

Editorial
Vol -1, No-I, 04 May 24, 7 pages

Our latest research focus on DATA center. Many companies have rose 500% so far but few companies in this segment has not yet catch up hence we can enter. Tata Communication which has 44 data centers and CTE is another Data center player. Even VAKRANGEE falls in this segment. CTE has cloud and AI also hence CTE has to 10x minimum. CTE means CAMBRIDGE Technology LTd. CNI has also entered DATA center biz (read 26th March board resolution)

One co which rose 500% is RAILTAIL and will rise another 500% on DATA CENTER.

Forbes will be multi bagger. Its ENGG unit do not sell listing. It is another multi bagger.

M K Exim is multi bagger. It will be one of the biggest cosmetic story of India. Trent at 1.2 lac Crs and M K at 350 crs what a joke...?



Mafatlal now scheme of arrangement is getting over and stock will rally. This is a defense story.

Nifty media is now giving 23456 target. How did they get this magical number. I think they stole it from CNI which has been working on magical numbers.

TATA Power, TATA Communication and TATA Motors, BHEL and SAIL are my biggest bets. For BHEL and SAIL read the rationale in YMV. What applies to common sense applies to stocks also.

Please see CNI new businesses which were announced in yesterday's board meeting.

Change of the week

	04-Mar-24	Rise /Gain
Sensex	73878	147 
Nifty	22475	56 

Net Investments (` Cr)

	FII	DII
29-April-2024	5.5	692.0
30-April-2024	1851.0	1429.1
02-May-2024	(695)	1352.4
03-May-2024	(2391.9)	690.5
Total	(161)	4163

Turnover (` Cr)

	FII	DII	Combined
03-May-24	1,24,293	1,06,178	2,30,471

03-May-24	Advances	Declines	Ratio
BSE	1421	2411	0.58

Our fresh research is AK Spintex. If you want to make big money then buy when there are sellers. Eq 5 crs revenue 120 crs IBITDA 21 crs so what more you want at Rs 70 crs market cap..? We bought 25000 shares yesterday in bloc deal and seller was promoter side entity as per Zumba. They may sell another 33k shares today what thereafter. Buyers may be more than 5 lac shares which is 10 % of the equity.

So buy when we gave buy call today. We will flash research note by evening.

Rest you all know CNI strike rate. We set a target of 300 before revising it. So add in thousands and I am sure it will become dry in next few sessions with price crossing Rs 200 mark.

Investors are of 2 types one who buy in anticipation and one who buys on news and the later give exit to the former. We bought BHEL in anticipation and DUBAI JV news made Bhel cross Rs 300 and gave exit to us.

This we have seen in each and every stock.

Now what we know is very special. BJP will win and MODI will be next PM. First policy expected is PLI in textiles. Why ? Textiles with 44 bn \$ exports have 14% stake in GDP and Govt want to take GDP past 9 or 10% and for that they want to lift textiles exports to 600 bn \$ and for that PLI is must.

Buy LAHOTI and A K SPINTEX. Notes are with you. Rest is your call. I love A K more as the ROCE is 28% and IBITDA EPS is 40. Consistent growth there. Instead of buying any other stock in A gr with 60 PE I am buying this stock at 6 PE. Also my rule is buy when sellers there. If stock is upper cct where would you get stock. Once cross 170 chances of getting 10000 shares is very difficult which you can try now.

Another stock where price is now discovered is GLOBAL OFFSHORE. Promoters buying 15 lac shares at Rs 56. Game is started. Your query why promoter not buying is resolved. His top priority was to settle dent and he has done it. Rs 4000 crs settled. Now buying stake. They will come additional assets. Then new business. Then price revision and one fine morning we will see co reported Rs 25 to 30 EPS. You decide what price you want to give to this troubled and settled co where promoter is HARWARD return and done business with who's who in the world.

