



#### Editorial

Vol -1, No-I, 06 Jan 24, 9 pages

2024 resolution should be buy stocks which are not rallied. I have given full list on Friday though.

But I will focus on following stocks to begin with.

Vipul Organics which is a specialty chemical co and sitting with 650 tons capacity which is higher than Sudarshan.

They have paper ink pigment second best in the world.

They have dispersion pigment that is in paste form only co in India

Chemical cycle has changed post CHINA crisis

Promoters did creeping at 170 in Dec 2023

Our promoter personally hold almost 5 lac shares and expected this stock to be 10x in next 3 years.

On chart Rs 180 is super break out of multi year's hence stock support 10x rationale.

Rest is your call.

Lahoti trigger is already discussed. Fund buying and waiting to dry the flush.

Sagar Cement have expanded capacities in this Q which means March and afterwards the results will be super-duper.

BHEL in almost all webinar SELL is recommended as it is loss making PSU. Fact remains Bhel is preferred player for orders as they possess capabilities and technology. The day BHEL announce 1st positive results it will be repeat of TATA MOTORS and street will give targets of 500.

#### Change of the week

|        | 06-Jan-24 | Rise /Gain |
|--------|-----------|------------|
| Sensex | 72000     | 216        |
| Nifty  | 21710     | 20         |

#### Net Investments ( ` Cr)

|              | FII         | DII           |
|--------------|-------------|---------------|
| 01-Jan-2023  | 253.2       | 410.4         |
| 02-Jan-2023  | (1594.7)    | (1959.0)      |
| 03-Jan-2023  | (571.5)     | (862.9)       |
| 04-Jan-2023  | 1389.2      | (1387.3)      |
| 05-Jan-2023  | 1696.8      | (3497.6)      |
| <b>Total</b> | <b>1173</b> | <b>(7295)</b> |

#### Turnover ( ` Cr)

|                  | FII           | DII             | Combined |
|------------------|---------------|-----------------|----------|
| <b>05-Jan-24</b> | <b>93,000</b> | <b>1,03,112</b> | 1.96,112 |

| 05-Jan-24 | Advances | Declines | Ratio |
|-----------|----------|----------|-------|
| BSE       | 2181     | 1659     | 1.31  |

GTV will exhibit super numbers on ENGG backdrop. Will get cash from power and will find takers even for Food. Promoters are silent so far but at Rs 1000 plus they will be aggressive in making all positive announcements.

ITC will cross 1000 in 2024.

PAYTM will be At ATH in 2024. Means 300% returns we can eye.

SAIL will cross 250 in 2024 may be even 300 350 possible

This will prove stocks which have not performed in 2023 will perform in 2024.

Idea news is planted be careful. No govt can sell stake to overseas player without parliament approval.

Today I have only two stock analysis and both of them will become multi baggers in next 2 years.

### First Global Offshore Ltd

Global Offshore will report stunning numbers in 24-25

The largest industry in this space was Norway and they have stopped building vessels

Old vessels cost have doubled in recent time due to big shortages

Rig prices shot up to 6 lac \$ a day from mere 1 lac \$ few years back

OEI cannot afford to keep rig idle due to rig cost and production loss

ONGC 8 vessels are retiring and in search of new vessels

Charter rates are at all time high due to no vessels in the sight

Entry barrier business Only 2 companies in India Seamec and Global

After complete debt reduction new innings started and first target is to raise promoter stake

| 5 Top Gainers  |            |            |        |
|----------------|------------|------------|--------|
| Stock          | 05-01-2024 | 01-01-2024 | % Gain |
| ALOK IND       | 32.4       | 21.3       | 52.0   |
| SUNPHARMA ADV  | 421.7      | 286.1      | 47.4   |
| RELIANCE POWER | 31.4       | 23.2       | 34.9   |
| SOBHA          | 1270.2     | 985.6      | 28.8   |
| GTL INFRA      | 1.6        | 1.3        | 25.3   |

