
		2. General Insurance	22,983,460	23,553,028	
		3. Reinsurance ^{Note 5}	1,537,656	-1,374,735	
	Profit of Insurance Companies (After Tax)	1. Life Insurance	Not Available	Not Available	
		2. General Insurance	Not Available	Not Available	
		3. Reinsurance ^{Note 5}	Not Available	Not Available	
2	Underwriting Profit of Insurance Companies	1. Life Insurance	Not Applicable	Not Applicable	
		2. General Insurance	23,457,909	15,457,265	
		3. Reinsurance ^{Note 5}	1,172,747	-1,899,049	
3	Capital levels of Insurance Companies	1. Life Insurance	173,712,743	182,099,561	
		2. General Insurance	125,238,080	154,801,172	
		3. Reinsurance ^{Note 5}	1,216,865	773,750	
	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 all other General Insurance Companies comply with minimum capital requirement.		
4	Total Assets of the insurance sector	1,223,031,902	1,133,074,725		
5	Distribution of total assets of insurance companies	1. Life Insurance	924,408,663	819,922,611	
		Government Debt Securities	495,085,103	425,769,876	
		Equities	45,908,291	39,536,430	
		Investments in Subsidiaries	2,968,141	6,772,684	
		Investments in Associates	9,719,373	8,536,171	
		Corporate Debt	159,826,820	138,706,249	
		Land & Buildings	7,534,226	7,444,287	
		Deposits	89,842,098	91,737,662	
		Unit Trusts	13,214,224	12,613,419	
		Investments in Gold	275,462	235,155	
		Reinsurance receivable	3,628,469	3,020,624	
		Policy Loans	9,785,341	9,232,923	
		Mortgage Loans	-	-	
		Premium receivable from policyholders and intermediaries	6,818,726	6,127,227	
		Intangible Assets	8,892,934	9,569,601	
		Property Plant and Equipments	22,067,475	19,595,879	
		Other loans	3,246,396	4,885,041	
		Other Assets	26,506,820	28,143,631	
		Cash and Cash Equivalents	19,088,764	7,995,752	
			2. General Insurance	286,880,177	302,913,673
			Government Debt Securities	113,756,543	107,668,028
			Equities	11,957,007	11,616,028
			Investments in Subsidiaries	4,578,345	23,345,139
			Investments in Associates	114,239	305,660
			Corporate Debt	19,792,770	14,826,981
			Land & Buildings	2,708,149	4,731,839
			Deposits	26,046,099	32,758,168
			Unit Trusts	4,098,305	3,768,426
			Investments in Gold	24,558	21,503
			Reinsurance receivable	23,037,410	19,750,848
			Policy Loans	-	-
			Mortgage Loans	-	-
			Premium receivable from policyholders and intermediaries	34,185,949	30,529,654
			Intangible Assets	2,579,145	2,609,617
			Property Plant and Equipment	8,990,353	20,979,950
			Other Loans	1,510,206	735,450
	Other Assets	25,042,049	20,468,352		
	Cash and cash equivalents	8,459,050	8,798,031		
	3. Reinsurance ^{Note 5}	11,743,063	10,238,440		
	Government Debt Securities	7,692,563	5,239,797		
	Equities				
	Investments in Subsidiaries				
	Investments in Associates				
	Corporate Debt				
	Land & Buildings				
	Deposits				
	Unit Trusts				
	Investments in Gold				
	Reinsurance receivable	583,649	1,417,549		
	Policy Loans				
	Mortgage Loans				
	Premium receivable from policyholders and intermediaries	2,002,077	2,390,479		
	Intangible Assets				
	Property Plant and Equipment				
	Other Loans		4		
	Other Assets	213,391	155,717		
	Cash and cash equivalents	1,251,383	1,034,894		
6	Gross Premiums for different classes of insurance	Total	323,543,240	277,815,168	
		1. Life Insurance	183,953,467	152,793,055	
		2. General Insurance	139,589,773	125,022,113	
		a. Motor	62,041,349	61,311,070	
		b. Fire	17,233,976	16,052,371	
		c. Marine	4,652,847	4,506,003	
		d. Health	22,981,666	20,264,654	
		e. Other categories	13,307,417	14,304,068	
		f. SRCC ^{Note 3}	19,372,518	8,583,947	
		3. Reinsurance ^{Note 5}	3,970,769	2,628,241	

