

FREQUENTLY ASKED QUESTIONS – LIC IPO



LIFE INSURANCE CORPORATION OF INDIA

Set out below are the frequently asked questions (“FAQs”) to guide investors in gaining familiarity with the application process for subscribing to the initial public offer of fully paid equity shares (“Offer”) by **LIFE INSURANCE CORPORATION OF INDIA** (“Corporation”) in terms of the red herring prospectus dated April 26, 2022 (“RHP”), filed with the Securities and Exchange Board of India, BSE Limited, and National Stock Exchange of India Ltd. These FAQs are not exhaustive, nor do they purport to contain a summary of all the disclosures in the RHP or the entire application process in the Offer or all details relevant to prospective investors (“Investors”). Further, these FAQs should be read in conjunction with, and are qualified in their entirety by, more detailed information appearing in the RHP, including the sections “Risk Factors” and “Terms of the Offer” on pages 24 and 560 respectively, of the RHP. Readers are advised to refer to the RHP which is available on the following websites:

Sr. No.	Name of the Entity	Website
1.	Kotak	https://investmentbank.kotak.com
2.	Axis	www.axiscapital.co.in
3.	BofA Securities	www.ml-india.com
4.	Citigroup	www.online.citibank.co.in/rhtm/citigroupglobalscreen1.htm
5.	Goldman Sachs	www.goldmansachs.com
6.	I-Sec	www.icicisecurities.com
7.	JM Financial	www.jmfl.com
8.	J. P. Morgan	www.jpmypl.com
9.	Nomura	www.nomuraholdings.com/company/group/asia/india/index.html
10.	SBICAP	www.sbicaps.com
11.	Kfin	www.kfintech.com
12.	LIC	www.licindia.in

Unless otherwise defined herein, all capitalised terms shall have such meaning as ascribed to them in the RHP.

A. General FAQs

Sr. No.	Frequently asked questions	Response
1.	When is the LIC IPO?	Opening Date - May 04,2022 and Closing on May 9,2022
2.	How many shares are being issued in the IPO?	The LIC IPO comprises an offer for sale of 221.37 million shares, constituting 3.5% of the company's shares.
3.	What do I need to apply for the IPO?	One must compulsorily have two things to apply for the LIC IPO – a Demat Account and a PAN card. A Demat Account is needed to credit the shares if you receive an allotment. A PAN Card is essential for all IPOs so that the IT department can track the inflow and outflow of money for individuals.
4.	Can non-policyholders participate in	Yes, the IPO is for everyone. Non-policyholders can apply under the retail investors or Non institutional investors category. However, you

Sr. No.	Frequently asked questions	Response
	the IPO?	will not get the benefits that policyholders will get.
5.	What are the ways to apply in the IPO?	Eligible Employee(s), Policyholder(s) and Retail Investor(s) bidding in their respective Portions can bid through the ASBA or the UPI Mechanism.
6.	Can an investor use a third-party account for bidding in the IPO?	RIBs Bidding in the Net Offer, Eligible Employee(s) Bidding in the Employee Reservation Portion and Eligible Policyholder(s) Bidding in the Policyholder Reservation Portion shall ensure that they use only their own ASBA Account or only their own bank account linked UPI ID (only for RIBs, Eligible Employee(s) and Eligible Policyholder(s) using the UPI Mechanism) to make an application in the Offer and not ASBA Account or bank account linked UPI ID of any third party.
7.	How to apply in case of beneficiary account held in joint names?	Ensure that the names given in the Bid cum Application Form is/are exactly the same as the names in which the beneficiary account is held with the Depository Participant. In case of joint Bids, the Bid cum Application Form should contain the name of only the first Bidder whose name should also appear as the first holder of the beneficiary account held in joint names.
8.	What is the process of blocking of funds?	Bidders (except RIBs, Eligible Employee(s) and Eligible Policyholder(s) Bidding through UPI Mechanism) should instruct their respective banks to release the funds blocked in the ASBA account under the ASBA process. In case of RIBs, Eligible Employee(s) and Eligible Policyholder(s) Bidding through UPI Mechanism once the Sponsor Banks issue the Mandate Request, the RIBs, Eligible Employee(s) and Eligible Policyholder(s) Bidding would be required to proceed to authorize the blocking of funds by confirming or accepting the UPI Mandate Request to authorize the blocking of funds equivalent to application amount and subsequent debit of funds in case of Allotment, in a timely manner.

