

**Editorial**
**Vol -1, No-I, 06 July 24, 09 pages**

Rahul Dravid became the KABIR KHAN of CHAK DE INDIA. He lost 2007 and it was his exit and returned as coach and did the triumph win of the world cup after 17 years but certainly not without face loss of one day would cup loss. It was perfect " Maula Mere Lele Meri Jaan"



Rohit did made some judgmental errors such as not demoting pant to no 7 having seen him failing in last 2 games, persisting with Axar for 15th over even though wicket was not conducive to spin as seen. But Bumrah brought back India from the jaws of certain defeat as 30 runs from 30 balls was the easiest talk wh2n Klassen and Millar were on the crease. One sardar was always seen behind all world cup wins and this time Arshwdeep. But final stroke came from Hardik panda who bowled superb 20th over. He kept it cool and simple. But real credit goes to SKY who took that unbelievable catch under pressure keeping presence of mind and now allowing tp touch his foot to the rope. Jumped like a monkey out of LOC and came back in and completed historic catch of Millar. This was THE TURNING point of match.

83 was known for the historic catch of SIR VIVIVAN by the GREAT KAPIL Deo Nikhanj which turned the match in favour of India whereas in 24 it was Millar catch by the great SKY turned match in favour of India. In the entire final India did not drop a single catch and proved that CATCHES WIN MATCHES.

With this world cup we are seeing exit of three legends from T 20 cricket Rohit, Virat and Rahul and also may see retirement of Jadeja throwing the responsibility of the team on young Turks like Yashasvi, Rishabh, Hardik and Raturaj and also some new talent search. This will be like CNI search of new stocks.

In economy we saw return of Namo which was must for the growth of India as we could not have seen India de railing to 2014 again. The road map is clear. We will not be in top 3 economies I have no doubt we will be no 1 in next 20 years and our economy will 60 tr \$ economy. That means 25x expansion that will tell you how much money you are going to make it provided you pick right stock at right price.

**Change of the week**

	06-July-24	Rise /Gain
Sensex	79999	975 
Nifty	24323	316 

**Net Investments ( ` Cr)**

	FII	DII
01-02-2024	(494.0)	3917.4
02-07-2024	(2507.0)	648.2
03-07-2024	3898.5	(924.4)
04-07-2024	5511.5	(2375.1)
05-07-2024	1241.3	(1651.3)
<b>Total</b>	<b>7649</b>	<b>(385)</b>

**Turnover ( ` Cr)**

	FII	DII	Combined
<b>06-June-24</b>	<b>1,39,074</b>	<b>1,37,448</b>	<b>2,76,522</b>

06-June-24	Advances	Declines	Ratio
BSE	2162	1772	1.22

Though our street call team have given exit in AK SPINTEX fact will remain that this stock will do well to become multi bagger as payback is less than 2 years. We have to keep giving exits because members always try to blame us so we feel better you take reasonable profits and exit. On Friday India's big known investor bought 64000 shares but his group has bought 6% equity and this suggest AK is now AK 47. I will not be repeating this stock any more simply because market has accepted this as a good research find.

Another stock Tirupati Starch is set to rocket for more reasons. I had explained again that the payback is less than 2 years. Hydrogen, ethanol and plastic packaging replacement were already explained though it did not appeal you that much. But see what Govt and Tata Motors says about Starch...

Cni initiated buy call in Zenith Steel at 6 now 12+ so watch this turning out to hr another HILTON which rose from 18 to 140 after cni call.

Forbes Investment Precision are our next BBTC and Mafatalal. After SEBI regulations BBTC will test 4500 and after Britannia sell it will be 10000 15000 easily. Cni recommendation has been accepted by policy makers. O I limit has been raised to 1500 crs from 500 crs means ban is getting difficult for at least some time. This will rise to 5000 crs once they start manipulating even 1500 crs. But for time being great relief. 1st stock to benefit will be none other than SAIL.

We have certain new stocks under our research horizon which will become 100x kind and we have already initiated buy call though research note is not yet ready and will be released in course of time.

We say big thank you all our stakeholders who helped us by approving our new business which is new age. Can't write more as the AGM notice and content of technology agreement are already in public domain where every information is shared.

