

Sensex down 61.16 points on Tuesday, 13 March 2018

Sensex fell 61.16 points or 0.2% to 33856.78.
Nifty rose 5.45 points or 0.05% to 10426.85.
Mid Cap rose 1.0%. Small Cap rose 1.1%.
BSE 500 rose 0.4%. Sensex Gainers: 15

Of 22 BSE Sectoral indices, 19 posted gains.
Advancers: 1724 Decliners: 967 Unchanged: 159
Advance/Decline Ratio 17:10

Sensex Day's Range: 34077.32 – 33722.96
52-Wk Sensex Range: 36443.98 – 29137.48
Nifty Day's Range: 10478.60 – 10377.85
52-Wk Nifty Range: 11171.55 – 9019.30

Sensex Gainers included Axis Bank +2.5%, Sun Phar +2%, Dr Reddy +1.9%, Wipro +1.8%, Bharti Air +1.7%, ICICI Bank +1.1%.

Sensex Losers included TCS -5.2%, Kotak Mahindra -1.5%, Coal India -1%, NTPC -1.0%, Infosys -0.8%, Maruti -0.7%, L & T -0.6%.

Sectoral Gainers were Telecom +1.7%, Oil & Gas +1.6%, Realty +1.6%, PSU +1.4%, Consumer Durables +1.3%, Healthcare +1%, Energy +0.8%, Basic Materials +0.7%, Finance +0.6%, Consumer Discretionary +0.6%, Utilities +0.5%, Industrials +0.5%, Metal +0.5%, Manufacturing +0.4%, Bankex +0.4%, Infrastructure +0.4%, Power 0.3%, Auto +0.2%, Capital Goods +0.1%

Sectoral Losers were IT -1.6%, TECK -1.1%, FMCG -0.01%.

Buzzers:

Kids Medical +20%, Jindal Worldwide +20%, Future Market +20%, Future Cons +19.2%, Uttam Sugar +16.5%, Pioneer Invest +15.9%.

Heavy Losers:

Yash Chemex -10.6%, Raghav Productivity -10%, Athena Const -9.8%, Millitoons Ent -9.7%, JBF Industries -9.7%, MD Inducto -9.2%.

Future Consumer spurts 19.2% after broker initiates coverage:

Future Consumer rose 19.2% to Rs 60.20 after a domestic brokerage initiated coverage on the stock with a 'Buy' rating and price target of Rs 76. The stock had hit a high of Rs 60.60 and a low of Rs 51.70 during the day. The stock hit a record high of Rs 79.45 on 27 December 2017. The stock hit a 52-week low of Rs 27.35 on 28 March 2017. The brokerage stated in its report that Future Consumer (FCL), an integrated consumer company, is the best play on the huge window of opportunity (presented by a combination of macro factors and company-led initiatives) for brands using modern retail methods of distribution.

FCL appears best placed among Future Group companies from a revenue, profit and RoCE perspective, given the group's focus on retail expansion to drive growth in its burgeoning brands portfolio. Improving mix and operating leverage are expected to drive significant margin expansion over the next five years, the report added. On a consolidated basis, Future Consumer reported net loss of Rs 4.7 crore in Q3 December 2017 as against net loss of Rs 14 crore in Q3 December 2016. Net sales rose 42.1% to Rs 784.05 crore in Q3 Dec 2017 over Q3 Dec 2016. Future Consumer is India's first sourcing-to-supermarket food company by Future Group.

Foods & Inns sheds early gain; Jumps 26% in five sessions:

Foods & Inns galloped further by 1.9% to Rs 1749. The share has been on upside track after the company scheduled a board meeting on 13 March 2018 to consider sale of factory land at Chembur, Mumbai. The stock hit a high of Rs 1,580 and a low of Rs 1,436 during the day. The stock hit a record high of Rs 1,800 on 13 March 2018. The stock hit a 52-week low of Rs 890 on 28 September 2017. Foods & Inns' board at its meeting scheduled on 13 March 2018 will also consider allotment of convertible warrants into equity shares issued to promoters of the company on preferential basis and a proposal for acquisition of additional shareholding in Finns Frozen Foods (India).