5 Top Gainers			
Stock	3-05-2024	29-05-2024	% Gain
NEWGEN SOFT	1031.8	803.9	28.3
REC	557.6	456.8	22.0
PFC	480.4	406.2	18.2
IFCI LTD	52.5	46	14.1
KFIN TECHNOLO	785.1	693.3	13.2

5 Top Losers			
Stock	03-05-2024	29-05-2024	% Loss
COFORGE	4481.7	5250.9	14.6
EUREKA FORBES	459.5	508.3	9.6
PAISALO	66.4	73	9.1
HCL TECH	1347.8	1472.3	8.4
STYLAM IND	1594	1738	8.2

Top 5 Picks By CNI 'A' Group	
Company	
SAIL	
TATA STEEL	
HCL TECH	
TATA MOTORS	
JIO FINANCIAL	

Top 5 Picks By CNI 'B' Group	
Company	
KPT	
BBTC	
NILE	
AK SPINTEX	
SHIVAM AUTO	

After BHEL now TAMO due for ATH. Numbers super. Watch it.

SAIL next destination is again new high. I have never seen in my 35 years career any stock which have 36% concentration in F and O. KUCH BADA HONE wala hai.

BPCL also due for ATH. Some news flow coming.

TATA Communication has been kept on consolidation take opportunity and buy.

BSE will blast for 3 reasons. 1 they will take stay from SAT on penalty, they may issue bonus to match NSE bonus and ONDC value unlocking.

A K Spintex I am surprised how investors do not like stock even though the co is giving 28% ROCE? This explains the wrong selection of investors and hence getting trapped every time at the wrong price in wrong stocks.

KPT is next bullet.

Nifty will test 23500 in May itself and 25000 in June.

Special feature

As envisaged by CNI and only CNI, Nifty hit new high this week. Stocks like BHEL, SAIL and TATA Power all hit new high this week. This clearly suggest that you all are in safe hands as far as market predictions and stock selection is concerned. Please check last 14 years track record where only 4 months were NIL returns else 164 months have resulted super gains (100 to 150x of fees p m). We just re iterate that TATA Power, Bhel and SAIL will cross 4 digits like our prediction in TATA Motors and Tata Communications 5 digit as this is the largest company is DATA center with 44 centers.

We feel DATA Center is the new business which one should focus for next 5 years. Reliance, BPCL, TCS, Cummins, ABB, Amber Enterprises, Blue Star, Hitachi Energy, KEC, Kirloskar Oil, KSB Pumps, Siemens, Kirloskar Oil, Voltas, Larsen and Railtel were the companies which were heavily rewarded by Street in this space and they have bright future for next 5 years going forward.

They have already run up so much that I will hesitate to enter these stocks at current prices. Instead I will focus on upcoming data center companies and in my mind following companies merit attention in this space.

Tata Communications, Integra Engineering, Cambridge Technology, TTML, Vakrangee, Intense Technology, Dev IT, Optimums, M K Exim, A K Spintex, Subex and many more immerging companies including our own company (though we do not recommend for buying). Need to study the future of these companies and their business models which will give direction with regard to their potential and why all shrewd investors including FPI, DII and HNI are building positions. Data center does not mean only UPI, storage or cloud alone but also mean a leader which have data of the industry to penetrate that industry. The names which I have suggested are industry leaders and hugely benefited from the data center. E g RAILTEL. In fact, we opened up only for the first time though we were bullish on this sector for many quarters. RAILTEL rose from Rs 95 to 410 and all set to cross Rs 1500 in next few quarters for this reason alone.

We always believe in giving the underpriced stocks and stop recommending when they become 5x 10x though market start from there. E g Integra Engg we started at Rs 53 sold 50% between Rs 240 to 300 and carrying this in zero cost inventory though street has just started going long on this stock with target price of Rs 900 then 2000.