- B. In relation to the **Employee Reservation Portion** provided in the Offer, please see below a list of frequently asked questions and the responses to such questions:

Sr. No.	Frequently asked questions	Response
1.	Is it necessary for Eligible Employee(s) to have a demat account to apply for the Equity Shares in the Offer?	Yes. As per the SEBI ICDR Regulations, no equity shares can be issued by any company in physical form and equity shares can only be issued in dematerialized form. Hence, any one, whether Eligible Employee(s), Eligible Policyholder(s) or the public should have a demat account for applying in the Offer.
2.	Is there any lock-in period for the Eligible Employee(s)?	There is no lock-in period and Eligible Employee(s) can sell the Equity Shares immediately on listing of the Equity Shares if they choose to do so.
3.	Whether retired employees of our Corporation can apply?	No. Retired employees are not eligible. Only the permanent employees of our Corporation, Subsidiaries or a Director of our Corporation, working in India (excluding such employees who are not eligible to invest in the Offer under applicable laws), as of the date of filing of the Red Herring Prospectus with the Stock Exchanges and who continue to be an employee or director of our Corporation at the time of Bid / Offer Opening Date are eligible to Bid under the Employee Reservation Portion.
4.	Whether employees on probation at our Corporation are eligible?	Probationary employees are also eligible for reservation. However, apprentice employees are not eligible.
5.	Are the employees of our Subsidiaries eligible under the Employee Reservation Portion?	Yes. Reservation under Employee Reservation Portion category will be available to all permanent employees of our Corporation and the domestic subsidiaries of our Corporation. LIC Pension Fund Limited and LIC Cards Services Limited are the two Indian subsidiaries of our Corporation. Employees of the foreign subsidiaries of our Corporation are not eligible for applying under the Employee Reservation Portion.
6.	Are employees of Associates eligible for Employees Reservation Portion in the Offer?	The employees of Associates are not eligible to participate under the Employees Reservation Portion.
7.	Are employees who are on deputation	Yes, permanent employees of our Corporation on deputation to other