Foods & Inns reported 7.4% rise in net profit to Rs 1.60 crore on 1.69% fall in total income to Rs 81.44 crore in Q3 December 2017 over Q3 December 2016. Foods & Inns is a multi-locational manufacturer and exporter of a range of processed tropical fruits pulps, purees and vegetables with state of the art factories in Mumbai, Chittor, Valsad, Sinnar and Gonde (Nasik). The company's principal divisions are aseptic, canning, spray drying and frozen fruits, IQF vegetables and snacks. Equity capital is Rs 1.6 crore.

**Vindhya Telelinks perks up 2.6%:**

Vindhya Telelinks rose 2.6% to Rs 1046.35. Yesterday, the share rose 3.5% to Rs 1030. The share had hit a life-time high of Rs 1,472 on 14 Nov 2017. The stock had hit a 52-week low of Rs 575 on 26 Dec 2016. Q3FY18 net profit rose 54% to Rs 16.6 crore on 49% increase sales to Rs 322 crore. Q3FY18 EPS is Rs 14.0. 9MFY18 net profit climbed 37% to Rs 56.7 crore on 37% higher sales of Rs 908 crore. 9MFY18 EPS is Rs 47.8. Its net profit fell 13.1% to Rs 67.24 crore on 5% increase in net sales to Rs 1033.35 crore in FY17. EPS stood at Rs 73.2. A dividend of 70% was paid. With equity capital of Rs 11.8 cr. and reserves of Rs 563 cr., the book value of the share is Rs 487. Total debts are Rs 390 cr. Cash, short term and long term loans etc given of Rs 313 cr. gives net debt of Rs 77 cr. Net DER is 0.13:1. VTL along with its subsidiaries hold substantial chunk of equity shares of Birla Corp and Universal Cables, the combined market value of which currently is Rs 2091 crore or Rs 1772/share.

Vindhya Tele is setting up copper cable facility at Rewa, to be executed in stages, for manufacturing of electron beam irradiated cross-linked cables including installation of electron beam accelerator(s) of appropriate rated capacity, with an estimated capital outlay of Rs 32.75 crore to be funded by a mix of internal accruals and debt. The substantial expansion-cum-diversification project is likely to be operational in two stages by December 2017, the company said. Vindhya Telelinks is a leading manufacturer and supplier of jelly filled telecommunication cables, as well as of optical fiber telecommunication cables.

Star Paper Mills (SPML) jumps 13.3%:

Shares of Star Paper rose 13.3% to Rs 231.9 after hitting an intraday high of Rs 234. The share made a record high of Rs 318.20 on 16 January 2018. During Q2FY18, net profit fell 10% to Rs 12.1 cr. on 11% higher sales of Rs 87 cr. Q3FY18 EPS is Rs 7.8. 9MFY18 EPS stands at Rs 25.8. During FY17, net profit rose 261% to Rs 59.9 cr. on 19% higher sales/operating income of Rs 324 cr. FY17 EPS was Rs 38.4. A dividend of 20% was paid.

With equity capital of Rs 15.6 cr. and reserves of Rs 108 cr., the book value of the share works out to Rs 79. Debt of Rs 21 cr. gives the DER of 0.17:1. The value of the gross block is massive Rs 260 cr. Investments, cash, loans given etc stood at Rs 67 cr. SPML's product mix consists of writing and printing paper, paper boards and MG kraft paper. Over the years, SPML has increased its product portfolio to high-end coloured paper and photocopier papers under the brand name Star.

Uflex gains 6.1% after unveiling gearless printing machine:

Uflex was up 6.1% to Rs 350 after the company unveiled its first in-house manufactured Gearless C.I. Flexo printing machine. The stock had hit a high of Rs 353.05 and a low of Rs 335.50 during the day. The stock had hit a record high of Rs 506.75 on 26 December 2017 and a 52-week low of Rs 263.95 on 10 March 2017. The first ever made in India Gearless Central Impression Flexo Printing Machine is now ready at Uflex's engineering plant at Noida, the company said in a statement.