No.	Description	Quarter 04 - 2024	Quarter 04 - 2023			
		Value (Rs.'000)	Value (Rs.'000)			
7	Reinsurance by Insurance Companies ^{Note 4}	1. Reinsurance premiums	32,854,942	33,411,027		
		1. Life Insurance	7,547,307	6,847,029		
		2. General Insurance	25,307,635	26,563,998		
		a. Motor	2,367,557	2,597,242		
		b. Fire	11,356,646	10,875,730		
		c. Marine	3,120,429	3,171,663		
		d. Health	755,183	820,885		
		e. Other categories	7,707,820	9,105,185		
		f. SRCC ^{Note 3}	-	-6,708		
		3. Reinsurance ^{Note 5}	-	-		
			Retention by Insurance Companies	2. Retention of Premium	290,688,298	244,404,141
				1. Life Insurance	176,406,160	145,946,027
				2. General Insurance	114,282,138	98,458,115
				a. Motor	59,673,791	58,713,828
b. Fire	5,877,330			5,176,641		
c. Marine	1,532,418			1,334,340		
d. Health	22,226,483			19,443,769		
e. Other categories	5,599,597			5,198,883		
f. SRCC ^{Note 3}	19,372,518			8,590,654		
3. Reinsurance ^{Note 5}	3,970,769			2,628,241		
8	Earned Premiums for different classes of insurance			Total	287,217,401	245,074,426
				1. Life Insurance	176,401,431	145,945,514
				2. General Insurance	110,815,970	99,128,912
				a. Motor	61,866,239	60,621,477
		b. Fire	6,086,747	4,644,763		
		c. Marine	1,505,982	1,351,981		
		d. Health	21,153,331	19,172,652		
		e. Other categories	5,490,886	4,980,574		
		f. SRCC ^{Note 3}	14,712,785	8,357,464		
		3. Reinsurance ^{Note 5}	3,831,750	2,253,397		
		9	Claims of Insurance companies	1. Life Insurance	83,719,953	76,501,670
				2. General Insurance	62,744,944	61,415,568
				a. Motor	36,758,040	37,377,808
				b. Fire	4,565,853	3,168,613
c. Marine	528,468			-37,023		
d. Health	18,213,504			17,977,661		
e. Other categories	2,228,167			2,862,415		
f. SRCC ^{Note 3}	450,912			66,094		
3. Reinsurance ^{Note 5}	2,099,493			3,642,190		
10	Investments of the Insurance sector with breakup			1. Life Insurance	837,405,475	745,469,898
				Government Debt Securities	495,085,103	425,769,876
				Equities	45,908,291	39,536,430
				Investments in Subsidiaries	2,968,141	6,772,684
				Investments in Associates	9,719,373	8,536,171
		Corporate Debt	159,826,820	138,706,249		
		Land & Buildings	7,534,226	7,444,287		
		Deposits	89,842,098	91,737,662		
		Unit Trusts	13,214,224	12,613,419		
		Investments in Gold	275,462	235,155		
		Policy Loans	9,785,341	9,232,923		
		Mortgage Loans	-	-		
		Other Loans	3,246,396	4,885,041		
		2. General Insurance	184,586,221	199,777,221		
		Government Debt Securities	113,756,543	107,668,028		
		Equities	11,957,007	11,616,028		
		Investments in Subsidiaries	4,578,345	23,345,139		
		Investments in Associates	114,239	305,660		
		Corporate Debt	19,792,770	14,826,981		
		Land & Buildings	2,708,149	4,731,839		
		Deposits	26,046,099	32,758,168		
		Unit Trusts	4,098,305	3,768,426		
		Investments in Gold	24,558	21,503		
		Policy Loans	-	-		
		Mortgage Loans	-	-		
		Other Loans	1,510,206	735,450		
		3. Reinsurance ^{Note 5}	7,692,563	5,239,801		
		Government Debt Securities	7,692,563	5,239,797		
		Equities	-	-		
		Investments in Subsidiaries	-	-		
		Investments in Associates	-	-		
		Corporate Debt	-	-		
		Land & Buildings	-	-		
		Deposits	-	-		
		Unit Trusts	-	-		
		Investments in Gold	-	-		
		Policy Loans	-	-		
		Mortgage Loans	-	-		
		Other Loans	-	4		
		11	Investment Income of Insurance Companies	1. Life Insurance	101,134,001	96,581,240
				2. General Insurance	20,690,954	28,969,332
				3. Reinsurance ^{Note 5}	654,986	891,152

