

Publication:	Economic Times	Edition:	Mumbai
Date:	09-Aug-2017	Page No:	10
Supplement:	Main	Size (cm2):	350.19
Title:	Sebi's Decision has No Basis, Say Most Cos	Byline (Author):	Rajesh Mascarenhas

SHELL-SHOCKED

Sebi's Decision has No Basis, Say Most Cos

Sebi's restrictions on trading in 331 stocks have impacted about 36 lakh investors. These include some big names, such as Rakesh Jhunjhunwala, DSP Blackrock, HDFC Mutual, Reliance Mutual and UTI among domestic investors. Foreign institutions like Goldman Sachs, Fidelity, Blackrock and Smallcap World too are holders of some of these stocks. – Rajesh Mascarenhas

J KUMAR INFRA

The Mumbai-based company, which recently won the government contract of Mumbai Metro III rail, has over 25,300 retail investors as on June 2017 including HDFC AMC (3.7%), Goldman Sachs (3.6%), Smallcap World Fund (5.4%), UTI (2.5%) and Blackrock (1.96%). The stock has given a return of 38% so far this year.

Company Response: J Kumar Infra is not a shell company and the suspicion of the regulator is uncalled for. We are rated IND A+ for fund-based limit, IND A1+ for non-fund-based limit and IND A1+ for commercial paper by India Ratings.

PRAKASH INDUSTRIES

Prakash Industries, which rose 207% so far this year, has a strong balance sheet. As on June 2017, there were 48,000 shareholders including BNP Paribas (3.4%), Sunidhi Capital (2%) and Rakesh Jhunjhunwala (1%).

Company Response: We are not a shell company; we are a healthy profit-making company with an annual turnover of over ₹2,400 cr and profit of ₹78 crore for FY2016-17.



PARSVNATH DEVELOPERS

Delhi-based real estate company has 1.96 lakh public shareholders including Fidelity (4.17%), ITF Mauritius (2.3%), Anand Rathi (2.1%) and Religare Finvest (1.04%).

Company Response: We are shocked to see our company on the list of suspected shell companies. The direction issued by Sebi in terms of the letter under reference is completely uncalled for and is without any basis. We have never ever indulged in any malpractices in the stock market.

SQS INDIA BFSI

A multinational company with ₹260 crore turnover and ₹24 crore profit for the year 2016-17 has nearly 15,000 public shareholders including IIFL (1.7%) and Kalpraj Dharamshi (3%).

Company Response: We have been meticulously filing all the reports with the exchanges. SQS India has been a dividend paying company and parent company SQS Software Quality systems AG are based out of Germany and are listed on the AIM and London Stock Exchange.

Company	Last Price (₹)	YTD Return (%)	Mcap (₹ cr)	Retail Share-holders	FY17 Sales (₹ cr)	FY17 PAT (₹ cr)
J Kumar Infra	283.64	38.29	2,146.10	23,831	1,572.81	105.56
Prakash Inds	139.00	207.52	2,077.91	46,612	2,173.50	81.00
Parsvnath Devp	23.45	81.78	1,020.50	1,89,383	278.90	-153.18
Gallantt Ispat	213.00	-56.49	819.62	3,186	424.71	57.43
SQS India BFSI	501.55	-30.72	536.16	14,481	259.90	23.80
Adhunik Inds	104.40	-2.43	488.17	1,475	374.34	2.30
KKalpana Inds	37.90	12.16	356.45	7,295	1,957.27	25.71
Signet Indus.	11.17	-46.30	328.84	10,624	928.39	19.30
Gallantt Metal	39.50	0.13	321.21	7,044	616.73	27.10
Pincon Spirit	71.65	10.83	315.83	15,446	1,561.69	43.96

Source: ETIG Database

PINCON SPIRITS

Company with a turnover over ₹1,500 crore for FY 2017 has over 15,500 public shareholders including Centrum (1.5%) and Axis Bank (1.1%).

Company Response: Pincon Spirit has been a dividend paying company and paying government excise duties in crores. We find it quite surprising that the company has been placed under the surveillance list of shell companies.

