

CERTIFICATE ON MINIMUM PROMOTER CONTRIBUTION AND LOCK-IN

Date: April 26, 2022

To,

The Board of Directors

Life Insurance Corporation of India

'Yogakshema'

Jeevan Bima Marg

Nariman Point

Mumbai, 400 021

Maharashtra, India

Kotak Mahindra Capital Company Limited

1st Floor, 27 BKC, Plot No. C- 27

'G' Block, Bandra Kurla Complex

Bandra (East), Mumbai 400 051

Maharashtra, India

Axis Capital Limited

1st Floor, Axis House,

C-2 Wadia International Centre

P.B. Marg, Worli

Mumbai 400 025

Maharashtra, India

BofA Securities India Limited

Ground Floor, "A" Wing

One BKC, "G" Block

Bandra Kurla Complex, Bandra (East)

Mumbai 400 051

Maharashtra, India

Citigroup Global Markets India Private Limited

1202, 12th Floor,

First International Financial Centre

G-Block, Bandra Kurla Complex

Bandra (East), Mumbai 400 098

Maharashtra, India

Goldman Sachs (India) Securities Private Limited

951-A, Rational House

Appasaheb Marathe Marg

Prabhadevi, Mumbai, 400 025

Maharashtra, India

ICICI Securities Limited

ICICI Venture House,

Appasaheb Marathe Marg

Prabhadevi, Mumbai 400 025

Maharashtra, India

J.P. Morgan India Private Limited

J.P. Morgan Tower

Off C.S.T. Road Kalina

Santacruz (East), Mumbai 400 098

Maharashtra, India

JM Financial Limited

7th Floor, Cnergy
Appasaheb Marathe Marg
Prabhadevi, Mumbai 400 025
Maharashtra, India

Nomura Financial Advisory and Securities (India) Private Limited

Ceejay House, Level 11 Plot F
Shivsagar Estate, Dr. Annie Besant Road
Worli, Mumbai 400 018
Maharashtra, India

SBI Capital Markets Limited

202, Maker Tower 'E'
Cuffe Parade, Mumbai 400 005
Maharashtra, India

(Kotak Mahindra Capital Company Limited, Axis Capital Limited, BofA Securities India Limited, Citigroup Global Markets India Private Limited, Goldman Sachs (India) Securities Private Limited, ICICI Securities Limited, J.P. Morgan India Private Limited, JM Financial Limited, Nomura Financial Advisory and Securities (India) Private Limited and SBI Capital Markets Limited appointed as book running lead managers in relation to the Offer are collectively referred to as the “**Book Running Lead Managers**”)

Ladies and Gentlemen,

Sub: Proposed initial public offering of equity shares (the “Equity Shares”, and such offering, the “Offer”) of Life Insurance Corporation of India (the “Corporation”)

The Corporation is promoted by the President of India, acting through the Ministry of Finance, Government of India (“**Promoter**”). As on the date of this letter, the Promoter, holds 6,324,997,701 Equity Shares in the Corporation which forms 100% of the issued, subscribed and paid-up capital of the Corporation prior to the Offer.

The details relating to the build-up of our shareholding in the Corporation are set out below. We further certify that the Equity Shares detailed below are eligible to form part of minimum promoter’s contribution in the Offer in accordance with Section 5(9)(b) of the Life Insurance Corporation Act, 1956 (“**LIC Act**”).

Table: Build-up of Promoter Shareholding

Number of Equity Shares	Nature of Transaction	Date of Acquisition/ Allotment	Face Value (Rs.)	Issue Price per Equity Share (Rs.)	Percentage of the Pre-Offer paid-up Equity Share Capital
100,000,000	Subscription ⁽¹⁾ by the President of India acting through the Ministry of Finance under section 5(2) of the Life Insurance Corporation Act	September 8, 2021	10	10	1.58
622,747,922	Bonus issue ⁽²⁾ to the President of India acting through the Ministry of	September 8, 2021	10	N.A.	9.85

	Finance under section 5(4) of the Life Insurance Corporation Act				
5,602,249,779	Bonus issue ⁽³⁾ to the President of India acting through the Ministry of Finance under section 5(4) of the Life Insurance Corporation Act	September 8, 2021	10	N.A.	88.57
Total					100.00

(1) The paid-up equity capital of the Corporation was ₹ 1,000 million (provided held by the Government of India) 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 Government of India, to issue Equity Shares to the Government of India in consideration for the paid-up equity capital provided by the Government of India as it stood before the coming into force of Section 131 of the Finance Act, 2021.

