

Editorial
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We have put detailed trail of RDN Rasayan and it does not appeal you now then can never. Anyways my target of Rs 700 is intact. NTC license sell money and the NTC plant at Kolkata will go in the largest cash cow of the 25000 crs group that is RDB RASAYAN only co which makes 31% IBITDA margin.

Nifty as promised crossed 25000 and many retail investors hearing channels are short. Let us see when the short covering happen.

As per earning trajectory 28000 30000 Nifty will come on screen and 2024 is exceptional year where we may see 28000 on screen so selling short could be suicidal.

CNI has done all good for giving stocks which are multi bagger and can suggest high priced stocks also but you do not that mentality which we have seen from your reaction GE PIL. Stock hit at Rs 644 many sold and stock corrected to 480 and everyone was panic as if they have bought at 644. Now stock is again going up. Our entry was at Rs 160 and we sold 50% to make it cost free. If you can tolerate the volatility we at CNI think that we should continue with small caps bottom up stocks and if you take few at high prices at your own risk please do ever refer it to CNI.

We will not address any stocks which has gone up 100% from our stock initiation price.

Popees heading for Rs 2500 in straight run. We had put a decent note explaining the valuations. If you have not bought I cant help it. Co will achieve Rs 2500 crs revenue by 2030 as per company's presentation saw by us last week from some sources. It means this will be bigger than CANTABIL.

Just imagine FIRST CRY is coming out with 3 bn \$ IPO then what should be Popees valuation ? It is better co that First cry and just at 60 crs market cap..?

Brands is a different game altogether. Eq just 6 crs out of which 40% seems physical where would you get shares from..? We gave at a time when stock was hitting lower cct. Now everyone is asking how to buy..? How can we help in this regard? Stand in q every day and try your luck.

Change of the week

	03-Aug-24	Rise /Gain
Sensex	80981	348 ↓
Nifty	24717	116 ↓

Net Investments (` Cr)

	FII	DII
29-07-2023	(2726.3)	5665.5
30-07-2023	(2865.9)	5565.1
31-07-2023	(2853.7)	3366.5
01-08-2023	1826.3	(337.03)
02-08-2024	(3310)	2965.9
Total	9928	17,224

Turnover (` Cr)

	FII	DII	Combined
02-Aug-24	1,83,373	1,52,450	3,35,823

02-Aug-24	Advances	Declines	Ratio
BSE	1616	2311	0.69

Bhel received Rs 13000 crs orders. New trajectory for Bhel now. Rs 489 I am seeing.

Shivam Auto direct beneficiary of Rs 42000 crs defense allocation. I bet big on this HERO gr company. It will be Rs 400 in next 24 months. You have option of exiting SHIVAM and buying HAL no one will stop you. You will do well even with HAL as it will cross Rs 1000 in 2 years. But 100% vs 1000% choice is yours.

Whenever RG has given GALI to any stock that has become 10x. This has happened with HAL at Rs 700 and now HAL is 9000+ more than 10x. He gave GALI to Nifty on 4th June and Nifty crossed 25000 and on its way to see 1 lac in next 5 years.

GLOBAL offshore made high of 80.70 today. Clear indication of big blast. V K holds 17 lac shares in this co as per our research. 30 lac shares will be added by OWNER of Cement co. Great opportunity in the business. Cleared all mess. Cleared all debt. Coming back to 14 vessels from just 2. Watch March 25 and March 26 results. One vessel is equal to Rs 25 crs profit is simple equation which you can see from March 25 results and keep calculating.

RDB rasayan will not write more now. Wait and watch. Next write up only when it cross 250. This is what required with investors. Global moved from 21 to 80 and still investors are not happy. RDB will move to 1000 and yet you will not be happy. Because we are there in Rs 5 10 profits and will wait for Rs 100 loss. I will be happy to should once it cross 250. Till then GOOD buy on RASAYAN and no queries please. Anyone want to sell big we have buyers enquiry for 10 lac shares like RDB realty. RDB realty was our call at Rs34 and now no one owns. NTC too crossed 171.