Sr. No.	Frequently asked questions	Response
	to other institutions like our Associates, ombudsman, NIA, other non-life companies eligible?	institutions/companies in India are also eligible.
8.	Will the allotment of Equity Shares be done on first- cum- first serve basis?	No. Allotment will be decided only after the Offer is closed and all Eligible Employee applicants will be treated on par and as per applicable regulations.
9.	Are the employees of our Corporation eligible under the Policyholder Reservation Portion?	<p>Yes. Eligible Employee(s) can apply for Equity Shares under Employee Reservation Portion category as well as Policyholder Reservation Portion category in case they are having the policy and they are eligible under Policyholder Reservation Portion category. They can also apply under RIB category upto ₹200,000 or Non Institutional Bidder category (subject to such Bids exceeding an amount of ₹200,000 (net of Employee Discount). Hence, employees can possibly apply under three categories:</p> <ol style="list-style-type: none"> 1. As an Eligible Employee; 2. As a Eligible Policyholder; 3. As well as either as an RIB or as a Non Institutional Bidder, but not both. <p>For details, see “-Eligibility of Bids and the Bidding scenarios for Eligible Employee(s) and Eligible Policyholder(s)” on page 570.</p>
10.	Whether permanent part time employees of our Corporation are eligible under Employee Reservation Portion?	Permanent part time employees are permanent employees of our Corporation and are eligible under the Employee Reservation Portion.
11.	Can persons engaged on contract basis like zonal security officer eligible under the Employee Reservation Portion?	They are not permanent employees of our Corporation and hence not eligible. However, they will be eligible for reservation under Policyholder Reservation Portion category in case they are policyholders of our Corporation and are eligible under the extant rules.
12.	Whether temporary employees are eligible?	No. Temporary employees are not eligible. “However, they will be eligible for reservation under Policyholder Reservation Portion category in case they are policyholders of our Corporation and are eligible under the extant rules.”
13.	Is there any minimum number of Equity shares for which Eligible Employee(s) need to apply?	There is a minimum number of Equity Shares (x) which will have to be applied under the Offer in respect of all categories. Hence, Eligible Employee(s) also have to apply for the said minimum x number of Equity Shares as specified in the Offer Documents.
14.	What is the maximum amount which Eligible Employee(s) can apply under Employee Reservation Portion?	Eligible Employee(s) can apply for such number of Equity Shares in multiples of 15 Equity Shares so that the bid amount does not exceed ₹200,000 (net of Employee Discount).
15.	Is there any minimum balance of shares to be kept in the demat account?	No minimum balance is required like in the demat account.
16.	Is the discount under Employee Reservation Portion be treated as perquisite for income tax purpose?	No. The discount under Employee Reservation Portion will not be treated as perquisite for income tax purpose.
17.	Can an Eligible Employee(s) apply from the demat account of his/her spouse or son?	No. The Eligible Employee(s) has to have the demat Account in his/her name.
18.	Will the eligibility for the allotment under the Employee Reservation Portion category be based on the cadre?	No. All Eligible Employee(s) irrespective of the cadre are eligible for equal reservation of shares upto ₹200,000 (net of Employee Discount).
19.	Is it possible to apply for shares for more than ₹200,000 (net of Employee Discount)?	<p>No. The maximum Bid Amount is limited to ₹200,000 (net of Employee Discount) under Employee Reservation Portion category. However, they can apply under other categories. Hence, employees can possibly apply under three categories:</p> <ol style="list-style-type: none"> 1. As an Eligible Employee; 2. As a Eligible Policyholder; 3. As well as either as an RIB or as a Non Institutional Bidder, but not both.

Sr. No.	Frequently asked questions	Response
20.	How much is the discount for Eligible Employee(s) under the Offer?	Eligible Employee(s) are offered the discount of ₹45 per Equity Share. In case, the Offer Price (the price at which Equity Shares are allotted to other categories of applicants barring Eligible Policyholder(s) of our Corporation) is ₹X, Eligible Employee(s) will be allotted shares at ₹ (X-Y) per Equity Share.
21.	What are the chances of allotment of Equity Shares under Employee Reservation Portion category?	The number of Equity Shares offered as part of the Offer under the Employee Reservation Portion category, is sufficient for full allotment of Equity Shares upto ₹200,000 (net of Employee Discount) for all Eligible Employee(s), subject to the size of the Employee Reservation Portion.
22.	Will the investment in Equity Shares of our Corporation qualify for tax exemption?	No, investment in Equity Shares does not qualify for tax exemption, as per income tax rules.
23.	At what price the Eligible Employee(s) should bid for within the Price Band?	Eligible Employee(s) can Bid at the Cut-off Price. However, in such case, it is necessary to keep the Bid Amount blocked for investment at the Cap Price (maximum price) net of discount, since the Cap Price may turn out to be the Offer Price.
24.	Can the employee whose voluntary retirement scheme request had been accepted and serving the notice period be eligible for Bidding under Employee Reservation Portion?	The employee will be eligible for reservation, if he has not been relieved from the services of our Corporation as of the date of filing of the Red Herring Prospectus with the Stock Exchanges and if he continues to be an employee or director of our Corporation at the time of Bid / Offer Opening Date.
25.	I am opening a demat account only for applying for shares under the Offer. Will the demat charges be borne by our Corporation?	The charges for opening, maintenance of demat account and the brokerage for selling the Equity Shares, if any, has to be borne by the Eligible Employee(s).
26.	Will our Corporation provide advance to Eligible Employee(s) for applying for shares in the Offer?	No. Our Corporation does not provide any advance for applying for Equity Shares under the Offer.
27.	I am a permanent employee of the Corporation but I am working abroad in the LIC branch in London. Can I apply for Equity Shares?	No, the Offer is restricted to only Indian residents during the Offer period.

