

Editorial
Vol -1, No-I, 31 Aug 24, 09 pages

Surrender of DVR to company could be considered buyback and the rate of tax could be 30% whereas if you book profit now rate of tax is 12.5% and when you buy Tata motors shares your new cost will be your cost. By doing so you will not only save tax but also built your capital. I am bullish on Tata Motors and you will start seeing your wealth creation from current price hence you will be on vigil.

Markets are volatile and will remain so because FPI will try to distort markets. We had seen inflow of Rs 58000 crs in June and July from Fpi post-election results and Budget. However in Aug they have sold 13500 crs till date. Best part is that India now dislodged FPI as major investors. FM is time and again on record saying local investors are strong enough to help markets hold at any level.

Keep watch on RDB Rasayan's PP trading biz. If we see trading revenue at 250 300 crs next quarter then presumably my guess on 10000 crs sales will happen in next 3 years. Rest you calculate and keep in mind trading also gets valuation e.g Redingotn. We are giving 14000 crs valuation.

On 27th Vipul will announce the rights issue price ANZ ratio and I feel price should not be more than 60 and ratio do not know. But looking at Swiss Military ashnoor and spec rights ex right price goes back to cum rights price. Assuming vipul goes to 320 cum rights (cni set 320 target in its report) then stock will again become 320 ex right. In that case the gains will be Rs 60 (320 -260) Rs 60 + 130 (320- 60 ÷ 2) aggregation gain of Rs 190 per share on 260 cmp (73%). Whatever is the ratio i have presumed we will get 50% allotment through excess application?

Intrgra I will only mention because I am happy with the Swiss update on our team. I am now cent percent sure that it will be next Siemens. Let sellers sell whatever they want once it cross 335 no one on the earth can stop this stock from becoming 10 bagger. We saw similar selling at 53 and then stock became Rs 335. Biggest spender today is Railways. Metro network doubling.

Change of the week

	30-Aug-24	Rise /Gain
Sensex	82365	1301 ↑
Nifty	25235	418 ↑

Net Investments (` Cr)

	FII	DII
26-08-2024	969.4	1870.2
27-08-2024	4794.6	(604.0)
28-08-2024	(547.8)	439.3
29-08-2024	14526	2690.8
30-08-2024	5318.1	(3198)
Total	25060	1197

Turnover (` Cr)

	FII	DII	Combined
30-Aug-24	2,82,346	1,51,256	4,33,602

30-Aug-24	Advances	Declines	Ratio
BSE	2157	1784	1.20

Vande Metro, a self-propelled train based on the Vande Bharat platform, is designed to replace Mainline EMU trains and offer passengers a faster and more comfortable travel experience. In other words practically all trains will be replaced by vande metro

In first move 40000 coaches are getting converted to vande metro coaches and the interior work is done by Integra Engg as per their Swiss Annual Report. Means co has exposure to Rs 40000 crs orders. You decide when why how it should become Rs 3000. I desire to have 1% equity of the company and in process of selling some financial assets to reach there.

M K Exim the fourth co where my dream is to reach 1% that is 40 lac shares. Last 1 month delivery volume was 21 lac shares. Like me there hundreds who like M K Exim hence I feel the delivery volume will be extremely high in coming days till it cross 126 and after 126 there is no stopping for this stock till Rs 250 where market cap will become Rs 1000 crs and even foreign investor will be compelled to look at this

Apart from fat four I have recently put my finger on Eco Hotel which is building 500 hotels as quickly as possible. Equation is simple 500X 5000x 365. Starting point. Only 50% is variable cost as they are asset light model and give maximum 20% sharing to owners and incur 35% for maintainance. Room numbers will rise incrementally and co will raise more funds from informed investors. Will not be surprised to see this stock crossing 100 mark.

Another stock was emmbi. A smart value pick up. Check revenue and market cap rest is your call. Will share note soon on this stock. But surely 5x stock.

