

Manpasand Beverages

BSE SENSEX

35,165

S&P CNX

10,689

'Under Review'



Stock Info

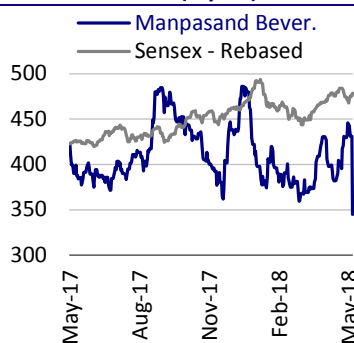
Bloomberg	MANB IN
Equity Shares (m)	114.4
52-Week Range (INR)	512 / 345
1, 6, 12 Rel. Per (%)	-14/-17/-32
M.Cap. (INR b)	39.5
M.Cap. (USD b)	0.6
Avg Val, INRm	90.0
Free float (%)	55.9

Shareholding pattern (%)

As On	Mar-18	Dec-17	Mar-17
Promoter	44.1	44.1	44.1
DII	29.2	29.1	30.4
FII	21.6	21.9	21.2
Others	5.1	4.9	4.3

FII Includes depository receipts

Stock Performance (1-year)



Statutory auditor Deloitte Haskins & Sells resigns

Putting rating 'Under Review' until further clarity emerges

Event update:

- Manpasand Beverages (MANB), in a regulatory disclosure on the BSE on 27th May 2018, announced resignation of its statutory auditor – Deloitte Haskins & Sells – with effect from 26th May 2018, and cancellation of the board meeting scheduled on 30th May 2018 to consider the 4QFY18 results.
- Mehra Goel & Co will replace Deloitte Haskins & Sells with effect from 27th May 2018.
- Last year, the announcement of the fourth quarter results was postponed from 29th May 2017 to 13th June 2017, marking a delay of 15 days. Moreover, the results were announced without any qualification by the statutory auditor.
- This event has come as a surprise to us, just ahead of the earnings release. We put our rating under review until clarity emerges from 4QFY18 results and further disclosures.
- Link to notice: <https://www.bseindia.com/xml-data/corpfiling/AttachLive/023528ea-52cb-4389-9e39-79583ed55682.pdf>

Statutory auditor resigns in absence of adequate information from company

- Deloitte Haskins & Sells was the statutory auditor of MANB since FY11. The auditor resigned four days prior to the scheduled 4QFY18 result announcement and stated the following reason, "We would like to bring to your attention that significant information requested by us from the company at various points of time for the purpose of audit of the financial results have not yet been provided to us. We observe that there has been no further progress with respect to the pending information, evidences and explanations. Therefore, as informed to you, we would be unable to complete the statutory audit of the financial statements of the company for the year ended March 31, 2018 by May 30, 2018." "Under the circumstances, and as per our discussions with you, we are submitting our resignation as statutory auditors of the company with immediate effect".

Statement from Manpasand Beverages on auditor resignation

- "It is very unfortunate that we had to part ways with our long-term associate. We want to take this opportunity to assure everyone that the decision has been taken by the management after due consultations and it is in the best interests of our shareholders. Everything related to financial results announcement and the timing of this event is purely coincidental and has no direct correlation. The board meeting has been postponed and the new date will be announced shortly."
- Link: <https://www.bseindia.com/xml-data/corpfiling/AttachLive/fbacc478-ae38-40e8-880d-e8de01e3ecfc.pdf>

Rating 'under review'

- This event has come as a surprise, just ahead of the earnings release. We will wait for the 4QFY18 results and further disclosures. **We, thus, put our rating 'Under Review'.**

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Explanation of Investment Rating

Investment Rating

BUY	Expected return (over 12-month) >=15%
SELL	< - 10%
NEUTRAL	> - 10% to 15%
UNDER REVIEW	Rating may undergo a change
NOT RATED	We have forward looking estimates for the stock but we refrain from assigning recommendation

*In case the recommendation given by the Research Analyst becomes inconsistent with the investment rating legend, the Research Analyst shall within 28 days of the inconsistency, take appropriate measures to make the recommendation consistent with the investment rating legend.

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Manpasand Beverages

Analyst ownership of the stock

No

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