C. In relation to the **Policyholder Reservation Portion** provided in the Offer, please see below a list of frequently asked questions and the responses to such questions:

Sr. No.	Frequently asked questions	Response
1.	Is it necessary for policyholders to have a demat account to apply for shares in the Offer?	Yes. As per SEBI ICDR Regulations, no equity share can be issued by any company in physical form and the equity shares can only be issued in dematerialized form. Hence, any one, whether policyholders or retail investors, should have a demat account for applying in the Offer.
2.	Is there any lock-in period for the shares purchased through the Policyholder Reservation Portion?	There is no lock-in period and the policyholders can sell the Equity Shares immediately on listing of the Equity Shares, if they choose to do so.
3.	I am having a policy in SBI Life Insurance. Can I apply for the Equity Shares of the Corporation in the Offer under the Policyholder Reservation Portion category?	No, Bidding under the Policyholder Reservation Portion is only for policyholders of our Corporation. However, you can apply under RIB or Non-Institutional Bidders category.
4.	Is there any minimum number of Equity Shares for which the policyholders need to apply?	There is a minimum number of Equity Shares (x) which will have to be applied under the Offer in respect of all categories. Hence, Eligible Policyholder(s) also have to apply for the said minimum x number of Equity Shares, as specified in the Offer Documents.
5.	What is the maximum amount which Eligible Policyholder(s) can apply under Policyholder Reservation Portion?	Eligible Policyholder(s) can apply for such number of Equity Shares in multiples of 15 Equity Shares such that the Bid Amount does not exceed ₹200,000 (net of Policyholder Discount).
6.	Is there any minimum balance of equity shares to be kept in the demat account?	No minimum balance is required like in demat account.

Sr. No.	Frequently asked questions	Response
7.	Can a policyholder apply from the demat account of his/her spouse or son or a relative?	No. The policyholder has to have the demat account in his/her name.
8.	Is it possible to apply for shares for more than ₹200,000 (net of Policyholder Discount)?	No. The maximum Bid Amount is limited to ₹200,000 (net of Policyholder Discount, if any). However, Eligible Policyholder(s) can also apply for Equity Shares under the RIB category or Non-Institutional Bidders category for an additional amount of up to ₹200,000 (net of Policyholder Discount) and more than ₹200,000 (net of Policyholder Discount), respectively.
9.	How much is the discount for Eligible Policyholder(s) under Offer?	Eligible Policyholder(s) are offered a discount of ₹ 60 per Equity Share. In case, the Offer Price (the price at which shares are allotted to retail and other investors) is ₹X, Eligible Policyholder(s) will be allotted Equity Shares at ₹ (X-Z) per Equity Share.
10.	Will the investment in Equity Shares of our Corporation qualify for tax exemption?	No, investment in Equity Shares of our Corporation does not qualify for tax exemption, as per income tax rules.
11.	At what price the Eligible Policyholder(s) should bid for within the Price Band?	Eligible Policyholder(s) can bid at the Cut-off Price. However, in that case it is necessary to keep the Bid Amount blocked for investment at the Cap Price (maximum price) net of discount, since the Cap Price may turn out to be the Cut-off Price.
12.	I have a joint life policy. Whether I and my spouse both will be eligible for reservation or not?	Only one of the two can apply for the Equity Shares under the Policyholder Reservation Portion category. The PAN number of the applicant Bidding in the Offer (you or your spouse) needs to be updated in the policy records. The applicant has to have a demat account in his/her name and in case the demat account is joint, the applicant needs to be the first /primary holder of the demat account.
13.	My major daughter is studying in Canada. Whether she would be eligible to Bid under the Policyholder Reservation Portion category as she is having a policy in India?	She needs to be residing in India during the Bid/Offer period to be eligible for applying in the Offer.
14.	I am a proposer of a policy for my minor son. Whether I am eligible for reservation under the Policyholder Reservation Portion?	Since you are the owner of the policy and hence being a policyholder, you are eligible for reservation under the Policyholder Reservation Portion.
15.	I am having a policy of the Corporation which is in lapsed condition. Am I eligible for reservation under the Policyholder Reservation Portion?	All policies which have not exited our records by way of maturity, surrender or by way of death of the policyholder are eligible for reservation under the Policyholder Reservation Portion.
16.	I am a policyholder (karta) under HUF policy. Whether I can apply for the Equity Shares?	Yes, if you are applying for Equity Shares as a karta you are eligible to Bid under the Policyholder Reservation Portion.
17.	How can I link my PAN to my policy?	The easiest option is through the option made available on the website of our Corporation for updating the PAN. You need to have your PAN number, policy number, mobile number and email ID and through a very simple process, your PAN number will be updated. You may also approach our offices wherein the PAN number can be updated.
18.	I had submitted proposal papers before the date of DRHP but received policy bond later. Am I eligible to apply?	To be eligible for reservation under the Policyholder Reservation Portion category, the policy should have been issued on or before the date of this Draft Red Herring Prospectus and should not have exited by way of surrender, maturity or death claim on the Bid/Offer Opening Date.
19.	I have a joint demat account in the name of "my spouse and me". We have two separate policies and PAN is linked therein. Can both of us apply in the Offer based on that one joint demat account?	As per SEBI ICDR Regulations, individual applications cannot be made by both beneficiaries of the demat account. Application can be made only in the name of the first/primary beneficiary.
20.	I am having a Pradhan Mantri Vaya Vandana Yojana policy. Whether I am eligible to apply for the Equity Shares of the Corporation in the Offer?	Yes, all policies other than group policies qualify for Bidding in the Policyholder Reservation Portion.
21.	Under my annuity policy, annuities have already started. Whether I am	Yes.

