

Indian Oil Corporation Ltd. is a part of **oil marketing**.

Indian Oil Corporation is is Maharatna national oil company. The company operates the largest and the widest network of petrol and diesel stations in the country. The following value added services are offered by the company-Exclusive XTRACARE petrol & diesel stations, unveiled in select urban and semi-urban markets, offer a range of value-added services to enhance customer delight and loyalty.

Board meeting date	Buy back size (shares)	Buy back value (in cr's)
13th December 2018	297651006	4435
Buy back price/share (in Rupees)	No. of retails shareholders (in %)	No. of shares for retails shareholders
149	15	44648000
Cmp (in Rupees)	Market cap (in cr's)	52 week range h/l
141.55	137422	213.80/105.65
<u>No</u> promoters tendering their share		

## Our Opinion

We at **Jainam Share Consultants Pvt. Ltd.** recommend retail investors to **“Buy” Indian Oil Corporation Ltd.** at Rs.141.55 and **“participate”** in Buyback. In the case of acceptance ratio from 30% to 100%, there will be a high probability of positive returns from 0.64% to 9.24%, due to dividend of Rs.6.75 accounting for dividend yield of 4.76%.

Due to the participation of several existing and new investors in this buyback opportunity, we expect the acceptance ratio to lie between 30% to 40%.

## Target Case Scenario

TABLE SHOWING EXPECTED RETURN POTENTIAL IN DIFFERENT SCENARIOS

Buyback ratio (%)	Break-Even Price	If Sell at Rs.130	Profit / Loss %	After Tax	With Dividend Profit (%)
10.00	140.72	184660	-6.82%	-6.82%	-2.05%
20.00	139.69	187320	-5.48%	-5.48%	-0.71%
30.00	138.36	189980	-4.13%	-4.13%	0.64%
40.00	136.58	192640	-2.79%	-2.79%	1.98%
50.00	134.10	195300	-1.45%	-1.45%	3.32%
60.00	130.38	197960	-0.11%	-0.11%	4.66%
70.00	124.17	200620	1.24%	1.05%	5.82%
80.00	111.75	203280	2.58%	2.19%	6.96%
90.00	74.50	205940	3.92%	3.33%	8.10%
100.00	-	208600	5.26%	4.47%	9.24%

\*We have consider investment of Rs.198170 and profit / loss calculations are based on it.

## Disclaimer

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This report is -

1. Only for buyback participation and not for any speculation or trading purpose.
2. Please don't use leverage or borrowed money in buyback as any adverse impact on stock price due to any reasons can have a significant negative impact on capital.
3. No fundamental view or any coverage