On a consolidated basis, Uflex's net profit fell 29.5% to Rs 52 crore on 11.7% growth in net sales to Rs 1634 crore in Q3 December 2017 over Q3 December 2016. Uflex is one of the India's leading largest multinational flexible packaging materials and solution companies and an emerging global player. Equity capital is Rs 72.2 crore.

TCS tumbles 5.2% on buzz Tata Sons to trim stake:

TCS fell 5.2% to Rs 2,892.45 after media reported that Tata Sons will sell about 1.5% stake in TCS through the stock exchanges between 13 and 15 March 2018. The stock had hit a high of Rs 2,929 and a low of Rs 2,885.20 during the day. The stock hit a record high of Rs 3,254.80 on 24 January 2018. The stock hit a 52-week low of Rs 2,255 on 19 April 2017. According to media reports, Tata Sons, which held 73.52% stake in TCS (as on 31 December 2017), will sell around 2.82 crore shares of the IT major at between Rs 2,872 to Rs 2,925 a share.

The money raised from the stake sale will be used by Tata Sons to strengthen its balance sheet, reports added. TCS' consolidated net profit rose 1.3% to Rs 6545 crore on 1.2% growth in net sales to Rs 30904 crore in Q3 December 2017 over Q2 September 2017. TCS is an IT services, consulting and business solutions provider.

Vakrangee extends gain consecutively on 7th day:

Shares of Vakrangee rose further by 5% in upper circuit at Rs 215.65 moving up 39% in seven sessions. The company which is the largest system integrator and IT-enabled service provider in the Indian e-governance space, will be included in the FTSE Global Equity Index Series. The shares will be included in the large-cap section — FTSE Global Equity Index series of 'FTSE Russell', member of the London Stock Exchange Group plc, the global index provider, with effect from March 16.

The stock was locked in the lower circuit in the past nine sessions. losing nearly 37 per cent. Last month, SEBI gave a clean chit to Vakrangee after investigation over alleged violation of various provisions of securities laws. Over 1.44 crore shares of the company exchanged hands on the NSE. The scrip opened at ₹176 and touched a high and low of ₹178.90 and ₹163.65, respectively. The company provides real-time services to the unserved and underserved citizens in rural and urban areas through Vakrangee Kendras. It derived 64 per cent of revenue from the kendras, and the remaining from the e-governance business in FY17. Q3FY18 consolidated net profit rose 87.5% to Rs 246.7 crore on 84.1% rise in net sales to Rs 1802.4 crore.

Dolphine Offshore Enterprises (DOL) moves up 4.2%:

Dolphine Offshore rose 4.2% to Rs 84.05.. Dolphin is a provider of specialised and integrated services for the oil & gas industry. It primarily has 2 businesses: (1) it undertakes turnkey projects involving underwater and offshore construction (EPC). Its specialised services are unparalleled in India, even by L&T; and (2) oil offshore support vessels, through its Mauritius-registered subsidiary. One of its barges, Dolphin Vikrant, is state-of-the-art with dynamic positioning (DP2) capabilities. It is only one of 11 barges of its type globally.



Dolphin is a specialised service provider in the oil & gas space, wherein its unique DP2 vessel allows sustainable cash flow, which will help it turn debt free. Dolphin specializes in domestic brown field offshore oil & gas upstream projects. DOEL's wholly owned subsidiaries Dolphin Offshore Enter (Mauritius) and Dolphin Off Shipping are doing well.

NR Agarwal jumps 9.7%:

Shares of NR Agarwal jumped 9.7% to Rs 439.95. The share hit 52-week high of Rs 598.60 on 15 Jan 2018. NR commenced operations with 7000 TPA paper capacity and now possesses 3, 06,000 TPA. The Company commissioned a 1, 08,000 TPA unit for manufacturing writing and printing paper in 2014. The total manufacturing capacity of the Company is 3, 06,000 TPA. The Company embarked on enhancing captive power generation capacity from 23 MW to 25 MW.