| 5 Top Losers  |            |            |        |
|---------------|------------|------------|--------|
| Stock         | 05-01-2024 | 01-01-2023 | % Loss |
| NLC           | 225.2      | 253.3      | 11.0   |
| KPR MILLS     | 758.5      | 826        | 8.1    |
| CRAFTMAN AUTO | 5005       | 5398       | 7.2    |
| 3M INDIA      | 34735      | 37205      | 6.6    |
| MSTC          | 625.5      | 669.7      | 6.1    |

| Top 5 Picks By CNI 'A' Group |  |
|------------------------------|--|
| Company                      |  |
| BHEL LTD                     |  |
| NALCO                        |  |
| TECH MAHINDRA                |  |
| TATA MOTORS                  |  |
| HDFC BANK                    |  |

| Top 5 Picks By CNI 'B' Group |  |
|------------------------------|--|
| Company                      |  |
| CMS INFO                     |  |
| BBTC                         |  |
| NILE                         |  |
| VIPUL ORGANIC                |  |
| PATANJALI FOOD               |  |

New vessels acquisition plan At least 2 in the initial stage

Wind farming in sea in plan as per company presentation

You will have to hold this stock for 24-25 at least to see at least at 10x

### **Hindustan Tinwork Ltd**

Hindustan Tin is currently involved in the manufacturing of tin containers, operating at a production capacity of 6,500 metric tons per annum in A-10, Site-IV, Sahibabad Industrial Area, Ghaziabad District. Impressively, the company has experienced a substantial growth of nearly 250% in its capacities this year, increasing from 6,500 TPA to the current 16,754 TPA. The annual revenue currently stands at Rs 460 crores.

In the third quarter, the company generated Rs 12 crores in operating profit (IBITDA) from its existing capacities, based on a revenue of Rs 116 crores. Projections indicate that the company is expected to achieve a revenue exceeding Rs 1,000 crores in the fiscal year 2024-25, with an IBITDA of over Rs 100 crores, all this achieved with an equity of just Rs 10 crores. This translates to an impressive operating profit of Rs 100 per share.

By employing a conservative valuation approach, the company's value is estimated at 2 times its revenue, amounting to Rs 2,000 crores with the anticipated revenue of Rs 1,000 crores. Another valuation method involves grossing up the IBITDA, typically valued between 10 to 20 times. In this case, the valuation aligns with the Rs 1,000 to Rs 2,000 crores range.

Examining the earnings per share (EPS), the company reported an EPS of Rs 6.5 for Q3, resulting in an annualized EPS of 26. Considering a 20 times discounting, the stock price should ideally be Rs 520 as opposed to the current market price of Rs 193.

Noteworthy clients, including Delmonte, Nestlé, Cadbury, Pepsi, Coke, Parle, and several overseas multinational corporations, contribute to a robust order book. The company's promoters exhibit top-notch integrity, reinforcing our recommendation to buy.

China's success in utilizing tin as a cost-effective source for lithium-ion batteries, given tin's hardness and thinness, making batteries flatter with extended duration, positions the company favorably. The stock is on the verge of a breakout, and if it surpasses Rs 208, it could enter uncharted territory.

In conclusion, we strongly recommend an aggressive buy, leveraging the current market conditions to build a long portfolio, potentially yielding gains of 5x to 10x.

VST hit 20% on RKD buying RKD also buying ITC fair value at 30 pe is 600 hence stock will cross 600 soon BUY and Hold. ITC in fact moved from Rs 215 to 500 only on RKD buying. GQC partners which hold 1.58% stake also have started adding which means ITC has Govt blessing.

ITC has to cross Rs 1000 come what it may and I had written this even when it was Rs 215. I do not leave my stocks but write when the time comes and it is better if you all also learn this trade and fashion. There will be never any disappointment and possibly will help buy shares when nothing is happening.

PAYTM will hit 20% upper cct sooner than later. I do not the timing. Following three triggers are due and they may come any time which will kick PAYTM to 1000+.

1 PAYPAY JAPAN to join UPI in INDIA with Paytm. Promoter is common that is that SOFT BANK. Notably JAPAN Finance Minister has given Go ahead. They are waiting for RBI approval.