You have to bet on low priced winners and one such stock is VAKRANGEE with 37000 centers is one of the biggest DATA Center. Now compare this with TATA Communication which has just 44 data center. Rs 50000 crs market capitulation vs Rs 2500 crs. I feel VAKRANGEE has corrected their past mistakes of opening shop in shops. Now they have started their own studio's and raised this number from 11000 to 21000 till March 23 and from April 23 to April 2024 to 37000 which is 76% growth which will reflect in transactions. Vakrangee is delivering real-time banking & Financial Services, ATM, insurance, e-Governance, e-Commerce (including Healthcare services) and logistics services to the unserved rural, semi-urban and urban markets and enabling Indians to benefit from financial, social and digital inclusion. Indian economy has demonstrated exceptional resilience. The sector's growth trajectory suggests a staggering valuation of USD 2.1 trillion by 2030, presenting immense opportunities for those poised to seize them. Vakrangee, with its strategic positioning and expansive network, is well equipped to ride the fintech wave and unlock unprecedented value. What is interesting to know is the revenue model. Vakrangee gets fees linked with number of transactions carried out in the financial year. In FY 24 Vakrangee has carried out 3.3 cr transactions valued at 6.5 bn\$. All these vital details are shared in CNI report which is available at just Rs 5900 and if you read this report you will build conviction. Even if you buy 10000 shares cost of this report per share just Rs .59 which less than brokerage and volatility. Mind it Vakrangee revenue was Rs 185 crs in FY 23 and could grow to Rs 225 crs in FY 24 but outclass street expectation in 2025 by crossing Rs 500 to 600 crs means 300% growth. DATA center story is just the beginning hence there is distinct possibility of Vakrnagee seeing earlier high in next 5 years. If you want to encash this fully then add double your capacity and sell 50% once it cross 55-60 so zero cost will allow you to see any price which we cannot even estimate at this point in time.

FINTECH, DATA, CLOUD, AI is the new buzz where we spotted earlier stocks like INSPIRISYS which doubled in less than a year and promoters were forced to make buyback to delist the shares. Majority of the investor's filled Rs 241 price in reverse book building except one Amicorp Trustees (India) Private Limited who held 11.27% stake and at the time of takeover they had signed the agreement in which they had mentioned these shares are for the benefit of the company Inspirisys Ltd. Amicorp bid at Rs 150 and CAC Holdings refused to accept the buyback price even though 93% book was built at Rs 241. Many investors are not aware of this hidden secret of 11.27% which defeated the buyback. Unless investors take this matter to court this will not resolve. In any case, I feel happy if the buyback has failed. Investors should take efforts to corner more than 10% and block this co from de listing forever like what RKD did in P and G. P and G first made an attempt in 1995 to de list the shares but it was RKD who blocked it by buying 10% + in various accounts. P and G tried to form another co P and G Home Product to divert business and kill the P and G but failed. Even after 29 years P and G is listed and price have grown 1000 times. Inspirisys has been awarded one of the best TECH brand of 2023 by E T Edge. This means if the shares are not

de listed it will cross Rs 1000 for sure. All shareholders put together should add up more than 10% so that the de listing fail. We know 11.27% belong to company and we should eye this as JAPANESE co with 81.5% stake and trading cheap in comparison with CAC hence reason to add and hold.

Heubach Germany has filed for bankruptcy and this was the highest producer of pigment in India. They had taken over Clariant plant in the past. This will benefit two companies Sudarshan and Vipul Organics. The former is trading at 5115 crs market capitalization thanks to ENAM as such valuation cannot sustain with their presence. Technically a better co and fast growing in capacities is VIPUL ORGANICS which have made many first in 2024. After a bad 2023 due to CHINA factor, Company made stride forward by expanding AMBARNTH capacity by 500%, settling new plants at SAIKHA, became market leader in paper INK pigment (No 3 Company in the world) and now entered US markets in a big way. They have participated in US chemical conference where response was extremely good. Many times we see many companies grow faster to falter for capacities whereas in case of VIPUL ORGANICS they have built capacities first so we can see explosive growth in coming years. Stock is under accumulation by the same hands who are present in Sudarshan and hence keep falling every time with small volume say 100 200 shares. To my mind at Rs 250 Crs market cap this is no brainer. Pigment is the specialty chemical whereas dies is a commodity which should be kept in mind while giving valuations to this company.

