



AJCON GLOBAL
YOUR FRIENDLY FINANCIAL ADVISOR

Market wrap

April 26, 2018

Yes Bank rallies strongly on robust Q4FY18 results; domestic bourses end higher on expiry day..

Nifty ended April F&O Expiry on a higher note on Thursday, as investors cheered March-quarter results from private sector lenders Yes Bank.

The S&P BSE Sensex ended at 34,714, up 212 points while the broader Nifty50 index settled at 10,618, up 47 points.

Software services exporter Wipro was among the biggest drags on the NSE index after its fourth-quarter profit missed estimates and guidance for the first quarter failed to please investors. Shares fell as much as 4.6%, their biggest fall since September 14. The stock ended 2% lower.

Yes Bank was gained 10% on robust Q4 results. Private sector lender Yes Bank's net profit for the March quarter rose 29% year-on-year to Rs 11.79 billion beating estimates, because of a healthy net interest income growth and stable asset quality. The quarterly net profit for the same quarter in the previous fiscal was Rs 9.14 billion.

The 10-year US Treasury yield set a fresh four-year high of 3.035% on Wednesday, driven by worries about the growing supply of government debt and inflationary pressures from rising oil prices. But, robust corporate earnings helped quell concerns and Asian shares gained.

Sectors and stocks

Shares of Emami have surged 7% to Rs 1,204 on the BSE in early morning trade after the company engaged in manufacturing & marketing of personal care & healthcare products business announced a bonus issue plan. "The meeting of Board of Directors of the Company will be held on May 03, 2018, to approve audited annual accounts of the Company for the year ended March 31, 2018, to consider and if thought fit, to recommend a dividend for the said year and / or to recommend issue of bonus shares to the equity shareholders," Emami said in a regulatory filing. Earlier, in June 26, 2013, Emami had rewarded its shareholders by issuing bonus shares in the ratio of 1:2 (i.e. one bonus equity share of Re 1 each for every two fully paid equity shares of Re 1 each held).

Shaily Engineering Plastics hit a record high of Rs 1,510, up 8%, extending its Wednesday's 6% gain on the BSE after HDFC Mutual Fund increased its stake in plastic products company by more than one percentage points through open market. On April 25, 2018, HDFC Small Cap Fund had purchased 99,134 equity shares representing 1.2% stake in Shaily Engineering Plastics at price of Rs 1,300 per share, the BSE bulk deal data shows. The name of the sellers not ascertained immediately. As of March 2018, HDFC Small Cap Fund held 372,756 shares or 4.48% stake in Shaily Engineering Plastics. Investor, Ashish Kacholia has also hold 460,785 shares or 5.54% stake in the company, the shareholding pattern data shows. The stock price of Shaily Engineering Plastics has been more than doubled in past six months, up 133% against 4.3% rise in the S&P BSE Sensex.

Shares of Pioneer Distilleries were locked in upper circuit of 20% at Rs 264 per share, also their 52-week high on the BSE, after the company reported a net profit of Rs 208 million, on back of government grant of Rs 481 million for the quarter ended March 2018 (Q4F718). The company, a subsidiary of United Spirits, had a net loss of Rs 112 million in the same quarter year ago. Operational revenues during the quarter rose 4.6% at Rs 362 million against Rs 346 million in the corresponding quarter of previous fiscal. Pioneer Distilleries said it is



AJCON GLOBAL

YOUR FRIENDLY FINANCIAL ADVISOR

entitled to government grant from the State of Maharashtra for setting up projects in notified rural area under two phases. These grants are receivable in the form of value added tax (VAT) refunds. "Under Mega Phase II project, the Company is entitled to Government grant amounting to Rs 2,600 million. Upon receipt of eligibility certificates for Rs 1,805 million during the year, the Company has recognised Rs 481 million and Rs 1,668 million representing present value of such receivables as Government Grant income in the statement," it added.

PC Jeweller hit a 52-week low of Rs 208, down 15% on the National Stock Exchange (NSE) in early morning trade on back of heavy volumes. In past two trading days, the stock tanked 28% from Rs 289 on Tuesday, April 24, 2018. With today's fall, the stock plunged 65% from its record high level of Rs 601, touched on January 16, 2018 in intra-day deal, the NSE data shows.

