தினமலர்
மதுரை | வெள்ளி | 26.6.2020

POLYSPIN EXPORTS LIMITED

CIN : L51909TN1985PLC011683

Regd. Office : No.351, P.A.C.R. Salai, Rajapalayam - 626 117.

EXTRACT OF AUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED 31ST MARCH, 2020

(Rs. in Lakhs)

SL No.	Particulars	Quarter Ended			Year Ended	
		Audited	Unaudited	Audited	Audited	Audited
		31.03.2020	31.12.2019	31.03.2019	31.03.2020	31.03.2019
1.	Total Income from Operations (Net)	**3897.48**	4665.04	4806.73	**17226.93**	21488.07
2.	Net Profit for the period before tax	**56.06**	416.09	164.61	**738.36**	1084.36
3.	Net Profit for the period after tax	**34.18**	292.65	94.01	**526.79**	730.76
4.	Total Comprehensive Income for the period after tax (Comprising Profit) for the Period after tax and other Comprehensive Income after tax	**45.47**	292.91	105.83	**547.12**	753.85
5.	Paid of Equity Share Capital	**400.00**	400.00	400.00	**400.00**	400.00
6.	Other Equity	---	---	---	---	2896.08
7.	Earnings per Share (Face value Rs.10/- each) **Not Annualized** Basic : Diluted :	 **1.14** **1.14**	 7.32 7.32	 2.65 2.65	 **13.68** **13.68**	 18.85 18.85

Notes :

1. The above is an extract of the format of Quarter and Year ended Audited Financial results filed with the Stock Exchange under Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The full format of the Quarter and Year ended audited Financial results are available on the Stock Exchange Websites (www.bseindia.com) and on Company's website (www.polyspin.org)
2. The above audited financial results were reviewed and recommended by the Audit Committee of Directors and approved by the Board of Directors in their meeting held on 25.06.2020 respectively.
3. The Board of Directors has recommended a final dividend of 6% on Paid up Equity Capital of the company, representing Re.0.60 per Equity share, subject to the approval from the share holders at the ensuing Annual General Meeting.
4. Key Numbers of Consolidated Audited Financial Results of the Company for the Quarter and Year ended 31st March, 2020 are as below:-

Particulars	Quarter Ended			Year Ended	
	Audited	Unaudited	Audited	Audited	Audited
	31.03.2020	31.12.2019	31.03.2019	31.03.2020	31.03.2019
Total Income from Operations (Net)	**3897.48**	4665.04	4806.73	**17226.93**	21488.07
Profit before tax	**56.06**	416.09	164.61	**738.36**	1084.36
Profit for the year before share of Profit of Associates	**34.18**	292.65	94.01	**526.79**	730.76
Share of Profit of Associates	**(7.72)**	1.39	(3.32)	**8.26**	14.40
Net Profit	**26.46**	294.04	90.69	**535.05**	745.16
Total Comprehensive Income for the period after tax (Comprising Profit) for the period after tax and other Comprehensive Income after tax	**37.75**	294.30	102.51	**555.38**	768.25

5. The receipt of Rs. 250 Lakhs towards fire insurance claim is considered in 'Other Income' during the Quarter ended 31st December, 2019.
6. Figures have been re-grouped wherever necessary.

By Order of the Board of Directors
For POLYSPIN EXPORTS LTD.,
R.RAMJI
MANAGING DIRECTOR & CEO

Place : Rajapalayam
Date : 25.06.2020

QUICKLY

Vedanta gets nod for delisting

Mumbai, June 25

Vedanta has got shareholders' nod for voluntary delisting of equity shares from the NSE and the BSE. The company obtained 93.3 per cent votes in favour of the proposal. Billionaire Anil Agarwal-owned Vedanta Resources will be buying out 48.94 per cent shares held by retail investors in Vedanta with an investment of ₹16,000 crore, depending on the final price. It had fixed the floor price for the buyback of shares at ₹87.5 apiece. However, the final price will be decided after the reverse book-building process is completed. OUR BUREAU

Offer-for-sale in Sumitomo India

Chennai, June 25

Sumitomo Chemical Company, promoter of Sumitomo Chemical India, proposed to sell up to 49.91 lakh shares, representing approximately 1 per cent of the total paid-up equity share capital of the company on Friday (for institutional investors) and on Monday (for retail investors) through offer-for-sale mechanism. The OFS has an option to additionally sell up to 49.91 lakh shares in case of oversubscription. The floor price for the sale has been fixed at ₹265. OUR BUREAU

Did IIFL promoters trigger an open offer?