Now let us discuss the political scenario. I had mentioned in APRIL and May the seat tally will oscillate between 300 and 400. Since this is going to influence the market till 4th June I had made a point to present our view which by and far was right in every election. This is why I had discussed Mr Prabhakar's video in my previous reports.

Yes low voting generally affect BJP as educated people refrain from voting. Lower class uneducated people vote for money and wine. The timing of elections was also became a catalyst. In May most of the people go on vacation. Earlier elections were in APRIL hence benefited BJP. Yes, due to this fact there will be some set back to BJP and they may lose many seats with thin margin. Yet to my mind BJP will win as per the calculations shared in earlier note. 10% I had factored in and there cannot be loss of more than 10%. Hence even today I believe NDA will get more than 350 seats. Current rate (phalodi) for BJP 300 seats is improved to 15 paisa from 10 paisa but remained Rs 3 for 350 seats. Means even phalodi satta bazaar is not ready to give 350 seats to BJP alone.

The exact bets are on BJP 330 seats and NDA 380 seats. Former is possible but the later seems dicey due to factors discussed above. Best part is BJP is estimated to win more than 27 seats in West Bengal as against 18 last time and 10 to 12 seats in TAMILNADU which will wipe of the MAHA and RAJ set-backs. At the same time SATTA BAZZAR is not ready to give INC more than 34 seats which is again a factor which goes in favour of NDA. This is first election which has become open SYMBOLIC election of HINUD Vs MUSLIM where BJP agenda is pro HINDU whereas INC pro MUSLIM. To my mind even though BJP is pro HINDU they are not anti-Muslim and many Muslims are backing PM for triple talaq and various schemes where Muslims are directly beneficiary. 80 crs people are direct beneficiary of one or other scheme and hence are ready to back Prime Minister Narendra Modi.

Foreign countries though prima facie are happy with Narendra Modi but when it comes to elections they are anti Modi which can be seen from the international media campaign. But Shri Narendra Modi seems hold PHD in handling international leaders diplomatically.

Now the big question is what investors should do?

400 bn \$ is waiting to enter India. Domestic 12 bn \$ liquidity is waiting to enter. Most of the investors have a clear view to buy after 4th June even if they have to buy 10% costly. This means the wind is clear. With NDA winning more than 350 seats Nifty will hit 25000 for sure and there will be repeat of 2014 kind scenario. Prices will be a sky high. New big money will chase anything and everything.

My call is make your own strategy right. In the run up at 25000 start booking profits in all high flier stocks. E g IF BPCL becomes Rs 750 800 you must book some profit SBI above 900 etc. But sell only 50% and reduce cost. Hold liquidity to divert to unknown stocks which trade below 10 PE which will give 100% upside in next rally. This will protect your capital.

Currently you should try and invest in FUTURE Gems which can be 10x minimum and will be next Integra and my few choices are as under which will not be affected even if market falls for any reason and rise with market rally suggesting again capital protection. These stocks are

M K Exim : A top class highly liquid consumption story trading just at 350 crs potential to become Rs 10000 crs company

Calcom Vision : Havel is market leader BLDC fans but the Korean tie up of CALCOM is much bigger in technology could be 10x game changer.

A K Spintex : 28% ROCE company is next to impossible to spot at 70 crs market cap. See immediate doubler in this stock.

Mutibase : MNC in airbags is a GEM of stock for 5x gains.

GLOBAL offshore: Promoters acquiring shares at Rs 56.Price discovered. March 25 game changer. Only 2 companies in India which are assets base and ranks in top 25 companies in the world in this sector. The quality of assets is so large it will produce mind boggling numbers in course of time. Best time now begins with promoter infusing funds in the co after making it DEBT free. Logically looks like more assets acquisition is on cards and entry in high end hydrogen creating business like SCI.

KPT : Top class Engg company from Klrloskar Gr with entry in EV Riksha.

Nifty will have upward direction as lot of shorts are seen. Nifty RSI is 57 and many have predicted a 30% fall if BJP does not come to power means markets have massive shorts. Dow and Nasdaq both again trading near 40 RSI means even there I see market rebounding with zeal. Hence logically stay long with proper stock selections.