Presently, the Company is not having any such information, which requires disclosure as aforesaid and the Company is not aware of reason of sudden decrease in price of equity share of the Company today, PC Jeweller said in clarification on shareholders / investors queries regarding a sudden shares price fall on Wednesday. The Company would further like to assure its investors, shareholders and other stakeholders that the fundamentals of the Company remain strong and it continues to move ahead on the growth path, it added. None of the promoters of the Company have sold any shares in the market. However, one of the promoters, Shri Padam Chand Gupta has gifted some of his shares to his family member(s) through off-market transactions and the Company is already making the requisite disclosures in this regard from time to time, it added. According to March 2018 shareholding pattern filed by the company, the total promoters holding of PC Jeweller declined to 60.24% from 60.54% at the end of December 2017 quarter. Currently, Krishna Devi, one of the promoters, held nil holding against 0.26% stake (1.01 million) as on December 2017, the shareholding pattern data shows.

Punjab National Bank, Hindustan Petroleum Corporation Limited (HPCL), Idea Cellular, Housing Development & Infrastructures (HDIL), Reliance Naval and Engineering and Bharti Infratel were among 14 stocks from the S&P BSE 500 index hitting their respective 52-week lows on the BSE on Thursday.

Sugar stocks such as Bajaj Hindustan, Balrampur Chini Mills and EID Parry, Lakshmi Vilas Bank, Power Finance Corporation, S H Kelkar & Co, Somany Ceramics and Vakrangee too hit 52-week lows today. Reliance Naval hit a new low of Rs 18.55, down 18%, extending its past one week's 22% fall, after the company reported widening of its net loss to Rs 4,087 million in January-March quarter of 2017-18 fiscal year from Rs 1,399 million net loss in the same period of previous financial year. For the full year 2017-18, it posted a net loss of Rs 9,561 million as compared to a loss of Rs 5,234 million in previous year. Auditors of Anil Ambani-led Reliance Naval and Engineering have raised doubts about the company's ability to "continue as a going concern". In its notes to the company's 2017-18 earnings statement, auditors Pathak H.D. & Associates listed cash losses, erosion of network, loans being called back by secured lenders, current liabilities being substantially higher than assets and winding up petitions being filed by few operating creditors to raise its doubts, the PTI report suggested.

Meanwhile, the National Stock Exchange (NSE) on circular dated April 25 said that Reliance Naval and Engineering shall be excluded from equity derivatives (future & options) segment with effect from June 1, 2018.

Bharti Infratel (down 5% at Rs 311) and Idea Cellular (down 4% at Rs 68) too hit 52-week lows on the BSE in intra-day trade.

Bharti Infratel on Wednesday announced the merger of Indus Towers through a share issuance to the principal shareholders. Indus Towers is currently jointly owned by Bharti Infratel (42%), Vodafone (42%), Idea Group (11.15%) and Providence (4.85%).



AJCON GLOBAL

YOUR FRIENDLY FINANCIAL ADVISOR

Idea Cellular has been given an option to cash out its entire stake based on a valuation formula linked to VWAP (Volume-Weighted Average Price) of Bharti Infratel shares during 60 days prior to completion of the merger or accepts shares in lieu. All the proceeds from the sale of the 11.15% stake will be for the benefit of the entity resulting from the merger of Vodafone India and Idea Group, Idea Cellular said in a separate filing.



AJCON GLOBAL
YOUR FRIENDLY FINANCIAL ADVISOR

Disclaimer

Ajcon Global Services Ltd. is a fully integrated investment banking, merchant banking, corporate advisory, stock broking, commodity and currency broking. Ajcon Global Services Ltd. research analysts responsible for the preparation of the research report may interact with trading desk personnel, sales personnel and other parties for gathering, applying and interpreting information.

Ajcon Global Services Ltd. is a SEBI registered Research Analyst entity bearing registration Number INH000001170 under SEBI (Research Analysts) Regulations, 2014.

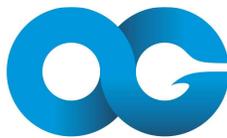
Individuals employed as research analyst by Ajcon Global Services Ltd. or their associates are not allowed to deal or trade in securities that the research analyst recommends within thirty days before and five days after the publication of a research report as prescribed under SEBI Research Analyst Regulations.

Subject to the restrictions mentioned in above para, We and our affiliates, officers, directors, employees and their relative may: (a) from time to time, have long or short positions acting as a principal in, and buy or sell the securities or derivatives thereof, of Company mentioned herein or (b) be engaged in any other transaction involving such securities and earn brokerage.

Ajcon Global Services Ltd. or its associates may have commercial transactions with the Company mentioned in the research report with respect to advisory services.