Sr. No.	Frequently asked questions	Response
	eligible to apply for the Equity Shares of the Corporation in the Offer?	
22.	I am spouse of policyholder (now deceased) under an annuity policy and currently receiving annuities. Am I eligible to apply for the Equity Shares of the Corporation in the Offer?	No, since you are not a policyholder and only a beneficiary, you are not eligible to apply in the Offer.
23.	Is the Allotment to Eligible Policyholder(s) guaranteed under Policyholder Reservation Portion?	No, the Allotment is not granted. Approximately 10% of the Offer Size is reserved for Eligible Policyholder(s). The Allotment will be subject to competitive bidding and will depend on the demand in the bidding process.
24.	I am a nominee under a policy issued by the Corporation, am I eligible to Bid for the Equity Shares under my name?	No, only the Eligible Policyholder(s) is eligible to Bid under the Policyholder Reservation Portion. Nominee is not eligible.
25.	What is the last date for updating the PAN in the policy records?	The last date is February 28, 2022 . If it is not registered before February 28, 2022 , you are not eligible.
26.	Whether NRI policyholders or other policyholders residing out of India can apply in the Offer?	No, only resident Indians can apply.
27.	Can senior citizens apply in the Offer or any age restrictions?	No, there is no age restriction. All Eligible Policyholder(s) on the date of this Draft Red Herring Prospectus and the policy continuing without exit on the Bid/Offer Opening Date are eligible to apply in the Offer.
28.	Will the Allotment be based on the premium amount or sum assured or number of policies?	All Eligible Policyholder(s), irrespective of premium amount or sum assured or number of policies will be treated under the same footing and the Equity Shares will be allotted on a competitive bidding basis.
29.	Is there any condition of minimum premium or sum assured to be eligible for Bidding under the Policyholder Reservation Portion?	No such condition. All Eligible Policyholder(s), subject to rules are eligible to Bid under the Policyholder Reservation Portion.

