

LIC IPO



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Offer Details

Offer for sale	221,374,920 shares
No. of shares	221,374,920 shares
Shares Face value	10/-
Reservation for:	
LIC Employees	1,581,249 Shares
LIC Policyholders	22,137,492 Shares
Shares Price band	Rs 902 - 949
Lot	15 Shares and in multiple thereof
Discount for:	
Retail Category	45/- per share
LIC Employees	45/- per share
LIC Policyholders	60/- per share

About The Company



- LIC is **India's only government-owned** insurance provider company. LIC Corporation has been providing life insurance in India for **more than 65 years** and is the **largest life insurer** in India.
- LIC has a **61.6% market share** in terms of premiums (or GWP), a **61.4% market share** in terms of New Business Premium (or NBP).
- The company offers **participating insurance products and non-participating products** like unit-linked insurance products, saving insurance products, term insurance products, health insurance, and annuity & pension products.
- LIC **manages asset of Rs. 36.8 trillion**. That is more money than the entire mutual fund industry combined. They invest these funds across stocks and bonds. They **own 4% of total market capitalization of NSE** which is approximately INR 8 trillion in terms of market value as on 31 st march 2021.

What is working for the company?



- **Fifth largest life insurer globally** by GWP and the largest player in the fast growing and underpenetrated Indian life insurance sector.
- **Trusted brand and a customer-centric** business model.
- **Cross-cyclical product mix** that caters to diverse consumer needs and an individual product portfolio that is dominated by participating life insurance policies.
- Presence across India through an **omni-channel distribution network** with an unparalleled agency force.
- **Harnessing technology** capabilities to support customer connect and drive operating efficiencies.
- **Largest asset manager in India** with an established track record of financial performance and profitable growth.
- **Robust risk management framework.**
- **Highly experienced and qualified management team,** distinguished Board and strong corporate governance framework.

What is not working for the company?



- Adverse impact of **Covid-19 pandemic**.
- **Poor advertising strategies** in comparison to its peers.
- LIC **has to abide by rules and regulation laid down by government** this puts limitation on the growth of the company.
- Company **lacks in giving proper services** to the customers due to their traditional ways of doing business.
- In order to gain personal interest **agents mis-sell policy** to customers due to which customers loses trust in LIC.
- Due to **lack of technology and means of distribution** they are unable to cater large amount of population.

Our Recommendation



We recommend you to **SUBSCRIBE** to this IPO on the following parameters:

- This company has **highest market share** in the country in the life insurance business.
- Due to its **presence** in this country for about **65 years now**, it has created a goodwill which commands trust amongst the people.
- The Life Insurance Industry is **growing at 22.5% annually**.
- **Special Reservation up to 10%** of the issue size for policyholders along with the discount on the issue price.

Subscribe for the IPO: <http://ipo.jainam.in/#/home>

Video Link: https://www.youtube.com/watch?v=_IYhF0jX0vc