Why we prefer RDB RASAYAN over NTC and RDB REALTY as RASAYAN has 101 Rs book value and EPS of R 25 which other two does not have. So in case of merger the largest beneficiary will be RDB RASAYAN. Buying on information is advised and selling on news. Timing of announcement no one can predict. But certainly market will not give an opportunity to buy when announcement is coming.

Inspirisys no one hold and price is Rs 175. It will cross 350 soon and another buyback will come. With MICROSOFT guy as head this CAC co has to be 5000 crs company come what it may. You may exit as my job done. I gave at 48 now 175 what more you want... In any case you all not in wealth creation. Else you would have loved RDB Rasayan at 174 also.

5 Top Gainers			
Stock	02/08/2024	29/08/2024	% Gain
NEULAND LAB	8383.1	11,042	31.7
PCBL	291.1	376.95	29.4
ADANI ENERGY	1052.5	1261	19.8
TORRENT POWER	1556.1	1850.5	18.9
AJANTA PHARMA	2400.5	2830	17.8

5 Top Losers			
Stock	02/08/2024	29/08/2024	% Loss
AEGIS LOGISTIC	735.6	.893.3	17.6
BIRLASOFT	605.5	727.1	16.7
MACROTECH	1237.7	1397	11.4
SONATA SOFT	657.1	737.4	10.9
DATAMATIC	583	651.6	10.5

Top 5 Picks By CNI 'A' Group
Company
RIL
HDFC BANK
TATA MOTORS
BAJAJ AUTO
TATA POWER

Top 5 Picks By CNI 'B' Group
Company
SHIVAM AUTO
J&K BANK
INDAG RUBBER
PATANJALI FOOD
CAPACITE INFRA

Shivam auto received big equally big big order from HAL and compared its revenue the order size is too big. May check with MGT. Rs 42000 crs is good enough for HAL to outsource from Defense orders.

Finally BPCL crossed 52 week and life high.

Shivam auto hits upper circuits. In our budget report we had clearly specified about Shivam auto. Hold stock our first target is 80.

Same way we will see action in RDB rasayan. If same group companies NTC and Rdb reality are hitting new highs every day than RDB rasayan has to follow. Keep watch.

Vipul Organic have been discussing from a long time. Stock has hit a new high of 235. Stay long.

Panama petro purely investment call.

Nifty to stay strong till next week.

I do not have anything to write today except for the fact only faith in CNI can deliver your returns.

Who knew VIPUL will get order from JAPAN. JAPAN order heard is of a chemical which is priced at Rs 1.75 lac per ton. This will lift average realization from Rs 600 per kg to Rs 10000 per kg. So you decide what will be profits and revenue of the company where capacity is no bound.

Investment precision received approval from US defense. Stock at Rs 670 now you have to decide how good is CNI research in stock picking. Had you trusted CNI you would made tons of money. Entire plant is dedicated to US defense means they will receive order of over rs 10000 20000 crs in time to come. My target Rs 10000 is intact.

Same thing is with RDB rasayan and Shivam autotech. Time will tell us again how good we are in stock picking.

I have nothing to add more. ENJOY.

Instead of panicking in fall search opportunities and that is CNI culture. You must know Nifty is heading to 28000 30000 35000 and 47000 before 2029 and then probably to 60000.

When I heard loud sounds from many on T V and what's up university that Nifty will correct to 21000 my belief firmed for 28000 now. What matters is what everyone think. Mr Market does exactly reverse.

Everyone is on cash and looking for fresh ideas. Frustration makes you exit and that becomes tipping point for that stock. E g example Shivam Auto Investment precision Rdb Global and Vipul where everyone washed hands and these stocks are heading high and high as they are in new orbit. Many of them have broken multiyear break out which is an indication of new journey for them. We have placed Chairman's statement of Investment Precision in reliable insight section where you can see the defense registration details with US Company. On March 7 2024 Japan banned one chemical product which hearing that Vipul may produce and the value in Japan is Rs 1.75 lacs per tons. It is to be seen when how the official announcement come and what price they sign orders if true.