Finally from my bottom of heart request every CNI member to have st least 5000 D H India if can't buy 25000. This co has not disclosed the client list but Rs 165 crs revenue Rs 10 crs ibitda is exemplary. We have shared a detailed report few weeks back and yesterday shared the possibility of merger with D&H Sécheron Electrodes Pvt. Ltd same group co and same biz and no rationale to have two companies. The high class Engg need to be recognized with high standards. This is how market always give 40 to 60 P E to Engg companies. Welding is nothing but part of Engg skills. They manufacture copper wires rods and execute infra projects as turnkey projects. In this note we have shares few projects where D H group worked and they are MTHL (Atal Setu) , Sardar Dam , Narendra Modi Stadium, Bramhaputra river bridge, Chhara LNG Terminal , Boggibeel bridge Assam, Mumbai Metro among many other projects. This is enough to explain the credibility of this company and it's execution skills.

5 Top Gainers			
Stock	30-08-2024	26-08-2024	% Gain
GSPL	442.3	338.4	30.7
DATA MATIC	693.4	557.1	24.4
GODFREY PHILLIPS	6477.6	5405.2	19.8
GLOBUS SPIRIT	1072.4	906.8	18.2
TATA INVESTMENT	7281.2	6161.8	18.1

5 Top Losers			
Stock	30-08-2024	26-08-2024	% Loss
RELIANCE POWER	30.6	34.4	11.1
SUNTECK REALITY	567	627.1	9.5
MINDA CORP	572.5	632.5	9.4
COCHIN SHIP	1889.9	2085.3	9.3
FSN	207.5	226.9	8.5

Top 5 Picks By CNI 'A' Group
Company
SBI
ICICI BANK
NALCO
TATA COMMUNICATION
TATA MOTORS

Top 5 Picks By CNI 'B' Group
Company
WHEEL INDIA
MK EXIM
INTEGRA ENG
BEPL
BLUE JET

Now to my mind merger is certain though in the note we always write possibility. The merged entity will be more than Rs 500 600 crs and at cmc of Rs 127 crs we can't lose money on this multi bagger stock. We had spoken to Bhel and they confirmed on record that the order book of Bhel will be Rs 5 lac crs and the two big welders Esab and Wendt does not have spare capacity. Since Bhel has to award contracts to L 1 companies they will be awarding to Wendt more orders and for Wendt may even acquire D H India for 800 1000 crs or may take 24% stake. In all cases I see D H crossing 1000 hence my suggestion to invest in a big way. I will be difficult for me to write again and again. Rest is your call. Equity is less than 8 crs hence even 80000 shares buying can bring to major shareholders in the rank of vijay kedia etc. Sell stocks like BSE where you had seen 10x return and convert to DH INDIA. 1000 BSE can give 17000 D H INDIA and with no downside even if it double your BSE selling price will be 5400. The art of switching helps in wealth creation. From the ocean to the pond and it is new beginning like BSE at 800. Why sell BSE? The mainstream income of Bse is coming from penalty which is not healthy sign. They have levied penalties to Psu like IOC and others. So it is high time to switch from BSE to D H India where I see it going to 1000. If promoters are willing to sell company at Rs 150 to 200 crs I am willing to buy the co as EV valuation should not be less than 500 to 700 crs as of date which will grow to 1000 2000 Crs easily

Dow Nasdaq and Nifty all three at same RSI level as in Friday. DOW is just 200 points away from new high and 1st rate cut will see 42000+ simply because rate cut will prop up corporate balance sheets. Though the big houses tell you exactly reverse. On rate hike at 29000 they said dow will crash 45% never happened and dow reached 41000. Now they are saying rate cut Dow will crash 50% and trust me this will never happen.

Therefore be fearless even though there is buzz of correction everywhere. One M F Said nothing is cheap and now sitting on 16% cash and M F size is Rs 40000 crs. If they come to me I will see at least hundred stocks which are cheap. The cash level clearly suggest market will not fall come what it may. Another M F with Rs 95000 crs size too have 16% cash. Means on average the cash level is 11% which is 80 bn\$. With this kind of cash forget crash. They will be forced to reinvest soon.

2024 will go in record books so enjoy the run. Nifty 28000 will be seen in 2024 or even could see 30000.

Last few days I have tried to write in detail so that you confidence is boosted. Anyways today is expiry and so farseeing the trend we see upward closing only.

Watch F and O stock movement in Sept. They will the trend of SEPT say sell and go away.

BPCL, TAMO, TAPO, BHEL, SAIL, LTFH, MNM Fin, HDFC Bank are my preferred bet.

CASH stocks I have tried to explain to the best of knowledge and belief.