During Q3FY18, net profit has shot up by 9% to Rs 25.9 crore on 20% higher sales of Rs 315 crore. Q3FY18 EPS is Rs 15.2. During 9MFY18, net profit has shot up by 31% to Rs 65.9 crore on 15% higher sales of Rs 868 crore. 9MFY18 EPS is Rs 38.8. During FY17, net profit rose 294% to Rs 70.2 crore on 18% higher sales of Rs 1040.5 crore. FY17 EPS was Rs 41.3. With equity capital of Rs 17 crore and reserves of Rs 147 crore, the book value of the share is Rs 96. Net debts of Rs 369 crore, the net DER is 2.25:1. The DER is high due to earlier and ongoing Capex. The gross block is 622 crore.

Meghmani Organics vaults 5.7%:

Meghmani Organics (MOL) rose 5.7% to Rs 90.55 (FV Rs 1). On a consolidated basis, net profit of Meghmani Organics rose 118% to Rs 43.5 crore on 26% rise in net sales to Rs 452 crore in Q3 Dec 2017 over Q2 Dec 2016. Q3FY18 EPS is Rs 1.7. During 9MFY18, net profit rose 89% to Rs 121 crore on 18% higher sales of Rs 1389 crore. 9MFY18 EPS is Rs 4.8. In the previous quarter, the company said its laboratory facility in Gujarat received compliance certificate from NGCMA (National Good Laboratory Practice (GLP) Compliance Monitoring Authority (NGCMA)). The stock had hit a high of Rs 129.40 on 07 Nov 2017. The stock hit a 52-week low of Rs 36 on 23 May 2017. The certificate is valid till 17 October 2020.

MOL is a manufacturer of pigments and agrochemicals. Caustic soda is manufactured from latest 'membrane-cell technology' from Asahi Kasei Chemical Corporation, Japan. The company specializes in the manufacture of green and blue pigment products that span multiple applications. MOL has a captive power plant of 60MW, leading to low power cost and high margins as power cost is 60% of total raw material cost in Caustic Soda production. Caustic soda constitutes about 30% of sales, Pigments 34% and agrochemicals 36% of sales. Exports represent 55% of sales. MOL is on further expansion drive. Newly caustic potash plant will have a planned Capex of Rs 540 cr. towards increasing Caustic capacity (50%) to 240 TPD and Power plant capacity to 90MW from 60 MW. It will set up Chloromethane plant (40,000 MTPA) and Hydrogen Peroxide (50%) project of 25,000MTPA.

Lupin advances 1.4% after launching a generic drug in US

Lupin advanced 1.4% to Rs 780.85 (FV Rs 2) after the company announced the launch of a generic drug in United States. The stock had hit a high of Rs 784.50 and a low of Rs 766 during the day. The stock had hit a 52-week high of Rs 1,498.40 on 23 March 2017 and a 52-week low of Rs 750 on 8 March 2018. Pharma major Lupin announced the launch of its Tydemy Tablets having received an approval from the United States Food and Drug Administration (USFDA) earlier. The tablets are indicated for use by women to prevent pregnancy and to raise folate levels in women who choose to use an oral contraceptive for contraception. It had annual sales of approximately \$22 million in the US as per January 2018 data. Lupin's consolidated net profit plunged 65% to Rs 221.7 crore on 11.5% decline in net sales to Rs 3900.4 crore in Q3 Dec 2017 over Q3 Dec 2016. Lupin is a transnational pharmaceutical company developing and delivering a wide range of branded & generic formulations, biotechnology products and active pharmaceutical ingredients (APIs) globally. Equity capital is Rs 90.4 crore.

Asian Markets:

Asian markets were: Nikkei + 0.7%, Hang Seng + 0.02%, Shanghai - 0.5%.

European Markets:

European markets were: FTSE + 0.01%, CAC 40 + 0.4%, DAX + 0.2%.

Crude:

Crude Oil was trading at \$61.54/barrel.

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