Rattan India after announcing net profit of Rs 93 crs may become another Shivam Auto.

Tata Power Bhel Bpcl Tata Communications and Hdfc Bank will remain hot for next 30 days. Heard massive shorts are trapped in bank nifty and we may see Bank nifty to rise to 55000 soon.

Nifty since trading at 20.5 p e I do not see any reason to correct. Rather may go to 28000 before shorts gets squeezed. Bse rose from 2400 to 2660 just because nse is getting hit due derivatives control. But to my mind BSE is Rs 10000 story and will happen through value unlocking in CDSL, ONDC and Gift City from time to time. Hold with patience and please

do not send messages as our buy call was at Rs 800 cum bonus and now price is Rs 2660 ex-bonus. We have already booked original share at 2350 so cost of bonus shares is big minus hence no tinkering for at least 5 years.

I was impressed reading ANNUAL REPORT of Integra Engg and decided to start second innings. They have defined their role in doubling railway network, also told creating new facilities at 70000 sq meter at halol. Also explained their scope in 40000 coach conversion and interiors and signaling.

The Company supplies to various OEMs such as Alstom, Siemens Mobility, Medha Servo, CAF Power & Automaton, CG Power, BHEL, Hind Recifier, and Sepsa Medha for both the domestic and export markets.

The rolling stock industry is undergoing rapid evolution, driven by emerging trends and global forecasts.

Those include:

Electrification and Hybridization

Digitalization and Smart Technologies

Autonomous Train Operations

High-Speed Rail Development

Shift towards Lightweight Materials

Customization and Modular Design

Focus on Sustainability and Environmental Impact

Urbanization and Mass Transit Expansion

The global rolling stock market is estimated at USD 54.6 billion in 2023 and projected to reach USD 65.6 billion by 2028, growing at a CAGR of 3.8%.

The Locomotive Market is expected to reach USD 40.7 billion in 2027 by registering a CAGR of 10% during the forecast period (2022 - 2027).

Budget allocated Rs 2.22 lac crs for railways and Integra did not participate in railway rally so far. Also said to export parent.

All these remarks clearly suggest it will be 10x stock as envisaged by me earlier. Yesterday it closed at Rs 267 and very soon will cross all time high of Rs 335 after which I see stock at Rs 780 on charts alone. Rs 3000 is very conservative target is base is very small that is Rs 150 crs whereas scope is infinity. If Rvnl can rise from Rs 27 to 650 why would we get surprised if Integra mnc see Rs 3000 +

Management is positive and open to meet investors.

Special feature

Absolutely strong week even though Budget had increased the LTCG to 12.5% and STCG to 20%. We saw knee jerk (without which there is no life) and Sensex was down 1500 points to recover fully and traded in green also before the expiry issues took over which CNI had told you well in time that Budget will not drive market but the expiry will drive.

On wed Nifty closed at 24221 after making strong recovery from the low and Aug Nifty closed at 24523 which is a ploy. I do not know what will be closing figures on Thursday the monthly expiry. Fact remains that market has failed to fall even after steep rise in LTCG and STCG which was the wish of the F M for cooling over heated equity markets. Now check the OI positions. July was 1.53 lacs was the peak position and on Wed it was 1.25 cr whereas in Aug it rose from 20 lacs to 86 lacs. It also means the closure will yield super gains to open positions hence they are not squaring off July positions. In fact on expiry day the OI rose to 1.30 cr shares which itself was a surprise. Nifty closed in Green even after Dow and Nasdaq fell 600 points. Nifty RSI is at 58, Dow at 50 and Nasdaq at 36 so there is no fat in any of the Indices. Markets will blast.