D. Eligibility of Bids and the Bidding scenarios for Eligible Employee(s) and Eligible Policyholder(s)

Sr. No.	Type of Bidder	Applied in Employee Reservation Portion (upto ₹200,000 (net of Employee Discount))	Applied in Policyholder Reservation Portion (upto ₹200,000 (net of Employee Discount))	Applied in Retail Portion (upto ₹200,000)	Applied in Non-Institutional Portion (more than ₹200,000)	Eligibility Status* of such Bids
1.	Eligible Employee who also is an Eligible Policyholder (both bids being under same PAN)	Yes	Yes	Yes	No	Application made in the Policyholder Reservation Portion, Employee Reservation Portion and Retail Portion – here all 3 Bids would be considered as valid applications and will not be rejected as multiple Bids.
2.	Eligible Employee who also is an Eligible Policyholder (both bids being under same PAN)	Yes	Yes	No	Yes	Application made in the Policyholder Reservation Portion, Employee Reservation Portion and Non-Institutional Portion - here all 3 Bids would be considered as valid applications and will not be rejected.
3.	Eligible Employee who also is an Eligible	Yes	Yes	Yes	Yes	Application made in the Policyholder Reservation Portion and Employee Reservation Portion

	Policyholder (both under same PAN)					category would be considered as valid Bids and not rejected. However, applications made in the Retail Portion and Non-Institutional Portion would be considered as multiple Bids and both the Bids will be rejected.
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**Subject to finalisation of Basis of Allotment.*

- E. In relation to the **Retail Individual Investor(s)/ Bidder(s)** Portion provided in the Offer, please see below a list of frequently asked questions and the responses to such questions:

Sr. No.	Frequently asked questions	Response
1.	Is it necessary for Retail Investors to have a demat account to apply for the Equity Shares in the Offer?	Yes. As per the SEBI ICDR Regulations, no equity shares can be issued by any company in physical form and equity shares can only be issued in dematerialized form. Hence, any one, whether Eligible Employee(s), Eligible Policyholder(s) or the public should have a demat account for applying in the Offer.
2.	Is there any lock-in period for the Retail Individual Investor(s)?	There is no lock-in period and Retail Individual Investor(s) can sell the Equity Shares immediately on listing of the Equity Shares if they choose to do so.
3.	Will the allotment of Equity Shares be done on first- cum- first serve basis?	No. Allotment will be decided only after the Offer is closed and all Retail applicants will be treated on par and as per applicable regulations.
4.	Is there any minimum number of Equity shares for which Retail Individual Investor(s) need to apply?	There is a minimum number of Equity Shares (15) which will have to be applied under the Offer in respect of all categories. Hence, Retail Individual Investors(s) also have to apply for the said minimum 15 number of Equity Shares as specified in the Offer Documents.
5.	What is the maximum amount which Retail Individual Investor(s) can apply under Retail Portion?	Retail Individual Investor(s) can apply for such number of Equity Shares in multiples of Equity Shares so that the bid amount does not exceed ₹200,000.
6.	Is it possible to apply for shares for more than ₹200,000?	No. The maximum Bid Amount is limited to ₹200,000 under Retail category.
7.	Will the investment in Equity Shares of our Corporation qualify for tax exemption?	No, investment in Equity Shares does not qualify for tax exemption, as per income tax rules.
8.	At what price the Retail Individual Investor(s) should bid for within the Price Band?	Retail Individual Investor(s) can Bid at the Cut-off Price. However, in such case, it is necessary to keep the Bid Amount blocked for investment at the Cap Price (maximum price), since the Cap Price may turn out to be the Offer Price.
9.	Are minors eligible to apply?	The guardians of minors can apply for IPO allotment on their behalf.

The information set out above is given for the benefit of the Bidders. Our Corporation, the Selling Shareholder (President of India, acting through the Ministry of Finance, Government of India), and the Book Running Lead Managers are not liable for any amendments or modification or changes to applicable laws or regulations, which may occur after the date of this Draft Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that any single Bid from them does not exceed the applicable investment limits or maximum number of the Equity Shares that can be held by them under applicable law or regulations, or as specified in this Draft Red Herring Prospectus or as will be specified in the Red Herring Prospectus and the Prospectus.