The information and opinions in this report have been prepared by Ajcon Global Services Ltd. and are subject to change without any notice. The report and information contained herein is strictly confidential and meant solely for the selected recipient and may not be altered in any way, transmitted to, copied or distributed, in part or in whole, to any other person or to the media or reproduced in any form, without prior written consent of Ajcon Global Services Ltd. While we would endeavour to update the information herein on a reasonable basis, Ajcon Global Services Ltd. is under no obligation to update or keep the information current. Also, there may be regulatory, compliance or other reasons that may prevent Ajcon Global Services Ltd. from doing so. This report is based on information obtained from public sources and sources believed to be reliable, but no independent verification has been made nor is its accuracy or completeness guaranteed. This report and information herein is solely for informational purpose and shall not be used or considered as an offer document or solicitation of offer to buy or sell or subscribe for securities or other financial instruments. Though disseminated to all the customers simultaneously, not all customers may receive this report at the same time. Ajcon Global Services Ltd. will not treat recipients as customers by virtue of their receiving this report. Nothing in this report constitutes investment, legal, accounting and tax advice or a representation that any investment or strategy is suitable or appropriate to your specific circumstances. The securities discussed and opinions expressed in this report may not be suitable for all investors, who must make their own investment decisions, based on their own investment objectives, financial positions and needs of specific recipient. This may not be taken in substitution for the exercise of independent judgment by any recipient. The recipient should independently evaluate the investment risks. The value and return on investment may vary because of changes in interest rates, foreign exchange rates or any other reason. Ajcon Global Services Ltd. accepts no liabilities whatsoever for any loss or damage of any kind arising out of the use of this report. Past performance is not necessarily a guide to future performance. Investors are advised to see Risk Disclosure Document to understand the risks associated before investing in the securities markets. Actual results may differ materially from those set forth in projections. Forward-looking statements are not predictions and may be subject to change without notice. Ajcon Global Services Ltd. or its associates might have managed or co-managed public offering of securities for the subject company or might have been mandated by the subject company for any other assignment in the past twelve months.

Ajcon Global Services Ltd. encourages independence in research report preparation and strives to minimize conflict in preparation of research report. Ajcon Global Services Ltd. or its analysts did not receive any compensation or other benefits from the companies mentioned in the report or third party in connection with preparation of the research report. Accordingly, neither Ajcon Global Services Ltd. nor Research Analysts have any material conflict of interest at the time of publication of this report.



AJCON GLOBAL

YOUR FRIENDLY FINANCIAL ADVISOR

It is confirmed that Akash Jain – MBA (Financial Markets) or any other Research Analysts of this report has not received any compensation from the company mentioned in the report in the preceding twelve months. Compensation of our Research Analysts is not based on any specific merchant banking, investment banking or brokerage service transactions.

Ajcon Global Services Ltd. or its subsidiaries collectively or Directors including their relatives, Research Analysts, do not own 1% or more of the equity securities of the Company mentioned in the report as of the last day of the month preceding the publication of the research report.

It is confirmed that Akash Jain – MBA (Financial Markets) research analyst or any other Research Analysts of Ajcon Global do not serve as an officer, director or employee of the companies mentioned in the report.

Ajcon Global Services Ltd. may have issued other reports that are inconsistent with and reach different conclusion from the information presented in this report.

Neither the Research Analysts nor Ajcon Global Services Ltd. have been engaged in market making activity for the companies mentioned in the report.

We submit that no material disciplinary action has been taken on Ajcon Global Services Ltd. by any Regulatory Authority impacting Equity Research Analysis activities.

Analyst Certification

I, Akash Jain MBA (Financial Markets), research analyst, author and the names subscribed to this report, hereby certify that all of the views expressed in this research report accurately reflect our views about the subject issuer(s) or securities. I also certify that no part of compensation was, is, or will be directly or indirectly related to the specific recommendation(s) or view (s) in this report.

For research related queries contact:

Mr. Akash Jain – Vice President (Research) at, 022-67160431 (D)

CIN: L74140MH1986PLC041941

SEBI registration Number: INH000001170 as per SEBI (Research Analysts) Regulations, 2014.

Website: www.ajcononline.com

Corporate and Broking Division

408 - (4th Floor), Express Zone, "A" Wing, Cello – Sonal Realty, Near Oberoi Mall and Patel's, Western Express Highway, Goregaon (East), Mumbai – 400063. Tel: 91-22-67160400, Fax: 022-28722062

Registered Office:

101, Samarth, Off. Hinduja Hospital, 151 Lt. P.N. Kotnis Road, Mahim (West), Mumbai – 400016. Tel: 022-24460335/36/40