PALAK SHAH

Mumbai, June 25

The share price of IIFL Finance, the Mumbai-based stock broker and financial services company, shot up nearly 10 per cent on Thursday as market players were certain that an open offer had been triggered by the company's promoters. According to a regulatory filing by IIFL on June 24, the promoter holding and voting rights in IIFL rose above the open offer trigger point of 25 per cent. It meant that promoters will have to announce an offer to acquire more shares from the markets, which saw IIFL's share price hitting the upper circuit at ₹82.2 in a choppy market.

According to SEBI's Substantial Acquisition of Shares and Takeover (SAST) rules, when promoter holding and voting rights in the company crosses 25 per cent, it triggers an open offer. On June 24, IIFL said that its promoters had acquired 0.12 per cent additional stake in the company which took their holding to 25.06 per cent in the company from an earlier 24.94 per cent.

SEBI's SAST says, "No acquirer shall acquire shares or voting rights in a target company, which taken together with shares or voting rights, if any, held by him or by person acting in concert with him in such target company, entitle them to exercise them 25 per cent or more of the voting rights in such target company unless the acquirer makes a public announcement of an open offer for acquiring shares of such target company in accordance with these regulations." IIFL's announcement to the stock exchanges on Wednesday said, "Shares carrying voting rights acquired."

However, in a clarification to the BSE at 12.54 pm on Thursday the company said, "This is to clarify that the promoter group's voting rights in the company has not exceeded 25 per cent and promoter group has no intent to acquire more than 25 per cent voting rights in the company or make any public offer."

Legal experts said the matter will have to be decided by SEBI. "Once the announcement is made, the ball is in SEBI's court. Takeover Code says that even an expression of interest and not actual acquisition can trigger an open offer," a securities market lawyer told *BusinessLine*.

"Four lakh fifty four thousand shares are purchased by me and out of that two lakh fifty thousand shares are sold by our promoter group entity called Ardent. So the net effect is that the shareholding of the promoter group has gone up to 24.99 per cent. I individually do not have 25 per cent shareholding. So it is me, Venkat and promoter group entities put together. As I said, the 2.5-lakh share transfer was missed out and, therefore, the calculations are not correct. But the fact that I have purchased the shares is correct. So, I bought 4.5 lakh shares yesterday, which is 0.12 per cent. But for the promoter group, the total shareholding will not increase over 25 per cent. It really will go up to 24.99 per cent," Nirmal Jain, promoter, IIFL said.

It remains to be seen if an open offer once triggered can be reversed. SEBI will have to decide on this one, the lawyer said.

"This percentage voting rights had been computed on the basis of an expected delivery of shares, which is yet to take place. Prior to delivery and acquisition of the voting rights, the sale of shares covered by this intimation has been effected and the shares have been delivered. As such, the 25 per cent threshold was never actually crossed," IIFL has said in its latest filing.

Andhra Paper slumps as promoter plans to cut stake

OUR BUREAU

Chennai, June 25

Shares of Andhra Paper slumped 15.87 per cent on Thursday at ₹197 on the BSE, as one of its promoters plans to dilute its stake in the company through an offer-for-sale (OFS). The floor price for the sale has been fixed as ₹186, the company said in a disclosure to the stock exchanges.

International Paper Investments (Luxembourg) SARL, one of the promoters of Andhra Paper, has proposed to sell 39.77 lakh shares, representing 10 per cent, of the total paid-up share capital of the company on Thursday for non-retail investors, and on Friday, for retail investors through the OFS window.

The OFS has also a greenshoe option to additionally sell up to 28.64 lakh shares, representing 7.2 per cent.

Currently, International Paper Investments holds 20 per cent stake in the company. It may be recalled that in 2011 International Paper had bought the then Andhra Pradesh Paper Mills for ₹1,400 crore and renamed it International Paper APPM.