Those who have annual membership can message on WhatsApp where we can give individual targets of stock though we are not discriminating this practice with other members. But soon we will hold webinar of cni members where annual membership members will get free access. A leading m f has taken interview of our CMD on the topic of how to succeed I'm F and O. This is most difficult subject. Cni will peak many difficult subjects for webinar which will help understand markets and also pick stocks. We were also called by ICAI to make presentation in Jammu which we could not accept due to pre occupations. However we will be giving presentation to Funds on 6th July in BKC where some US fund managers will also be present.

<b>5 Top Gainers</b>			
<b>Stock</b>	<b>07-06-2024</b>	<b>03-7-2024</b>	<b>% Gain</b>
MAZAGON DOCK	5682.2	4282.9	32.6
WOCKHARDT LTD	909	686.4	32.4
AGI GREENPAC	925.1	703	31.6
GARDEN REACH	2709.8	2099.5	29.0
COCHIN SHIP	2835.3	2212.6	28.1

<b>5 Top Losers</b>			
<b>Stock</b>	<b>07-06-2024</b>	<b>03-7-2024</b>	<b>% Loss</b>
MOTILAL OSWAL	553	613	9.7
ANGEL ONE	2361	2614	9.6
ITD CEMEN	482.2	525.4	8.2
EQUITAS SMALL	92.1	97.0	5.0
ASHOK LEYLAND	229.5	241.7	5.0

<b>Top 5 Picks By CNI 'A' Group</b>
<b>Company</b>
SAIL
TATA MOTORS
HCL TECHNOLOGY
TECH MAHINDRA
TATA COMMUNICATION

<b>Top 5 Picks By CNI 'B' Group</b>
<b>Company</b>
TIRUPATI STARCH
LAHOTI OVERSEAS
MULTI BASE LTD
MINDTECK
HARSHA ENGINEERING

I am writing this because you should be happy that you are in safe hands. You can go wrong in timing of stock picking but not stocks. If you want to be pick at right time follow Street Call team advise when we give 1st buy call. Please note that chakry comments I write only once but street call is present 24x7 active throughout and all new calls come there first. Stock commentary will come in my column and notes in reliable insight.

Stocks for reversal and big upside are as under

LAHOTI above 53 target is 90

Alpine above 166 target is 290 (next DLF )

DH India above 135 target is 450 ( next ADOR)

Tirupati above 160 straight 500 + ( multiple uses could be case of stake sell). I am here to show TIRUPATI Rs 10000 in 10 years. Rest is left to you whether you want Rs 20 or 200 or 2000 or 10000. AK SPINTEX we picked at 145 now 260 and game is just begun and I am happy for your exit in profit.

Do not want to write too much on these stock and I will be happy even if you exit after taking some profits. Profit is the defined subject. Everyone has limitation. Some are happy with 10% some with 20% and some with 100% though I am not satisfied anything less than 1000%. I am prepared to wait with zero cost.

In A gr SAIL BHEL TAPO BPCL and HDFC bank will remain our top picks. Follow SC as they have knack of picking stocks in trading with 14 years track record. Only 4 months they gave zero returns and in 164 months minimum Rs 3 lac to Rs 7 lacs returns means average return is over 5 lacs. Provided you follow the principles suggested in our F and O presentation.

By this time all old hands have exited in LAHOTI. Now once stock cross 57.75 it will test 90 and this is the only stock which took long time for consolidation and seller is now frustrated. UK co is buying stake in this at 88 as per sources and that co is making garments from waste cloth which could be a new business model of LAHOTI going forward. Law of averaging suggest when your buying price cross buy more though retail does exactly reverse. They sell when your cost comes on screen and they cry for the life.

P M announced 5 sectors today in the RAJYA SABHA and among them are electronics, food processing, Semiconductor, R E and tourism. I do not think so we have exiting opportunities in Semi-conductor as valuations are good enough. In food processing I see SUNIL and GTV. In R E I see TAMO and BHEL. In Tourism I see BALMER. And of course in ELCTRONICs there is no better choice than CALCOM and EUREKA FORBES.

PM also said about starch. Food minister said starch will be allowed to use as alternative to plastic packaging. Yesterday TAMO said they have developed new products of starch to be used as replacement plastic components in car and they are steadier. This suggest sell auto component of plastic and buy starch. Only 3 companies present. My pick is TIRUPATI. I am repeating again and again. In next few days it will become next AK SPINTEX and cross 350 easily. You will remember me like AK.

With record allocation of rs 11,11,200 in budget , Larsen stands to benefit significantly from govt infra spends. The company aims to generate group revenue of 2.7 lacs Crs. Today Larsen got a big order from Armaco world largest company. Similarly bhel order is improving significantly.