Why market is not worried about LTCG and STCG rise? Well few years back LTCG was raised from 0% to 10% and yet markets rose 400% with investors rising from 2 crs to 18 crs. It means rate is inelastic so long as you make money from the stock market. Same is the case with STCG which was raised from 10 to 15% with same conclusion hence even this time when it is rising to 20% no one bothers. MNC tax reduced from 40 to 35% but practically it has no impact as most of the MNC have India registered company and they are governed by corporate tax rate not MNC tax rate. This is just an eye wash.

What is important is not LTCG STCG but profits which drive the investors. In corporate accounts they in fact offer at 35% tax due to the IT guidelines of frequent trading does not fall under STCG. Hence what matters if LTCG is raised by 2.5%. Be ready to see another 2.5% next year as Govt will settle with 15% LTCG and 20% STCG though there is clear injustice to the retail investors by doing this. The tax on corporate who have started new business whether domestic or foreign the rate of tax is only 15%. But FM has alternative argument which says that upto Rs 15 lacs graded exemption is given small tax payers which include retail investors whereas those who have 25% tax that is corporate does not have any slabs of exemption and subject to flat 25% tax.

Budget was another fearsome event where street created undesired cash levels for three reasons. One the sharp run and two media continuous hype of 10% fall due to tax hikes and three PSU and many other stocks had run of 500 to 2100% which made investors book profits and sit on cash. But once market stabilizes the cash will be re invested. One simple math which street failed to understand is that cash has become 4x due to sharp run up and this is a big cushion to the market. Even a 2% correction can trigger mad buying as the FOMO of 4th June is hovering in the minds of investors. Apart from that street has ALGO buying and selling hence buying gets triggered immediately once the fall is 1% and vice a versa. Every fund, PMS, DII are now using ALGO for buying. The 4x cash is also finding way back in SIP as many investors prefer MF route after seeing great run. E q if one had Rs 1 cr portfolio it has become Rs 4 crs and for his to satisfy his desire to invest directly again Rs 1 cr is enough and the excess Rs 3 crs he would put in MF and earn safe 22% return. Some can go to Quant and earn even 40%. Fact remains the SIP in MF will grow more rapidly. This is why we have reached Rs 22000 crs a month and Quant from mere Rs 2000 crs to Rs 95000 crs.

Was Budget Bad considering rise in LTCG and STCG taxes? My view in no. What is good then in the Budget?

First the Budget is seen expansion from Rs 47 lac crs to Rs 48 lac crs means more spending on infra.

First move was made to reduce India debt. This is massive positive from rating agencies on which FPI take the investment call.

Fiscal deficit was first brought down to 5.1% from 5.8% in Feb Budget. Now in this Budget it is further reduced to 4.9% which is on the way to reach to 4.5% in FY 26 as announced. Now since we announce less and perform more the actual fiscal deficit will be 4.8% this year. Just see the drop from 5.8% to 4.8% massive and if that does not appeal for investors it will be surprising. So FPI goes mad on this.

12.5% tax on all assets except bonds and debentures is well taken. Though some idiots made a case that it is losing proposition.

We have given chart in the CNI Budget where we assumed that property prices have grown below Index prices. Govt has given 6% index. So when we apply that from 2001 in all years we saw 12.5% tax works out to be lower. Whereas those who have made hypothetical calculations assuming 11 to 12% CAGR growth in property prices have got exactly reverse calculations where they jumped with conclusion that removal of indexation is bad. Please refer and check CNI Budget paper flashed special feature segment.

The biggest plus of this Budget is Amnesty. We saw also Vivad se vishwas but I feel more revenue will be generated in Amnesty of Benami assets. No penalty and prosecutions. Need to check fine prints how much tax one has to pay. But logically I have a benami assets for many years naturally I will have to pay 12.5% tax by transferring the property to my name. This is the lowest rate of tax for conversion. Earlier 10% STCG was used for capital building. Then 10% LTCG was used and even 15% STCG. Now all can be done at just 12.5%. benami gold, silver, shares of private co etc.