CNI policies are as under

Do extensive research and share with you at entry point as we have no agenda of giving buy calls at exit point?

We do not recommend stocks which run up from initial levels eg LOYAL EQUIPMENTS.

Our objective is save 26000 members.

Our philosophy is to create wealth for members.

We have developed zero cost portfolio for the first time in India.

We avoid all the OCEAN stocks.

We do not recommend F and O though we have 100% strike rate. Those who want to invest in quality A gr stocks they can pick these stock for delivery from Street Call recommendation.

It will be always advantageous to have access to full site rather than only Chakry comments as you may miss many online recommendations as chakry comes only once in a day and recommendation can come any time in 8 hours of the day.

Stock related updates come in Street Call App which is available with alert on android. Apple we do not have alert.

Finally We have never failed in Nifty targets and you can base your investment on our directions. Our next target is 26600 then 28000 and then 30000 all can come in 2024.

I always maintain that market drivers make killing in stock market and it include operators, corporate, dii and Fpi. I will give you example which was just 18 hours old and is expiry game. Tata Motors Rs 1100 who invested Rs 1 lac at 2.55 pm on Thursday made a killing return of Rs 76 lacs by 3.20 pm that in the span of 25 minutes 76x.

Nifty made high of 25081 in early Aug then went down to 23913 but closed at 25270 in Sept on expiry day as Aug closing again is matter of close out. At 2 pm we send a message carry Nifty as Nifty was trading negative even after 1 : 1 bonus announcement from Reliance. We had pointed this in July end also where oi was surprisingly high. Again at 2 pm the reason for sending message was open interest for Aug up by 18%. It means they do not want to leave even last skin. They enjoyed the drop of 1100 points and then the rally of 1253 points. It does not fit in my calculator how much is the gain. But my assessment is clear that they earn nothing less than 30% every month.

Sept is safe month for big rally as again Oct will be result calendar. I am seeing 26000 to 26600 in Sept alone. Let us where it goes. Read your Masters Voice where all the four angles of the market are discussed at length. Also discussed how the policybazaar which is a loss making co is trading at 80000 crs market cap and at a price of Rs 8600. The bubble is discussed and now I am just waiting it to come out. Rs 80000 Crs Company and promoters stake below 1% wow. Business model clearly suspect all the big claims made in annual report are found false hence sooner than later corporate governance issue will be tossed up. They do not take accountability of any co which use their platform. Better convert to Tata Communications a bigger brand and respectable biz which will be 10x from here AND I vouch for it. There are cases filed with insurance regulators and if any action is taken exit route will be sealed. Beware.

I would prefer to forgo profits in suspect companies and divert my hard earned money to safe destinations. Apart from Tata Communications, Tata Technology is worth taking bet on. If want to divert from 80000 crs 400 crs then blindly invest in investment Precision a defense story where Nimish Shah hold 11% and he is the biggest insurance on the earth.

We are expecting something really big in textiles and packaging. Take your call.

Special Feature

Why are we reasonably and reliably accurate in Nifty prediction? We always read daily F and O data, put call built up, follow Rsi and finally follow FPI shorts positions. We do not care about retail long or short and pro long and short. Fpi are destructive and play on others money more dangerous are hedge funds as they are very aggressive.

Whenever in the past 5 years we predicted a smart rally based on fpi shorts it has seen the light of the day. Our indicator always remained 1 lac contracts short. Whenever Fpi were short in excess of 1 lac contracts Nifty rushed 10% in hurry in northward direction. The last occasion was 4th June 2024. The one lac contracts I am referring was 50 size which now split to 25 hence the relevant contract size is now 2 lacs instead of 1 lac.

On 4th June I had reported that Nifty will rise by at least 10% as Fpi shorts were 4.36 lac contracts which was all time high till 4th June 2024. On 28th June just 1 day ahead of monthly expiry this figure though was long 1.34 lac contracts there were puts written of 5.85 lac contracts which was another life high and this is significant. How many analysts show you the correct picture? They just talk senseless numbers not backed by any data. We had participated open spices organized by business week where three stalwarts were arguing 70% correction in Nifty and Nifty was 19000 then. Our call mindless rally and we argued both method of valuation and proved that we were trading at lowest. We reached 25000.