West Coast stake at 72%

However, subsequently in 2019, International Paper sold over 50 per cent stake in International Paper APPM to West Coast Paper Mills. Currently, West Coast Mills owns 72.2 per cent stake in Andhra Paper.

The name of International Paper APPM was once again changed to Andhra Paper in early 2020.

Some 36,000 shares changed hands on the BSE against the two-week average of 1,695 shares; on the NSE, 6.25 lakh shares changed hands.

For the quarter ended March 2020, Andhra Paper had posted a profit of ₹92.92 crore and revenues of ₹279.67 crore.

JPMorgan AMC sees gold mine in junk bonds

BLOOMBERG

June 25

Three months ago, Arjun Vij couldn't wait to sell all his junk bonds. Now he can't get enough of them.

In a strategy U-turn, Vij, who helps oversee JPMorgan Asset Management's $1.2-billion Global Bond Fund, is buying high-yield corporate debt and emerging market dollar bonds on expectations that the world has already seen the worst of the coronavirus pandemic.

"Policy makers are willing to keep the economy running unless it gets extremely bad, so the threshold is quite high for another global shutdown," said Hong Kong-based Vij, who sees a 10 per cent chance of another worldwide lockdown happening.

Vij's playbook reflects how investors have leaned into the view of a strong global economic rebound supported by record liquidity from central banks. While some have sounded the alarm over the exuberance in markets, risk assets from equities to emerging markets have shown no signs of slowing from a three-month rally.

In a reflection of this optimism and support from the Federal Reserve, returns on US junk bonds have risen about 11 per cent since April, largely erasing the previous month's losses. Vij, who slashed his funds high-yield allocation to zero in March, has lifted it to 4 per cent as he sees less risk of a second infection wave triggering another cash squeeze. While yields may not immediately return to pre-pandemic levels, we don't expect a sell-off in spreads to persist in the market for long because of the Fed's intervention and protection, he said.

'Bulk, block deal windows can be used in open offer'

OUR BUREAU

Mumbai, June 25

SEBI has tweaked the norms to favour listed companies during open offer. Now, acquisition through bulk and/or block deals shall be permitted during the open offer, SEBI said. Block and bulk deal is a negotiated deal window where a huge quantity of shares can be bought on the exchange platform at one price.

"For indirect acquisitions where the public announcement of an open offer has been made, 100 per cent of the consideration payable under the open offer must be deposited in an escrow account," SEBI said.

Delayed offers

In case of delays in making open offers due to acts of omission or commission of the acquirer, a 10 per cent interest is to be paid to all shareholders who have tendered the shares in the open offer, SEBI said.

The regulator also approved amendments to SEBI (Prohibition of Insider Trading) Regulations, 2015.

These include maintaining a structured digital database containing the nature of unpublished price-sensitive information and the names of persons who have shared the information.

This will involve the automation of the process of filing disclosures to stock exchanges, restriction on the trading window not to be made applicable for transactions as prescribed by SEBI and includes entities to file the non-compliance of 'code of conduct' with the stock exchanges.

IOB posts a profit after 1 8 quarters

OUR BUREAU

Chennai, June 25

Indian Overseas Bank (IOB) has reported a turnaround in its operations as the Chennai-headquartered PSB posted a net profit of ₹144 crore (includes the extraordinary income of ₹53 crore) for the quarter ended March 31, 2020, compared with a net loss of ₹1,985 crore in the year-ago quarter.

The bank has recorded a profit after reporting a net loss for 18 quarters. While the bank's net NPA has dropped below 6 per cent in the past two quarters, it has reported net profit for March 2020 quarter, indicating the possibilities of coming come out the RBI's PCA framework soon.

"Higher operating profit and lower provisions have helped post a strong net profit in March 2020 quarter.

Karnam Sekar, Managing Director & CEO, IOB

It is a great turnaround and landmark event for the bank as several initiatives taken in recent months have helped," said Karnam Sekar, Managing Director & CEO of IOB.

Operating profit of the bank grew by 6 per cent to ₹1,197 crore against ₹1,131 crore in the year-ago quarter. Interest income was lower at ₹4,442 crore (₹4,556 crore), while non-interest income was higher at ₹1,095 crore (₹917 crore).