Major push is thrust on defense renewable energy and railways. Bel has been shortlisted to manufacture of indigenized ammunition. Bhel and NPTC was allocated 800.MW new power projects. That is almost 8000 crs. Already Ntpc has to award 15 G W renewable power projects to Bhel. Sail will be ordering 1 mn wheels AND bigger size of tracks which only SAIL can manufacture.

Rs 6.42 lac crs has been allocated to defense which will help companies like Investment Precision, Shivam Auto, HAL, PTC, BEL, and BHEL.

One of the most heartening announcements to have come out of Budget 2024 is @narendramodi's push for nuclear. India's goal of 500 GW clean power cannot be realised without it. A single nuclear plant powers 700,000 homes while emitting less CO₂ than a hybrid car. Climate Change is real. But

(Nuclear plants) and Nuclear power as share of total power consumed:

France (58): 71.7%

Sweden (8): 40.3%

Switzerland (5): 37.7%

USA (99): 19.3%

Russia (37): 17.9%

India (22): 3.0%.

Bhel is the single most company to get big push of nuclear power. Ge power will also get its share of storage which is one largest in the world.

Amendment to section 148 to make it 5 years for re-opening from 10 years in cases of escapement over Rs 50 lacs is positive as maintaining 10 years record itself was a bad idea.

Another positive is appeals. Dept cannot file appeal to ITAT if demand it below Rs 60 lacs (earlier was 50 lacs) High court Rs 2crs (earlier Re 1 crs) and Supreme Court rs 5 crs (earlier Rs 2 crs). The biggest positive is that even if the cases are pending they will be annulled if the demand is in excess of these threshold limits. Litigation will go down by 50% and reliefs granted by CIT A,ITAT, HC will be help assessee' s as department cannot go in appeal.

Who holds benami assets and how it will work..?

Politicians and bureaucrats. If I take one MP equal to 1000 crs then it Rs 543000 crs and on that 12.5% tax means Rs 67875 crs. Bureaucrat's msut be owning double than politicians that is Rs 170000 crs.

Will this turn out to be real.? Do not know. However I smell a DEMO kind hint in this. The message is clear. Clear the benami assets fully or be ready to see action which could be removal from the post as well JAIL.

We need to watch this carefully and see the impact.

Next comes land digitization. We had mentioned that this is coming in this Budget. Yes 6 cr farmers land will be registered and digitized. Massive. There will be easy for farmers to unlock value if they desire. Similar attempts will be replicated in the urban area sooner than later.

Reduction of borrowing is right step.

Capex maintained at 11.11 lac crs and no compromise was seen.

Now biggest plus of this Budget is Govt indirectly says that PSU will rise 70% how?

PSU dividend was Rs 1.70 lac crs and market cap is Rs 63 lac crs. Dividend yield 2.77% whereas compare this with Nifty yield which is just 1.2%. PSU is much ahead of NIFTY by 130%. The trigger is that PSU dividend is estimated at 2.90 lac crs. What does it mean. The yield is 4.6% on the same market capitalization and if that remains that there will be mad buying for earning 4.6% ad in US you do not get even 2%. Alternatively the market capitalization will rise to 1.07 lac crs assuming the yield remains same at 2.77% which is still 130% higher than Nifty.

This is the smart move. The additional 1.50 lac crs revenue will do wonders.

Also there is no mention on unplanned income that spectrum sell, coal block and strategic sell or land monetization. This will add more gloss by the time we complete the financial year.

Then why is market not falling and will not fall much...?