Infra, Engg and Oil companies doing massive capex which require high amour of welding. Huge scope for wielding companies ahead

Companies like ador wielding and dh India ( fast upcoming welding compnay ) are thriving with strong demand in infra, railway and ship building sector.

Few big companies have awarded big contracts to DH India which has been showing decent growth and likely to expand very fact. With current m c at Rs 90 crs it is available at decent valuations with large scope to expand 5x in course of time.

Nifty rally will continue. Market cannot correct more than 5% if everything goes wrong as DII are sitting on 12 bn \$ cash and they can't sit on this kind of cash. FPI will re-invest 32 bn \$ in India. PM also said they will work 3x of what they worked in 1

and 2 nd tenure. Means reforms will rise many fold. Tax rate will cut as PM has admitted that by reducing taxes revenues have gone up. Impact of covid is over hence even 43% tax is not warranted on HNI.

Therefore my new choice are as under

TIRUPATI at 235

LAHOIT at 54

Balmer at 273

EIL at 260

DH INDIA at 125

What you want to add is your call. You may what's up to us if want to add these four stocks at cmp with more clarity.

As against all odds Sensex touched 80000 market. Looks less believable but it was CNI conviction we will see 80000 mark. Just 1 months before entire Street had turned bearish on market and after 22 trading Session Street has become over optimistic and so we advise to stay cautious and stock specific now

Today we have identified a new stock greaves cotton Ltd. Keep watch on the company.

Lahoti overseas is heading towards 75 mark soon.

HDFC Bank will be a buy on dips till 2500.

Davangere recommended at 9 cmp 10.2. Promoter selling is over. Strong hands have accumulated the stock target 15++.

Market will remain strong but need to stay a bit cautious. Stay stock specific. Avoid F&O exposure.

Accumulate Balmer and lawrie.

## Special feature

There is fear over the city just because markets have run too fast. They sold before election and did not participate thanks to media. Markets run up sharply from 21285 to 24500 in nonstop action. Now they believe markets will correct sharply and hence not ready to participate. Rather every rise is used to exit and short. Investors making exits whereas traders are going short. Three counters where I am damn sure street is massive short for different reasons.

Bhel : Street was all along short from Rs 41 to 300 only because BHEL was loss making. Q4 Bhel announced super results yet street gone short this time the reason is the 9% IBITDA is short of expectations. They wanted to see 11%. How strange?

Let us break the BHEL orders and probable news orders as under

Old order Rs 1.25 lac crs at 3% IBITDA margin

New orders received Rs 1.10 lac crs at 11% IBITDA margin not into execution

NTPC expected order Rs 1 lac crs at 11% IBITDA margin

New Equipment order as per Govt direction to meet to coal production Rs 192000 crs (70% of 33 bn \$ )

Now if you analyze the Q4 numbers, BHEL reported good set of numbers with 9% IBITDA margin which was massive improvement over past track 3% margin which street has ignored. Please note the Q4 results were only from old pending order out of survival orders.

Thus BHEL will have to execute close to Rs 4 lac crs orders on which it will earn at least Rs 44 K crs IBITDA over the period of time may be 5 years but this hidden profits will certainly push BHEL to my targets of Rs 1400.

Since street is short I think BHEL should cross ATH and with that another short covering will get triggered. What has changed overnight is AMFI has classified BHEL as large cap stock hence every big MF and FPI will have to allocate big resources to BHEL now.

I will not be surprised to see BHEL in action to travel towards Rs 489 in short term. Also please note that Media, analysts and brokers have vested interest in projecting BHEL a short candidate. Three big brokers have initiated short call in Bhel and long in GAIL. I will propose exactly the other way that long Bhel and short Gail if hedge required.

SAIL : Sail will see Rs 2000 additional IBITDA margin in this quarter as told by SAIL in the analysts meet. All those who are holding SAIL positions from APRIL have rolled over to JULY and that is staggering 42% of the F O positions in few hands. No one build positions without reasons. Hind Copper we had seen same scenario and stock run from 120 to 370. In fact, SEBI has introduced new provisions due to which there is higher margin of 15% over and above 25% normal margin in such cases. Only SAIL and Nalco fall in this category. Nalco aluminum prices shot up by 30% hence more than 40% positions were held in few accounts. Here also every alternate broker is asking investors to exit from SAIL.