From 25080 once again Nifty corrected to 23913 and street started talking 19000 21000. Again there was no basis. These are pure rumors. This is always spread with a motive to get positions unwinding, to get shorts created, and also to get age old Holdings vacated. Brokers are part of the system and they support these rumors mongers because this is their bread and butter that is brokerage. Cni is not a broking house and with due respect cni had only one motto creation of wealth for its members. But here we take responsibility of only those members who follow cni sincerely and honestly. We do not care about critics. We also do not care about all those who having trading psychology and cult of A gr investment. They will get their pie but certainly not creation of wealth.

We have explained the fpi perspective clearly and now discuss the cash position. This is second aspect where we believe market will blast forget any fall. Time and again we had been holding that even if market fall 1% that is 250 points Nifty default buying will get triggered though Algo and shorts will get trapped. If Nifty fall to 2 to 4% buying will trigger with super algorithm and with high veracity. This is why market recovered quickly from 23913 to 25100 in shortest possible time.

M F is sitting on 80 bn \$ cash that is 11% of the Dii size and in real terms Rs 673000 crs. We are aware of 2 funds one is Rs 98000 crs size now sitting on 16% cash and another Rs 45000 crs fund again sitting on 16% cash. What does this mean to us. Yes, it is true that these funds are openly saying valuations are expensive. They are cautioning markets. They are expecting correction. But I read differently. They have booked sizable profits and stocks which have run up very fast such as psu stocks. But fact also remains that they have not fallen even after their exit. Someone else bought. They have also booked profits in Nifty stocks. Will market fall just because they want it to fall?

They are now in same boat like we retail. We had been booking profits and then always desire for market correction. What happen when market do not fall? No way. FOMO works for us and reenter at higher level though stock changes. This is psychological thinking. We console our heart for selling low some stocks and then buy some other stocks at even costly price. Effectively we lose out in comparison. This is because those who are in equity market they can't hold cash for a long. If you have sold at 24000 you will enter at 26000 when you hear some news. So money finds way back to market though stock changes. Same FOMO is happening to DII now.

Nifty closed at 25270 in Sept series which is life high. Nifty closed at 25156 is life high closing. Sensex closed at 82185 on expiry day. Reliance announced 1 for 1 bonus and stock moved from 3000 to 3075 but that did not help markets because market collapsed from 450 + to 40 – in fraction of time. But Nifty Aug OI was up by 18% on the expiry day so expiry had to be life high. From 23913 to 25156 that is 1253 points. So first 1100 points down and then 1253 up so aggregate is 2353 points which is almost 10% of Nifty and this is the REAL income and game of market drivers.

Having explained the profit booking and 16% cash no way that they will sing bullish tone. But FOMO is applicable to them also. Why they bought 8 cr shares of Zee at 10% premium hearing the news of settlement? At 26000 they will be compelled to re-invest though stocks will change. What is applicable to us is also applicable to Dii. Thus 80 bn \$ by any stretch of imagination is too high a figure which denounce any chance of correction. I saw a recent interview where five fund managers were discussing India story. Many Fpi exited India at 14 PE and entered China at 20 Pe and now they are exiting China at 10 Pe and entering India at 20 Pe. 40 bn \$ was the outflow is waiting to reenter India.

So correction is always in dream. There is nothing positive happened since 2021 and yet Nifty rose from 15400 to 25100 and heading to 30000 all the way. 2024 will be written in the golden words of history where we will see more than 50% rally in one year. Stock have changed hands. Those who booked profit in few buying other at higher cost so opportunity cost they are also paying. Now third aspect which is most important and establish that markets are slave of earnings. Just because some funds, some paid analysts, some vested anchors desire correction it will never come. Market runs on demand and supply and today as explained it is extremely oversold hence we see nifty rising to 26600 may in next 30 days only. Eventually we should see 30000 in March 2025 and all that based on earnings and valuations hence let us discuss the valuation again.

March 2024 Nifty Eps was 1050 which has improved to 1086 after q1 results. Even going by the same trend I believe we will do 1205 Eps for 2025. This 20.77 Pe though NSE will show 23.30 as they do not want to project March 25 earnings. Let me remind you market was once traded at 42 Pe also and the 33 years average lies at 25. 2024 is the year which will fill the gap from 2017 till 2024 and reach 25 Pe and at 25 pe Nifty value is 30125. That is why I am time and again suggesting that we will reach 30000 Nifty before March 25. Will market do or do not we will come to know only in March 25. Thereafter we will be talking March 26 earnings and Nifty and I believe the Nifty Eps will 1386 and Nifty should be 34650.