(2) The Equity Shares were allotted against the free reserves outstanding as on March 31, 2020.

(3) The Equity Shares were allotted against retained Government of India's share of surplus for the Fiscals 2020 and 2021.

Except as disclosed above, the Promoter has not purchased, sold or financed, directly or indirectly, any securities of the Corporation during the period of six months immediately preceding the date of filing of the Draft Red Herring Prospectus and the Red Herring Prospectus with the SEBI.

The Promoter has not entered, and shall not enter, into buy-back arrangements directly or indirectly for purchase of the Equity Shares to be offered and sold in the Offer.

We confirm that the Promoter has not received any amount or benefit from the Corporation in the preceding two years from the date of filing of the red herring prospectus with SEBI, except for the dividend paid by the Corporation.

We confirm that our participation in the Offer by offering the Equity Shares held by us for sale pursuant to the Offer is voluntary and we further acknowledge that it does not create any obligation on the Corporation or the book running lead managers ("BRLMs") to purchase any Equity Shares offered by us pursuant to the Offer from us, except in terms of any underwriting agreement that may be entered into between us, the Corporation and the underwriters appointed in respect of the Offer.

The Promoter confirms that 100% of the Equity Shares held by them in the Corporation are in dematerialized form.

On behalf of the President of India, acting through the Ministry of Finance, Government of India, we hereby give consent to include 1,264,999,541 Equity Shares representing 20% of the post-Offer paid-up Equity Share capital of the Corporation to be considered for lock-in, for a period of eighteen months from the date of allotment in the Offer or for such other time as may be required under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (the "ICDR Regulations"), as minimum Promoter's contribution for the Offer.

We confirm that all Equity Shares which are proposed to be locked-in are not ineligible for computation of Promoter's contribution under Regulation 14 and Regulation 15 of the ICDR Regulations read with Section 5(9)(b) of the LIC Act. In relation to this, we confirm that the Equity Shares held by us considered as promoters' contribution have not been issued by the Corporation against revaluation of assets or by utilisation of revaluation reserves or from unrealised profits. Further, all Equity Shares of the Corporation held by the Promoter, including the Equity Shares acquired during the period of three years preceding the opening of the Offer, resulting from a bonus issue or otherwise, are eligible for the computation of the Promoter's Contribution, are not subject to any pledge or any other encumbrance; and have been certified by the "Statutory Auditor to the Offer" after due inquiry and due diligence as being eligible for lock-in in accordance with the ICDR Regulations.

The details of the Equity Share capital being offered for minimum promoter's contribution by us are set out below:

No. of Equity Shares	Face Value (Rs.)	Date on which Equity Shares were Allotted/ Acquired	Nature of Transaction	Issue/Acquisition Price per Equity Share (Rs.)	% of Pre- Offer Paid-up Equity Share Capital	% of Post- Offer Paid-up Equity Share Capital
100,000,000	10	September 8, 2021	Subscription by the President of India acting through the Ministry of Finance under section 5(2) of the Life Insurance Corporation Act	10	1.58	1.58
622,747,922	10	September 8, 2021	Bonus issue to the President of India acting through the Ministry of Finance under section 5(4) of the Life Insurance Corporation Act	N.A.	9.85	9.85
542,251,619	10	September 8, 2021	Bonus issue to the President of India acting through the Ministry of Finance under section 5(4) of the Life Insurance Corporation Act	N.A.	8.57	8.57

We further consent to lock-in our entire pre-Offer shareholding in the Corporation, other than the minimum promoters' contribution (which shall be locked-in as specified above) and any Equity Shares transferred by us in the Offer, from the date of allotment/transfer in the Offer until the expiry of six months or for such other time as may be required under the ICDR Regulations or as may be specified by SEBI ("Mandatory Lock-in Period"), as applicable to the Offer. Further, we voluntarily agree to lock-in entire pre-Offer Equity Share capital held by us in the Corporation (other than the minimum promoters' contribution) for an additional period of six months from the end of the Mandatory Lock-in Period.