12	Description	Indicator	Quarter 04 - 2024 ^{Note 1}			Quarter 04 - 2023 ^{Note 1}		
			Life Insurance	General Insurance	Reinsurance ^{Note 5}	Life Insurance	General Insurance	Reinsurance ^{Note 5}
Aspects of Financial System	Capital Adequacy	Capital Adequacy Ratio	338%	322%	36%	358%	252%	25%
		Capital to Total Assets	0.19	0.44	0.10	0.22	0.51	0.08
		Capital to Technical Reserves	N/A	1.44	0.13	N/A	1.94	0.10
		Technical Reserve Ratio (%)	N/A	131.55	43.5	N/A	123.60	32.68
	Earnings and Profitability	Profitability Ratio (%)	17.68	16.47	38.72	20.04	18.84	-52.31
		Underwriting Ratio (%)	N/A	21.17	30.61	N/A	15.59	-84.27
		Return on Assets (ROA) (%)	3.73	7.79	13.99	4.11	8.10	-15.05
		Return on Equity (ROE) (%)	18.28	16.41	154.49	19.08	16.40	-120.96
		Net Combined Operating Ratio (%)	88.94	102.88	78.07	99.00	108.15	163.72
		Investment Yield Ratio (%)	12.78	10.77	1.88	14.32	12.52	9.75
	Liquidity	Premium Stability Ratio (%)	20.39	11.65	51.08	12.87	-4.03	-8.06
		Liquidity Ratio	0.80	0.92	0.85	0.82	1.02	0.66
	Reinsurance and Actuarial Issues	Loss Ratio (%)	47.46	56.62	54.79	52.42	61.88	161.63
		Retention (Reinsurance) Ratio (%)	95.90	81.87	100.00	95.52	78.75	100.00
Costs	Management Expense Ratio (%)	41.48	46.25	23.27	46.58	46.27	2.09	
13	Total Assets of the Insurance Brokering Companies ^{Note 2}			16,723,134			13,219,930	
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	<p>The Profits Before Tax of both Life Insurance business and the Reinsurance business show an increase of Rs. 1,903 Mn and Rs. 2,912 Mn, respectively, while the General Insurance business shows a decrease of Rs. 0.569 Mn in the 4th quarter of 2024.</p> <p>Assets of the Life Insurance business had recorded an increase of 13% due to increase in Government Debt Securities (16%), Equities (16%), Reinsurance Receivable (20%), and Cash and Cash Equivalents (139%).</p> <p>Assets of General Insurance business had decreased by 5%. Investments in Subsidiaries (-80%), Investment in Associates (-63%), Land and Building (-43%), and PPE (-57%) had indicated a decrease.</p> <p>Assets of Reinsurance business had recorded an increase of 15% due to increase in Government Debt Securities (47%) and Cash and Cash Equivalents (21%).</p> <p>Capital Levels of both Life Insurance business and the General Insurance business show a decrease by 5% and 19%, respectively, while the Reinsurance business shows an increase by 57%.</p> <p>Premium growth for Life Insurance business was 20%, while General Insurance business also recorded an increase of 11% & overall industry premium growth was 16%.</p> <p>Premium growth for Reinsurance business was recorded at 51%.</p> <p>Claims of the Life Insurance business and the General Insurance business increased by 9% and 2%, respectively.</p>						

Notes

Note 1 The above data for Q4 2024 and the comparative column Q4 2023 include data for all General Insurance Companies and Life Insurance Companies.

Note 2 Total assets of the all Insurance Brokering Companies reported in Q4 2024 have been taken into consideration due to availability Broker returns as of 5th March 2025.

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)

Note 5 Denotes the category of compulsory cession of Reinsurance Premiums ceded to NITF from the General Insurance Business.

Note 6 Crop Insurance under NITF reported an amount of Rs. 3,230 Mn and Rs. 2,441.4 Mn for Q4 2024 and Q4 2023, respectively.