Fourth angle is the new MNC entering India. The speed of merger and acquisition will be higher. 1400 MNC are likely to enter India in next 2 years and will bring in at least 500 bn \$. This is not on radar of ordinary analysts who pronounce expensive markets every second day. I will give simple example of how Fpi behave. Every day they are sellers most of time. What they sell we have explained many times. But if bloc is offered they will buy any damn shit stock also which we have seen in spice jet Vodafone policy bazaar go digit and many more. They are not here to exit but changing stocks and instead of buying from open market buy in bloc deals. There may be personal considerations also.

Having discussed all four pillars of market if you think market is going to correct to 22000 then you are right and I am the biggest fool on the earth. Now let us see fundamentals of policy bazaar. Many complaints have been filed with the insurance regulator and also health minister and do not when the action will happen but if happen there will not be any exit route for sure. Many stock where you feel they are good as they in massive volumes buy they are pump and dump and fake even though prices may go up as they are in control of operators and promoters. Eg Sarveshwar food, Vaishali Pharma, Marine Eletricals, Rushil Décor etc where the operators active from behind the curtain. They may become next bright come. Eg Marine Electrical 1 cr shares was acquired by an operator in preferential route and unless you all buy how would he get exit...? We at CNI avoid such stocks which are easy to get trapped. There are more than 200 companies which have been excluded from CNI universe only for this reason.

Online Insurance companies suspect to big downgrades

Now PB Fintech that policy bazaar trading at Rs 1720 (FV Rs 2) can become PAYTM any time any day which may bloc our exit. Means stock is trading at Rs 8600 for no reason. The business model is fully suspect. Market cap is Rs 80000 crs for a stock which is having operating losses. Book value Rs 169 and cmp Rs 1700+ means 10x. CF losses Rs 436 crs. Revenue just Rs 134 crs standalone. Eq is Rs 90 crs and promoters holding is 0 %. Cannot be bigger scam than this where investors are asked to buy shares at Rs 8600 with just Rs 134 crs and revenue and bleeding balance sheet. This will crash sooner than later hence we should try to exit as early as possible and convert to LIC or GIC or any other PSU stocks where merit is there. See what PB says in their AR.

"PB FINTECH IS THE UMBRELLA ENTITY COMPRISING OF INDIA'S LEADING ONLINE MARKETPLACES, POLICYBAZAAR AND PAISABAZAAR, THAT OFFER END-TO-END INSURANCE AND CREDIT SOLUTIONS TO CONSUMERS. OUR PLATFORMS SIMPLIFY COMPLEX CHOICES, PRESENT PERSONALIZED SOLUTIONS AND ENABLE SMART FINANCIAL DECISIONS."

"Our entire business focuses on helping customers at the time of dire difficulty like death, disease, and damage, or when they need credit. This has great social impact as we are the primary driving force in bridging India's insurance protection gap. As we say "ESG is not paid lip service here, it is our entire business.""

Nothing is end to end and nothing is smart. They do not take responsibility at all. After claim of 31 days PB informs the client that insurer has rejected your claim so we can't help it. So their above claims are bogus and misleading. Why the insurer rejected the claim is that person did not give driving license as the vehicle was stationery. The person did not accept the surveyors request to send the car to cashless which quoted 3x than normal garage. The insurance co also asked to video of accident to pass the claim.

It means the accident claim which they pass are pre-arranged hence the leakage of revenue from the co. The cashless 3x claims means again leakage of the company and individuals could enjoy. Under these circumstances making profit is impossible. Basically the business is loan disbursement where you hundreds of kind of manipulations may be happening.

They claim it is user friendly and 9 peoples experience is that they keep hanging their boot for 2 to 3 weeks and then deny the claim. They do not want to reply on evidences in public domain. They do not want to approach police to verify facts. They are also insisting FIR copy which is as per law is not required. Surveyor has no time to inspect the vehicle but has meaningful message to divert the car to cashless which many do not mind also. But the loss is of public money.