On the expiry day 6 cr shares were not rolled over only because they had to pay 15% additional margin. Now most likely SAIL will not go in ban easily as ban limit positions has increased from Rs 500 crs to Rs1500 crs though I am not sure about the implantation date. If in JULY then rest assured SAIL will not go in ban easily. If in later months then we should have carry positions till that month.

Railways issued a notification asking SAIL to produce more special steel as RAILWAYS is in need of massive special steel which as per GOVT directions they have to acquire from SAIL.

SAIL had reported IBITDA of Rs 7740 crs ( Rs 3483 crs divided by 45 lac tons) compared to Tisco Rs 14600 crs IBTDA. As per sources from MINISTRY of SAIL it is expected that SAIL will report Rs 10000 crs +IBITDA for this quarter which if comes then SAIL Q1 IBITDA should be Rs 4500 crs which will spark massive rally in SAIL and that is the reason shorts call is spread so that investors cannot ride.

Iron ore sell to others and low grade ore sell could spark more profits. SAIL is completely suppressed story where massive shorts are hidden.

Most important is the fact that those who can afford to pay 40% margin can afford even 100% margin hence least bothered. They can trigger BUY any QTY at any price. Trust me we will see upgrades in SAIL at Rs 250 for target 350 400 500 600.

BPCL : Third company which is extremely short is BPCL. The skin of big players is already there. They triggered sale from brokerage so that retail does not enter and traders short. The ones who have given shorts have massive following. Fact remains BPCL is under PM supervision like SAIL, into electrolyzers which is beyond understanding of common investors and above all announced capex of Rs 1.75 lac crores which means co capable to produce revenue of over Rs 5 lac crs. Assuming just 10% IBITDA means there is hidden profit of Rs 50000 crs. These figures will go unnoticed till you see price action. But at Rs 600 700 ex -bonus this will come to center stage.

Do not look BPCL as OIL stock. It has real estate and consumer's angel as well.

Capex : spring reaction for infra, Engg and welding companies

Let us now examine how much capex India likely to make in next couple of years which will decide the sectoral impact on the growth opportunities. Our Budget estimates of capital infrastructure spending for F Y 23 and 24, is Rs 21 lac crs. Indian corporate raised Rs 1.22 lac crs through Ipo. There was fund raising by promoters for more than Rs 2 lac crs. For every Re 1 raised Rs 4 will be spend as 90 % promoters are not lucky to raise funds and rely on bank debt for capex. Thus to my conservative estimate the private capex is Rs 13 to 20 lac crs taking the aggregate capex to over Rs 40 lac crs which is equal to entire one year's budget.

Given this background, decide the scope of all engineering companies without which this is next to impossible. Bhel we all know is the largest beneficiary of the same, there are many other engineering companies which will become multi baggers though co like Larsen and Bhel will double in quickest time. Small companies with negligible base could be biggest surprise in coming years. Though we have shared number of engineering companies from time to time, we will help serious members help individually to focus on stock specific. Sharing too much knowledge seems getting discounted and losing its value.

While selecting sectors always look at entry barrier sectors which will always have very high margins due to lack of competition. One sector which I am discussing here is welding sector. Four companies are there in welding. ESAB India with market cap of Rs 5600 crs , Wendt India with market cap Rs 3175 crs, Ador Rs 1990 crs and D H India Rs 100 crs. Please see the potential of D H India as opportunity in this sector as the base is small yet growth is fantastic. Hearing that co has bagged orders from Oil majors which is 4x of current revenue may see strong swelling in order book. It's all your decision to bet on first three companies which are matured enough and certainly not cheap whereas the fourth one can spin the numbers.

Starch is another blue eyed sector. From pharma, food, packaging, ethanol to now high end four wheelers component could make this sector again a dark horse. Here too I see only four companies GAEL ( 6200 crs ) SUKHJIT( 738 crs ) TIRUPATI ( 221 crs ) AND RIDHI SIDHHI Starch( 424 crs ) and Varalakshmi Starch Industries ( unlisted ) and with 400 crs revenue, capacity expansion in place my choice of course remains with Tirupati Starch as payback is less than 18 months. Eq 7 crs reserves 31 crs so full equity 38 crs co earns ibitda or cash of Rs 30 cts on current capacity which suggest promoter will get back Rs 38 crs in less than 18 months. Use torch and try to find out such companies. I can see SATIA Industries which will earn Rs 550 crs in F Y 25 and currently available at Rs 1200 crs the most efficient in mid cap yet even there payback is higher than 27 months. Well even SATIA is not accepted by street as of now though few funds are looking at option to enter after seeing impressive numbers. We will discuss SATIA separately after few quarters when we see price at Rs 500 +.

