

LIC IPO



भारतीय जीवन बीमा निगम
LIFE INSURANCE CORPORATION OF INDIA

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Key Facts about LIC IPO



IPO Size:

Approx. 80K Cr.
to 1 Lakh Cr.



Special Quota

For Existing LIC Policy Holders
Ensure LIC holder's policy is linked with PAN to qualify



Coming Soon

Expected Date:
March 2022

Issue Size: (as per DRHP) Offer for Sale of 316,249,885 Equity Shares aggregating up to ₹ [●] million

LIC is India's only government-owned insurance provider company. It is the largest company in the Indian insurance space with a market share of above 64.1% in terms of premiums and 66.2% market share in terms of New Business Premium. The company offers participating insurance products and non-participating products i.e. unit linked insurance products, saving insurance products, term insurance products, health insurance, and annuity & pension products.

Competitive strengths

- Leading insurance provider company in India and fifth largest global insurer by GWP.
- A range of life insurance products to meet varied insurance needs of individuals.
- Strong omni-channel distribution network; 1.34 million agents, 3463 active Micro insurance agents, 174 alternate channel, etc.
- Largest asset manager in India with established financial performance track record.
- Highly experienced and qualified management team.

Company Promoters:

The President of India, acting through the Ministry of Finance, Government of India is the company promoter.

Summary of financial Information (Restated Consolidated)

Particulars	For the year/period ended (₹ in Millions)			
	30-Sep-21	31-Mar-21	31-Mar-20	31-Mar-19
Total Assets	40,434,596.70	37,464,044.68	34,141,745.74	33,663,346.17
Total Revenue	15,197.24	29,855.71	27,309.56	26,449.96
Profit After Tax	15,040.13	29,741.39	27,104.78	26,273.78

Key Company Highlight Life Insurance Corporation Of India

- 100% stake owned by Government of India with assets worth ₹44 Trillion (FY21)
- 290 million live policy holders | Life funds of worth ₹34.3 Trillion
- 2048 Branch offices, 8 Zonal offices, 113 divisional offices, 11.48 lakh agents
- 1st year collected premiums up by 25.17% at ₹1.78 trillion
- Y-O-Y: ₹1.42 trillion
- Surplus generated in 19-20: ₹57,780 crore; Dividend paid to Government: ₹2,889 crore
- NPA ratio: 7.78% (all investments)
- Solvency ratio: 183.87% (required solvency ratio = 150%)
- Claim Settlement Ratio (20-21): 98.27%

Why should you apply for this IPO

- Highest Market Share in the country:
- Market share commanded (FY 21): 66.18% (1st year premium) | 74.58% (NoP)
- Higher Issue Size: Probability of higher allotment chances
- Long Term Investment: Life Insurance Industry is growing at 22.5% annually. Higher return on Investment
- Special Reservation up to 10% of the issue size for policyholders:
- Policyholders of LIC can apply for the IPO under special quota for preferential allotment.
- Expected to offer discount on issue price to policy holders

For policyholders: How to Link PAN with existing policy

In order to avail benefits under policyholder category, follow the steps below to update PAN details in their policy.

Step 1

Click here to go to the 'Online PAN Registration' page

Step 2

- Enter details asked
- Keep your PAN & Policy available for ready access while filling these details

Step 3

Click GET OTP

Step 4

Once received, enter the OTP and click submit

Process of Linking Pan with policy

Unsure whether pan is linked with the policy, following is the process to check Pan-LIC link status

Step 1

Click here to go to the Status page

Step 2

- Enter details
- Policy number,
- Date of birth,

Step 3

Click Submit to find your PAN-LIC link status

New Demat Accounts:

- LIC = 290 million policyholders + 11.48 Lakh Agents | CDSL = +5 crore Demat account holders
- If we assume 100% of these Demat holders are LIC policyholders, we still have about 24 crore policyholders without any
- Demat account. Hence opportunity for new customer acquisition is very high.
- Also, Government is expecting min. 1 Crore Demat accounts to open post launch of LIC IPO

Cross sell Opportunity:

- For other third-party products and creation of additional income
- Furthermore, approx. 23% of the policies are on the verge of maturity
- Hence there is further scope to cross sell other products and increase wallet share

Collaboration with LIC Agents:

Opportunity to collaborate with local LIC agents for getting new Demat accounts

Inactive customer activation:

- LIC IPO will also offer an opportunity to activate customers who have not traded in a while
- IPO is a good tool to reactivate such customers

Login to our application - Edelweiss Partners

Step 1

Click on Open Demat Lead under IPO Section
Fill in your details (Name, City, Mobile Number) Verify & Enter the OTP

Step 2

Enter Details as required (PAN and DOB)
If you are KYC verified, your information will be auto-fetched.

Step 3

Profile Page

Step 4

Nomination
You can add up to 3 nominees by filling out the form attached

Step 5

Fill in your Bank details

Step 6

Select the brokerage plan and segments

Login to our application - Edelweiss Partners

Step 7

Selfie -Click a live photo without mask & other documents

Step 8

Video IPV (Only for Non-KYC customers)

Step 9

Enter the Additional Profile Information And Submit

Step 10

ESign

If your mobile/email id is linked with adhaar, Esign can help you activate your account instantly.

Else, Download the physical form and send it out local or Mumbai office.

Client Upload

- Login to the Dashboard & click on public issue
- Under public issue, click on Client Upload
- To upload data for a single client, click on Add client and enter the necessary details
- For adding multiple client data, click on IPO Client upload, download the template, add client data to it and upload the template back to the portal through IPO client upload section
- If the data is invalid, system will provide an error message. You can also export Invalid data records to rectify them.
- Once records are validated, save the same by selecting “Save valid records and they will appear in “IPO Client List”
- Client data upload will be a onetime activity for investing in IPOs for clients

Apply IPO Online via Web

- Click 'Online IPO' to view the IPO Client list & initiate bid
- Select all clients or a particular family / client name to invest on their behalf
- Select Issue Name and set the required price & quantity
- Click on "Update" to edit "Quantity" and "Price" for any client and then click on set
- Click on 'Initiate Bid' once details are verified.
- Client will receive notification through SMS/ Email. Client has to click on the link and enter OTP details and then approve consent to apply in IPO. Unique Bid Id will get generated
- Client can modify the bid details, incase he wish to modify.
- Once he approves the consent, he will get notification on BHIM to approve the UPI mandate
- On accepting the payment request, the UPI app will block the IPO funds in client's bank account till the date of allotment. The Client will also receive an SMS from exchange once application is placed successfully.
- Click on "View Bid details" to check details of the application submitted. You will be able view the summary of application submitted.