Provisions and contingencies were lower at ₹1,060 crore (₹4,502 crore)

Gross NPA declined to ₹19,913 crore with ratio of 14.78 per cent as on March 31, 2020, against ₹33,398 crore with ratio of 21.97 per cent a year-ago.

Total recovery was ₹5,386 crore in Q4 of FY20, while the total fresh slippage for the same period stood at ₹1,350 crore.

Net NPA was contained at ₹6,603 crore with ratio of 5.44 per cent of March 31, 2020, against ₹14,368 crore with ratio of 10.81 per cent a year ago.

Provision coverage ratio improved to 86.94 per cent as March 31, 2020, against 71.39 per cent a year ago.

IOB believes growth in retail advances and management of NPAs will help the bank sustain its profitability going forward.

While the bank doesn't expect any further stress on the corporate loan side, it claims to have a strong hold on the RAM segment – retail, agriculture and MSME. But it expects Q1 and Q2 of this fiscal to be muted.

Its net interest margin was 2.30 per cent in Q4 of FY20, and the bank aims to take it to three per cent in the future. It had a capital infusion of ₹4,360 crore from the government during Q4.

"IOB will emerge as a strong PSB in future. The bank has learnt its lessons in the last 4-5 years and will devise right strategy to grow stronger," said Sekar.

BROKER'S CALL

CD EQUISEARCH
Polycab (Buy)
CMP: ₹797.7
Target: ₹1,099

Polycab has evolved from a largely B2B play to a fast-growing B2C brand. Driving this growth as a powerhouse in India's consumer electricals market have been their investments in branding and marketing with good results. Polycab's initial strategy was to focus on strengthening not only above-the-line but also below-the-line and through-the-line communication. This ensured not only top-of-mind recall for the brand but similar recognition at point-of-sale and post-purchase satisfaction. Polycab's revenues have grown over 14 per cent during FY16-20, although looking closely at the numbers, its primary business has shown sub-10 per cent increase over the last couple of years (last few days of FY20 were impacted due to the pandemic) and our estimates suggest that it will not reach FY20 levels in terms of revenue for at least another couple of years. The FMEG business margins are another cause of concern.
The stock currently trades at 18.2x FY21e EPS of ₹44.02 and 13.1x FY22e EPS of ₹61.08. Although demand prospects are barely disappointing, fluctuation in raw material prices poses a key challenge. Realisation and profitability depend of copper and aluminium commodity prices. Polycab won an order from Dangote worth ₹950 crore to supply wires and cables to the African company for its oil and gas projects which is expected to be completed by Q1FY21. Weighing odds, we advise 'buy' rating on the stock with target price of ₹1,099 based on 18x FY22e EPS of ₹61.08 over a period of 9-12 months.

AXIS SECURITIES
CanFin Homes (Buy)
CMP: ₹360.15
Target: ₹405

CanFin Homes' Q4FY20 results were better than expectations on operational front aided by strong net interest margins and benign asset quality. Net interest income/PPOP (pre-provision operating profit) was up 34/38 per cent y-o-y with stable G/NNPA at 0.8/0.5 per cent. Loan book under moratorium is about 29/28 per cent customer wise/ valuewise. Loan mix to be maintained at 71/29 per cent salaried/self-employed. Of the salaried, 50 per cent is to PSUs. Developer loans are just ₹6 crore. Liquidity position remains comfortable. Company is also looking to raise capital in the near future.
Lower cost of funds will support net interest margin coupled with favourable loan mix and strong capital adequacy ratio keeping performance outlook largely stable for the company, despite growth headwinds in FY21. We recommend 'buy' with a target price of ₹405 (2x FY22ABV).

BusinessLine is not responsible for the recommendations sourced from third party brokerages. Reports may be sent to: blmarketwatch@gmail.com

TODAY'S PICK

Max Financial Services (₹535.7): Buy

YOGANAND D

BL Research Bureau

The stock of Max Financial Services jumped 6 per cent accompanied by above-average volumes on Thursday, conclusively breaking above the key long-term resistances at ₹500 and ₹520. This rally provides investors with a short-term perspective an opportunity to buy the stock at current levels. Since recording a 52-week low at ₹279 in late March this year, the stock has been in a medium-term uptrend. The short-term trend is also up for the stock.