Prime Minister in Rajya Sabha announced 5 new sectors for growth which means various schemes are lined up including PLI. The five sectors are organic farming, semiconductor, electronics, tourism and renewable energy. Three sectors you have already made inroads but black on electronics and tourism. The stocks in these two sectors are by and large fully factored in expect two stocks Calcom vision in electronics and Balmer Lawrie in tourism which took over the Mumbai based competitor of Thomas Cook VACATIONS EXOTICA, and have 25% of revenue coming from tourism. Expect shortly pli in electronics and tourism. The later was clear as P M visited Lakshadweep in his last term as brand ambassador. I will not be surprised to see tourism adding. 5% to GDP soon. Countries like DUBAI and Singapore are surviving on tourism alone yet are most developed counties then why can't we add just .5% to GDP to begin with.

Apart from this organic farming will help Gtv Engg and Sunil agro though market has yet to realize their potential like A K Spintex. Also Toys export will keep Archies high on agenda. Stock was underperformer simply for the punishment of esm2.

If finance minister and Sebi are really concerned with saving diversion to F and O and froth there my humble request is to remove all these categories which restrict investors from buying stocks in cash market. There are enough check to plug

manipulations. Guilty are getting punished every day then why deprive retail from investments in micro caps and small caps. Once we find free markets in cash stocks money will get diverted from f and o to cash again which is right now going there due to unimaginable regulations. We must also understand we are not in 90's where there were no regulations.

Popees : We have released fresh first time research note which only CNI can do where we have shared full insight and comparison of various brands. Baby brands we spend more though we may not spend even Rs 100 for own T shirt. Babies are lifeline of all parents. Hence the salability is the highest in baby brands. With 20000 outlets this could do wonders. Since it is case of reverse merger you will not get any details of the co in data. What is important for us to notice is that co acquired some brands from likes of MERCEDES Benz and this suggest the league. Co will be raising funds to make group debt free and that will be done at what price I am not sure.

Dow, Nasdaq and Nifty all three are far from overbought hence we should avoid to short. In any case now it is written fact the excess liquidity will not allow markets to fall big. Market has maximum downside of 5% if everything goes wrong.

## Global Indices

Country	Indices	Date	Index	Net Change	Change %
Hong Kong	Hang Seng	06/07	17,799.61	-228.67	-1.27
Singapore	Straits Times	06/07	3,410.81	-29.07	-0.85
United States	NASDAQ	06/07	18,352.76	+164.46	+0.90
United States	DJIA	06/07	39,375.87	+67.87	+0.17
United States	S&P 500	06/07	5,567.19	+30.17	+0.54
Japan	Nikkei 225	06/07	40,912.37	-1.28	0.00
United Kingdom	FTSE 100	06/07	8,203.93	-37.33	-0.45
Malaysia	KLSE Composite	06/07	1,611.02	-5.73	-0.35
Indonesia	Jakarta Composite	06/07	7,253.37	+32.48	+0.45
Thailand	SET	06/07	1,311.99	+10.95	+0.84
France	CAC 40	06/07	7,675.62	-20.16	-0.26
Germany	DAX	06/07	18,475.45	+24.97	+0.14
Argentina	MerVal	06/07	1,629,030.00	+16,285.37	+1.01
Brazil	Bovespa	06/07	126,267.05	+103.07	+0.08
Mexico	IPC	06/07	52,333.16	-321.69	-0.61
Austria	ATX	06/07	3,708.61	-3.43	-0.09
Belgium	BEL-20	06/07	3,959.84	+2.05	+0.05
Netherlands	AEX General	06/07	933.76	-1.06	-0.11
Spain	Madrid General	06/07	1,087.54	-4.24	-0.39
Switzerland	Swiss Market	06/07	12,006.14	-62.66	-0.52
Australia	All Ordinaries	06/07	8,070.10	-9.07	-0.11
China	Shanghai Composite	06/07	2,949.93	-7.63	-0.26
Philippines	PSE Composite	06/07	6,492.75	-14.74	-0.23
Sri Lanka	All Share	06/07	11,947.43	+20.84	+0.17
Taiwan	Taiwan Weighted	06/07	23,556.59	+34.06	+0.14
South Korea	KOSPI	06/07	2,862.23	+37.29	+1.32



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