



LIFE INSURANCE CORPORATION OF INDIA

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INITIAL PUBLIC OFFER OF UP TO 221,374,920 EQUITY SHARES OF FACE VALUE OF ₹ 10 EACH ("EQUITY SHARES") OF LIFE INSURANCE CORPORATION OF INDIA ("THE CORPORATION" OR THE "ISSUER") THROUGH AN OFFER FOR SALE OF UP TO 221,374,920 EQUITY SHARES BY THE PRESIDENT OF INDIA, ACTING THROUGH THE MINISTRY OF FINANCE, GOVERNMENT OF INDIA ("SELLING SHAREHOLDER") FOR CASH AT A PRICE OF ₹ [●] PER EQUITY SHARE ("OFFER PRICE"), AGGREGATING UP TO ₹ [●] MILLION (THE "OFFER").

THE OFFER INCLUDES A RESERVATION OF UP TO 1,581,249 EQUITY SHARES AGGREGATING UP TO ₹ [●] MILLION (CONSTITUTING UP TO 0.025% OF THE POST-OFFER PAID-UP EQUITY SHARE CAPITAL), FOR SUBSCRIPTION BY ELIGIBLE EMPLOYEE(S) (THE "EMPLOYEE RESERVATION PORTION") AND A RESERVATION OF UP TO 22,137,492 EQUITY SHARES AGGREGATING UP TO ₹ [●] MILLION (CONSTITUTING UP TO 0.35% OF THE POST-OFFER PAID-UP EQUITY SHARE CAPITAL) FOR SUBSCRIPTION BY ELIGIBLE POLICYHOLDER(S) ("POLICYHOLDER RESERVATION PORTION"). THE CORPORATION AND THE SELLING SHAREHOLDER, IN CONSULTATION WITH THE BOOK RUNNING LEAD MANAGERS ("BRLMS"), SHALL OFFER (I) A DISCOUNT OF UP TO [●]% OF THE OFFER PRICE (EQUIVALENT OF ₹ 45 PER EQUITY SHARE) TO THE RETAIL INDIVIDUAL BIDDERS BIDDING IN THE RETAIL PORTION ("RETAIL DISCOUNT"), (II) A DISCOUNT OF UP TO [●]% OF THE OFFER PRICE (EQUIVALENT OF ₹ 45 PER EQUITY SHARE) TO ELIGIBLE EMPLOYEE(S) BIDDING IN THE EMPLOYEE RESERVATION PORTION ("EMPLOYEE DISCOUNT"), AND (III) A DISCOUNT OF UP TO [●]% OF THE OFFER PRICE (EQUIVALENT OF ₹ 60 PER EQUITY SHARE) TO THE ELIGIBLE POLICYHOLDER(S) BIDDING IN THE POLICYHOLDER RESERVATION PORTION ("POLICYHOLDER DISCOUNT"). THE OFFER LESS THE EMPLOYEE RESERVATION PORTION AND POLICYHOLDER RESERVATION PORTION IS HEREINAFTER REFERRED TO AS "NET OFFER". THE OFFER AND NET OFFER SHALL CONSTITUTE 3.5% AND 3.13%, RESPECTIVELY, OF THE POST-OFFER PAID-UP EQUITY SHARE CAPITAL OF THE CORPORATION.

**PRICE BAND: ₹ 902 TO ₹ 949 PER EQUITY SHARE OF FACE VALUE OF ₹ 10 EACH
A DISCOUNT OF ₹ 45 PER EQUITY SHARE IS BEING OFFERED TO RETAIL INDIVIDUAL BIDDERS BIDDING
IN THE RETAIL PORTION AND ELIGIBLE EMPLOYEES BIDDING IN THE EMPLOYEE RESERVATION PORTION.
A DISCOUNT OF ₹ 60 PER EQUITY SHARE IS BEING OFFERED TO ELIGIBLE POLICYHOLDERS
BIDDING IN THE POLICYHOLDER RESERVATION PORTION.
THE FLOOR PRICE IS 90.2 TIMES THE FACE VALUE OF THE EQUITY SHARES AND
THE CAP PRICE IS 94.9 TIMES THE FACE VALUE OF THE EQUITY SHARES
BIDS CAN BE MADE FOR A MINIMUM OF 15 EQUITY SHARES
AND IN MULTIPLES OF 15 EQUITY SHARES THEREAFTER**

- For Fiscal 2019, Fiscal 2020, Fiscal 2021 and the nine months ended December 31, 2021, the Corporation had a market share of 66.4%, 66.2%, 64.1% and 61.6%, respectively, in terms of total premium in the Indian life insurance sector.
- The entire Net Proceeds will be paid to the President of India and the Corporation will not receive any proceeds of the Offer.
- Our individual agents procure most of our individual new business premiums. If we are unable to retain and recruit individual agents on a timely basis and at reasonable cost, there could be a material adverse effect on our results of operations.
- The Corporation is not a company incorporated under the Companies Act, 2013 and is established and governed as per the provisions of the Life Insurance Corporation Act, 1956 and the rules and regulations framed thereunder. Accordingly, the Corporation is not subject to the provisions of the Companies Act, 2013.
- The Market capitalization / Embedded Value ratio based on Embedded Value as at September 30, 2021 for the Corporation at the upper end of the Price Band is 1.11, compared to the average industry peer group Market capitalization / Embedded Value of 3.41 (simple average basis). Potential investors may note that the Embedded Value of the Corporation could be sensitive to the equity markets given the size of the equity investment portfolio of the Corporation.
- Average Cost of acquisition of Equity Shares for the Selling Shareholder is ₹ 0.16 each and Offer Price at upper end of the Price Band is ₹ 949.
- Details of Acquisition of all Equity Shares transacted in last three years and one year:

Period	Weighted Average Cost of Acquisition (in ₹)	Upper end of the Price Band (₹ 949) is 'X' times the Weighted Average Cost of Acquisition	Range of Acquisition Price: Lowest Price-Highest Price (in ₹)
Last 1 year	0.16	5,931	Nil*-10.00**
Last 3 years	0.16	5,931	Nil*-10.00**

****The paid-up equity capital of the Corporation was ₹1,000 million (provided held by the GoI) prior to amendment to the Life Insurance Corporation Act by the Finance Act, 2021 (“Amendment”). Pursuant to the Amendment, the Corporation was required, with the previous approval of the GoI, to issue Equity Shares to the GoI in consideration for the paid-up equity capital provided by the GoI as it stood before the coming into force of Section 131 of the Finance Act, 2021.**

- **Weighted Average Return on Net Worth for Fiscals 2021, 2020 and 2019 is 182.25%.**
- **The Ten Book Running Lead Managers associated with the Offer have handled 70 public issues in the past 3 years out of which 23 issues closed below the issue price on listing date.**

BID/OFFER OPENS ON WEDNESDAY, MAY 04, 2022*
BID/OFFER CLOSES ON MONDAY, MAY 09, 2022**

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