We further confirm that we shall not sell, transfer, create any pledge, lien or otherwise create encumbrance on the locked-in Equity Shares forming part of the minimum promoters' contribution and any Equity Shares transferred by the Promoter in the Offer until such time that the Equity Shares are locked in, in accordance with Regulation 16 of the ICDR Regulations, save and except as may be permitted and in accordance with the ICDR Regulations.

In relation to the captioned Offer, details relating to the average cost of the acquisition and the weighted average price at which the Equity Shares were acquired by us in the immediately preceding one year, three years, eighteen months and since incorporation respectively, is provided in the **Schedule I** for the purposes of disclosure to be made in the RHP and the Prospectus which the Corporation proposes to file with the SEBI, the Stock Exchanges and any other regulatory authorities. Further, the details in **Schedule I** can be included in the disclosures made in the abridged prospectus.

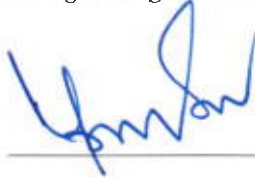
The term "Promoter" used in this letter shall have the meaning ascribed to such term in the ICDR Regulations, as amended.

This letter may also be relied upon the Book Running Lead Managers to the Offer and the legal advisors to each of the Corporation and the Book Running Lead Managers in respect of the Offer.

We confirm that we will immediately communicate any changes in writing in the above information to the BRLMs until the date when the Equity Shares are listed and commence trading on the Stock Exchanges pursuant to the Offer. In the absence of any such communication from us, the BRLMs and the legal advisors to each of the Corporation and BRLMs can assume that there is no change to the above information until the date when the Equity Shares are listed and commence trading on the Stock Exchanges pursuant to the Offer.

Thanking you

Signed by
For and on behalf of **President of India**
acting through the **Ministry of Finance, Government of India**



Name: **मंदाकिनी बलोधी /MANDAKINI BALODHI**
निदेशक / Director
वित्तीय सेवा विभाग / Deptt. of Financial Services
Designation: **वित्त मंत्रालय / Ministry of Finance**
भारत सरकार / Govt. of India
नई दिल्ली / New Delhi

Cc:

Domestic Legal Counsel to the Book Running Lead Managers

Shardul Amarchand Mangaldas & Co.

Amarchand Towers,
216 Okhla Industrial Estate, Phase III,
New Delhi 110 020

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Domestic Legal Counsel to the Corporation

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Maharashtra, India

International Legal Counsel to the Corporation

Duane Morris & Selvam LLP

16 Collyer Quay, #17-00
Singapore 049 318

Schedule I

AVERAGE COST OF ACQUISITION OF EQUITY SHARES

Name	No. of Equity Shares held	Average cost of acquisition per Equity Share (Rs.)
President of India	6,324,997,701	0.16

WEIGHTED AVERAGE ACQUISITION PRICE FOR LAST ONE YEAR

Name	No. of Equity Shares acquired in the last one year	Weighted average price of Equity Shares acquired in the last one year (in Rs. per Equity Share)
President of India	100,000,000	10.00
President of India	622,747,922	Nil
President of India	5,602,249,779	Nil
Weighted average price = Rs. 0.16/- per share		

WEIGHTED AVERAGE ACQUISITION PRICE FOR LAST THREE YEARS

Name	No. of Equity Shares acquired in the last three years	Weighted average price of Equity Shares acquired in the last three years (in Rs. per Equity Share)
President of India	100,000,000	10.00
President of India	622,747,922	Nil
President of India	5,602,249,779	Nil
Weighted average price = Rs. 0.16/- per share		

WEIGHTED AVERAGE ACQUISITION PRICE FOR LAST EIGHTEEN MONTHS

Name	No. of Equity Shares acquired in the last three years	Weighted average price of Equity Shares acquired in the last eighteen months (in Rs. per Equity Share)
President of India	100,000,000	10.00
President of India	622,747,922	Nil
President of India	5,602,249,779	Nil
Weighted average price = Rs. 0.16/- per share		

WEIGHTED AVERAGE ACQUISITION PRICE SINCE INCORPORATION

Name	No. of Equity Shares acquired in the last three years	Weighted average price of Equity Shares acquired since incorporation (in Rs. per Equity Share)
President of India	100,000,000	10.00
President of India	622,747,922	Nil
President of India	5,602,249,779	Nil
Weighted average price = Rs. 0.16/- per share		