Policybazaar is an aggregator where they are giving platform to fraud companies like GO Digit and others. The business model is very simple. Try to kill others by cutting the premium cost by 30% and corner the online insurance biz. Then rope in big brand like Virat who says claim at just one click which is fake advertisement. Innocent people are cheated by this advertisement. Law is made that no celebrity should subscribe to fake claims. RBI penalized some finance companies this week only where E T carried an article.

Best part is that they are openly says to go to regulator or anywhere for claim knowing well that small people will never go to anyone. What will happen if the life claim is not passed? One of the employee on record admitted that they are also suffering but they have no option than to continue their jobs.

Even in case of GO DIGIT what the chairman says

“Digit’s journey over the years, has been a good growth story for us, showcasing unwavering commitment to simplifying insurance at every level. The drive to innovate and enhance product offerings, coupled with strategic use of technology to streamline processes is what has helped us deliver consistent results. Our growth rate of 24% has outperformed the sectoral growth, and validates the trust that consumers have placed in the brand. I am immensely proud of our achievements, and am confident that the best is yet to come. Being a listed company is an opportunity as well as a responsibility towards all stakeholders.”

Nothing is true. Online insurance I my opinion is SCAM and hence we should avoid these stocks. If we give MOTILAL OSWAL just 43000 crs market cap why the hell Rs 80000 crs to loss making policybazaar. It reminds me of VAKRANGI which reached Rs 80000 crs and then crashed.

Some day we will see action from insurance regulator, Hindenburg or some other analysts downgrading the co where promoter stake is zero. So better exit now and enter other quality stock. The best choice according to me is to buy TATA TECHNOLOGY Rs 1100 (Vs Rs 8600) or TATA COMMUNICATION Rs 1950 (Vs Rs 8600) by selling the PB Fintech and Go DIGIT. I will be studying the RHDP where lot of discrepancies will be noticed. I will share as and when I find it. Alternatively focus in companies like Ziggle, MK EXIM and HINDUSTAN TIN which will fill the vacuum. Please go through the annual report of M K EXIM which is very promising and promoters doing creeping every month. Their holding has gone up by 5%.

Global Indices

Country	Indices	Date	Index	Net Change	Change %
Hong Kong	Hang Seng	30/08	17,989.07	+202.75	+1.14
Singapore	Straits Times	30/08	3,442.93	+38.46	+1.13
United States	NASDAQ	30/08	17,713.63	+197.20	+1.13
United States	DJIA	30/08	41,563.08	+228.03	+0.55
United States	S&P 500	30/08	5,648.40	+56.44	+1.01
Japan	Nikkei 225	30/08	38,647.75	+285.22	+0.74
United Kingdom	FTSE 100	30/08	8,376.63	-3.01	-0.04
Malaysia	KLSE Composite	30/08	1,678.80	+25.25	+1.53
Indonesia	Jakarta Composite	30/08	7,670.73	+43.13	+0.57
Thailand	SET	30/08	1,359.07	+1.66	+0.12
France	CAC 40	30/08	7,630.95	-10.00	-0.13
Germany	DAX	30/08	18,906.92	-5.65	-0.03
Argentina	MerVal	30/08	1,717,565.00	+57,421.12	+3.46
Brazil	Bovespa	30/08	136,004.01	-37.34	-0.03
Mexico	IPC	30/08	51,985.87	-1,153.09	-2.17
Austria	ATX	30/08	3,730.00	+23.91	+0.65
Belgium	BEL-20	30/08	4,184.40	+9.74	+0.23
Netherlands	AEX General	30/08	918.66	-5.12	-0.55
Spain	Madrid General	30/08	1,120.57	+4.49	+0.40
Switzerland	Swiss Market	30/08	12,436.59	+18.87	+0.15
Australia	All Ordinaries	30/08	8,316.70	+53.14	+0.64
China	Shanghai Composite	30/08	2,842.21	+19.11	+0.68
Philippines	PSE Composite	30/08	6,897.54	+5.99	+0.09
Sri Lanka	All Share	30/08	10,869.07	-38.91	-0.36
Taiwan	Taiwan Weighted	30/08	22,268.09	+66.24	+0.30
South Korea	KOSPI	30/08	2,674.31	+12.03	+0.45

