

HPCL Share Buy Back Trade

Indicative Maximum number of Equity share for Buyback	100,000,000
Maximum Buyback Size (Rs in Crs)	2,500
% Total Shareholding	6.56%
Total No. Shares as on Sept '20	1,523,822,625
Maximum Buyback Price	250
CMP as on 5/11/20	200

Details of Buyback

- HPCL has announced a Buy Back scheme for an aggregate amount not exceeding INR 2,500 crores offering at a price not exceeding INR 250 per share. The buyback will in the form of open market transaction through stock exchange mechanism i.e. using the electronic trading facilities of the stock exchanges where the equity shares of the Company are listed.
- The indicative maximum number of Equity Shares proposed to be bought back at the Maximum Buyback Size and Maximum Buyback Price under the Buyback would be 10,00,00,000 (Ten Crore Only) equity shares.
- In the Stock Market mechanism, if the Equity Shares are bought back at a price below the Maximum Buyback Price i.e INR 250, the actual number of Equity Share bought back could exceed the indicative Maximum BuyBack Shares (assuming full deployment of the Maximum Buyback size) but will always be subject to the Maximum BuyBack Size.
- The process, timelines and other statutory details of the Buyback will be released within 2 (two) working days from the date of the Board Meeting i.e., November 06, 2020 in accordance with the Buyback Regulations.
- The SEBI Regulations restrict promoter participation in a buy-back undertaken by a listed company from the open market through the stock exchange mechanism.

Offering to Small Shareholders (up to 2 lakhs)

Tendered to Small Shareholders (Proportionate basis)	13,712,498
% of Acceptance	13%

**As per the SEBI Regulations on Buy-Back of Securities*

- If 100% of the retail shareholders participate in the buyback, the acceptance ratio will be around 13%. Any decrease in the participation will in turn increase the acceptance ratio

Buy-Back Trade

Buy HPCL up to INR 2 lakhs i.e. around 990 shares and tender it in Buy back

1) 100% Participation, 13% Acceptance

Particulars	No. of Shares	Rate	Amount
Shares to Buy	990	200	198,000
Shares to be accepted in Buy Back	133	250	33,250
Untendered Shares	857	200	171,400
Profit/(Loss)			3.4%

2) 60% Participation, 22% Acceptance

Particulars	No. of Shares	Rate	Amount
Shares to Buy	990	200	198,000
Shares to be accepted in Buy Back	221	250	55,250
Untendered Shares	769	200	153,800
Profit/(Loss)			5.6%

Higher the Acceptance higher the Gains

Risk in Trade

→ Rally in the stock price on account of increase in the retail participation will reduce the gains from the trade.

DISCLAIMERS AND DISCLOSURES

LKP Sec.ltd. (CIN-L67120MH1994PLC080039, www.lkpsec.com) and its affiliates are a full-fledged, brokerage and financing group. LKP was established in 1992 and is one of India's leading brokerage and distribution house. LKP is a corporate trading member of Bombay Stock Exchange Limited (BSE), National Stock Exchange of India Limited(NSE), MCX Stock Exchange Limited (MCX-SX).LKP along with its subsidiaries offers the most comprehensive avenues for investments and is engaged in the businesses including stock broking (Institutional and retail), merchant banking, commodity broking, depository participant, insurance broking and services rendered in connection with distribution of primary market issues and financial products like mutual funds etc.

LKP hereby declares that it has not defaulted with any stock exchange nor its activities were suspended by any stock exchange with whom it is registered in last five years. However, SEBI and Stock Exchanges have conducted the routine inspection and based on their observations have issued advice letters or levied minor penalty on LKP for certain operational deviations in ordinary/routine course of business. LKP has not been debarred from doing business by any Stock Exchange / SEBI or any other authorities; nor has its certificate of registration been cancelled by SEBI at any point of time.

LKP offers research services to clients. The analyst for this report certifies that all of the views expressed in this report accurately reflect his or her personal views about the subject company or companies and its or their securities, and no part of his or her compensation was, is or will be, directly or indirectly related to specific recommendations or views expressed in this report.

Other disclosures by LKP and its Research Analyst under SEBI (Research Analyst) Regulations, 2014 with reference to the subject company(s) covered in this report:-

Research Analyst or his/her relative's financial interest in the subject company. (NO)

LKP or its associates may have financial interest in the subject company.

LKP or its associates and Research Analyst or his/her relative's does not have any material conflict of interest in the subject company. The research Analyst or research entity (LKP) has not been engaged in market making activity for the subject company.

LKP or its associates may have actual/beneficial ownership of 1% or more securities of the subject company at the end of the month immediately preceding the date of publication of Research Report.

Research Analyst or his/her relatives have actual/beneficial ownership of 1% or more securities of the subject company at the end of the month immediately preceding the date of publication of Research Report: (NO)

LKP or its associates may have received any compensation including for investment banking or merchant banking or brokerage services from the subject company in the past 12 months.

LKP or its associates may have received compensation for products or services other than investment banking or merchant banking or brokerage services from the subject company in the past 12 months.

LKP or its associates may have received any compensation or other benefits from the Subject Company or third party in connection with the research report.

Subject Company may have been client of LKP or its associates during twelve months preceding the date of distribution of the research report and LKP may have co-managed public offering of securities for the subject company in the past twelve months.

Research Analyst has served as officer, director or employee of the subject company: (NO)

LKP and/or its affiliates may seek investment banking or other business from the company or companies that are the subject of this material. Our salespeople, traders, and other professionals may provide oral or written market commentary or trading strategies to our clients that reflect opinions that are contrary to the opinions expressed herein, and our proprietary trading and investing businesses may make investment decisions that may be inconsistent with the recommendations expressed herein.

In reviewing these materials, you should be aware that any or all of the foregoing, among other things, may give rise to real or potential conflicts of interest including but not limited to those stated herein. Additionally, other important information regarding our relationships with the company or companies that are the subject of this material is provided herein. This report is not directed to, or intended for distribution to or use by, any person or entity who is a citizen or resident of or located in any locality, state, country or other jurisdiction where such distribution, publication, availability or use would be contrary to law or regulation or which would subject LKP or its group companies to any registration or licensing requirement within such jurisdiction. Specifically, this document does not constitute an offer to or solicitation to any U.S. person for the purchase or sale of any financial instrument or as an official confirmation of any transaction to any U.S. person.

Unless otherwise stated, this message should not be construed as official confirmation of any transaction. No part of this document may be distributed in Canada or used by private customers in United Kingdom.

All trademarks, service marks and logos used in this report are trademarks or registered trademarks of LKP or its Group Companies. The information contained herein is not intended for publication or distribution or circulation in any manner whatsoever and any unauthorized reading, dissemination, distribution or copying of this communication is prohibited unless otherwise expressly authorized. Please ensure that you have read "Risk Disclosure Document for Capital Market and Derivatives Segments" as prescribed by Securities and Exchange Board of India before investing in Indian Securities Market. In so far as this report includes current or historic information, it is believed to be reliable, although its accuracy and completeness cannot be guaranteed.

All material presented in this report, unless specifically indicated otherwise, is under copyright to LKP. None of the material, nor its content, nor any copy of it, may be altered in any way, transmitted to, copied or distributed to any other party, without the prior express written permission of LKP.