Market is not falling because valuations are reasonable. We are at 20 PE whereas S and P is at 26. Even on market cap to GDP we are at 1.25 whereas the expanded growth suggest fair price is 2. In fact the 10 years average has improved from .72 to 1 hence the earlier high of 1.49 made in 2007 has lost its relevance and now 2 will be the figure in my mind which will find resistance. This is why media story on MC to GDP and some brokers report has not gone well with the market. Even Survey refers to high MC to GDP and consequential cooling measures of F M will not yield any results. Only thing we need to check how market reacts to SEBI action of raising F and O lot size from Rs Rs 5 lacs to 20 lacs. How it matters I do not know as even stocks like Vodafone have value of Rs 6.5 lacs and yet traders do not mind. If lot size is made 20 lacs some leverage will be definitely reduced, retails more particularly new youth will shy away but the seasoned HNI DII and FPI will not mind that at all. They will be rather happy to see no speed breakers on the High Way.

At the same time hot money will get diverted to cash market. In fact, after discussing with many FPI and PSM heads, I have realized that they have booked sizable gains including in PSU stocks and now afraid to reenter this segment at higher prices. E g Quant had entered BHEL at Es 210 and made exit at Rs 260 270 and now not daring to enter. Rather they preferred to enter dubious co OM Infra. In last 20 years I have seen many rounds in this stock and it is one more. Nut the bottom-line is that funds are now seeking meetings with smaller companies and entering so that they can replicate the success in smaller companies. S S has entered BEPL in a big way even though the capacity expansion will take at least 18 months from now. You can keep on radar and if stock prices fall for any reason can enter. Another fund guy is now entering Optimus Infra (CNI pick was at Rs 90) with another Dixon in mind. Again this you can keep on radar.

I had shared the pending scheme companies which will become Hot cake in coming days. Forbes, OCCL delivered and now time to watch D H India, RDB Rasayan for as merger cases and many others as de merger cases. Heard from sources that RDB RASAYAN, RDB REALESTATE and NTC will merge and beneficiary stock will be RDB Rasayan. Why some other day.... Make your due diligence.

Global Indices

Country	Indices	Date	Index	Net Change	Change %
Hong Kong	Hang Seng	02/08	16,945.51	-359.45	-2.08
Singapore	Straits Times	02/08	3,381.45	-38.39	-1.12
United States	NASDAQ	02/08	16,776.16	-417.98	-2.43
United States	DJIA	02/08	39,737.26	-610.71	-1.51
United States	S&P 500	02/08	5,346.56	-100.12	-1.84
Japan	Nikkei 225	02/08	35,909.70	-2,216.63	-5.81
United Kingdom	FTSE 100	02/08	8,174.71	-108.65	-1.31
Malaysia	KLSE Composite	02/08	1,611.05	-13.20	-0.81
Indonesia	Jakarta Composite	02/08	7,308.13	-17.86	-0.24
Thailand	SET	02/08	1,313.08	-9.67	-0.73
France	CAC 40	02/08	7,251.80	-118.65	-1.61
Germany	DAX	02/08	17,661.22	-421.83	-2.33
Argentina	MerVal	02/08	1,433,349.88	-66,866.62	-4.46
Brazil	Bovespa	02/08	125,854.09	-1,541.01	-1.21
Mexico	IPC	02/08	52,242.38	-175.10	-0.33
Austria	ATX	02/08	3,527.16	-117.44	-3.22
Belgium	BEL-20	02/08	4,015.08	-89.76	-2.19
Netherlands	AEX General	02/08	878.91	-28.23	-3.11
Spain	Madrid General	02/08	1,051.47	-18.46	-1.73
Switzerland	Swiss Market	02/08	11,875.52	-441.92	-3.59
Australia	All Ordinaries	02/08	8,170.40	-173.41	-2.08
China	Shanghai Composite	02/08	2,905.34	-27.05	-0.92
Philippines	PSE Composite	02/08	6,605.30	-88.53	-1.32
Sri Lanka	All Share	02/08	11,442.55	+2.85	+0.02
Taiwan	Taiwan Weighted	02/08	21,638.09	-1,004.01	-4.43
South Korea	KOSPI	02/08	2,676.19	-101.49	-3.65

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