While trending up, the stock had decisively breached its 50- and 200-day moving averages in late May and is now trading well above these moving averages. With the breach of the key resistance at ₹520, the stock had strengthened its medium-term uptrend. There has been an increase in daily volumes over the past one month.

Overall, the short-term outlook is bullish for the stock. It can continue to trend upwards and reach the price targets of ₹557 and ₹565 in the ensuing trading sessions. Traders can buy with stop-loss at ₹525.

(Note: The recommendations are based on technical analysis. There is a risk of loss in trading.)

DAY TRADING GUIDE

10296 **Nifty 50 Futures**

S1	S2	R1	R2	COMMENT
10235	10175	10360	10425	Consider fresh long positions with a tight stop-loss if the contract reverses higher from 10,235 levels

₹1028 **HDFC Bank**

S1	S2	R1	R2	COMMENT
1015	1000	1040	1055	Consider initiating fresh long positions with a fixed stop-loss if the stock moves beyond ₹1,040

₹699 **Infosys**

S1	S2	R1	R2	COMMENT
690	680	710	720	Fresh short positions are recommended with a stiff stop-loss only if the stock falls below ₹690

₹202 **ITC**

S1	S2	R1	R2	COMMENT
198	195	205	208	Near-term outlook is bullish for the stock of ITC. Make use of intra-day dips to buy with a fixed stop-loss

₹81 **ONGC**

S1	S2	R1	R2	COMMENT
79	76	84	87	Initiate fresh short positions with a tight stop-loss if the stock of ONGC fails to rally above ₹84 levels

₹1717 **Reliance Ind.**

S1	S2	R1	R2	COMMENT
1705	1685	1735	1750	Consider short positions with a fixed stop-loss only if the stock declines below ₹1,705 levels

₹185 **SBI**

S1	S2	R1	R2	COMMENT
180	174	190	197	Initiate long positions with a tight stop-loss only if the stock of SBI advances above ₹190 levels

₹2010 **TCS**

S1	S2	R1	R2	COMMENT
1990	1970	2030	2050	Make use of intra-day rallies to initiate fresh short positions with a fixed stop-loss at ₹2,030 levels

S1, S2: Support 1 & 2; R1, R2: Resistance 1 & 2.

MCX-Zinc remains above key base

COMMODITY CALL

AKHIL NALLAMUTHU

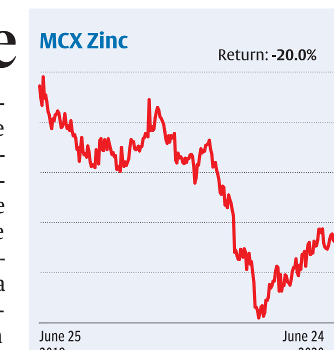
BL Research Bureau

The July futures contract of zinc on the Multi Commodity Exchange (MCX), which was in an uptrend for the past three months, seems to have lost steam as it struggles to make fresh highs. That said, the trend has not reversed and bulls have a chance as long as the contract remains above ₹159. This is a critical support as the 23.6 per cent Fibonacci retracement level of the previous rally and the 50-DMA align at this level.

Though there is no confirmation of a trend reversal, certainly there are indications of bulls losing traction. The daily RSI, though above the midpoint level of 50, has little momentum. Also, the MACD indicator, despite being in the positive territory, is signalling weakness as the trajectory is downward.

If bears build up strength, resulting in the contract slipping below the crucial support level of ₹159, it might turn the short-term trend bearish. Below ₹159, the price could even drop to ₹150. On the other hand, if the contract advances from the current levels, ₹166 can be a strong hurdle. A breakout of this level could mean the resumption of the uptrend where the price could rise to ₹175.

On the global front, the trend of the three-month rolling forward contract of zinc on the London Metal Exchange remains bullish even after witnessing a correction. Also, the contract remains above the critical support of $2,000. Until it stays that way, bulls have a good chance to regain momentum. An upswing in global prices can positively influence the contract on the MCX.



Trading strategy

Even though there are signs of weakness, there is no confirmation yet of a trend reversal in MCX-Zinc. Moreover, it has a strong support at ₹159. Also, globally the trend remains bullish despite facing a price correction. Hence, traders can go long on MCX-Zinc with stop-loss at ₹155.

Note: The recommendations are based on technical analysis. There is a risk of loss in trading.