2 Paytm may change their business model to make it paid like Bloomberg. Even if Rs 100 is charged they may raise Rs 2500 crs as new revenue which will add to net profit. Eq is Rs 63 crs so chances of seeing Rs 40 EPS is not ruled out. With PE of 50 I think stock can check Rs 2000 post this.

3 PayPay is thinking to go for listing in US. Paypay valuation is 20 bn\$ and post listing may see 40 bn \$ and PAYTM has 8% stake. This may help PAYTM generate Rs 25000 crs additional cash over and above Rs 8000 crs held.

Grapes are sour. Kotak downgraded India saying Nifty is 20% costly. CNI says Nifty is 40% cheap. We do not have vested interest we do not about their interest. They should downgrade PAYTM and SAGAR Cement rather than Nifty.

JCT though a penny stock can give good returns as the value underneath is very high. Rs 3.40 is break out level which I think will hit today. Very big investors have entered this stock as they are aware of the insider development. Can take calculated risk and add with stop loss of Rs 2.5. First target should be Rs 10.

Vipul Organics is also set to cross Rs 265 soon and thereafter it will never revert. Those who have it must hold, those who want to buy it must buy. Rs 265 is the life high and once big ones come they will drive this stock like ELECON which rose from Rs 17 to 1000. Do not curse your luck as all your decisions to exit are well thought decisions.

Ask those who sold GTV at Rs250 300 when they were holding 20000 30000 shares and today crying as they too know now that this is going to cross not only Rs 1600 but also Rs 5000 in next 5 years and that time they will calculate what loss they have made it.

I know a person who has 4% stake in India Infoline and he sold those at Rs 154 Rs 10 paid now worth is Rs 4000 crs and this happen with every stock whether it was CERA, SAFARI or Camphor. This story is going to be repeated at least in VIPUL as seen from SHP the shareholders are same who holds LMW. One of the shareholder owns a co worth Rs 15000 crs at GOA in pharma and RENUKA RAMNANTHAN is on the board. Why would such a person buy % stake in small company like VIPUL. He knows it all hence he bought. Rest is history and we will find this when stock rise like BSE.

Metal was also downgraded which means METAL read to fire. Add SAIL and Tisco at every dip. Dream stocks are LAHOTI target 135, GTV target 1600 and Vipul target 265 then 1500.

Buy Andhra Cement as merger with SAGAR is coming for following reasons

Sagar need not dilute as they hold 95% stake in Andhra cement

Andhra has 4000 crs worth Dolomite which Sagar need for the expanded capacity

Backward integration will raise Sagar EPS by 50%

RDB gave massive break out after we issued a fresh note with regard to how OIL fall will help RDB to build healthy margins. Already RJ had bought massive QTY at Rs 125 around and now a fund has entered. As per our source there is QIP planned for over 1 cr shares at Rs 250 around hence stock may remain bullish like Hindustan TIN. Never ever shy from a stock when it gives a massive break out. We expect co to report Rs 25+ EPS in 24-25. Rest is your call. Our target now remains at Rs 250. Those who wanted to sell have sold that is the reason stock has tested new high with massive volumes. Our chartist too have indicated a price of Rs 270 290 in RDB Rasayan.

OIL has directly to do with crude industry, plastic, paints and packaging which use polypropylene hence to my knowledge Vipul and RDB are biggest beneficiaries due to small base. Big companies like Supreme Nilkamal and Asian paints will also benefit.

Lahoti is getting consolidated as buyers do not want to offer premium to sellers. Once this is done Rs 135 is on cards within a year. 300% gain if you do not like you must ignore this stock.

GTV engg is now under retaliation and stock is rising with volume. Certainly we will see at Rs 1600. Mind it ADANI M C crossed 16 lac crossed. Now heading to 24 lac crs again. ADANI Enterprises will see Rs 6000 price. Adani are doing acquisitions of over Rs 2 lac crs in next 6 months which include a co of Rs 1.25 lac crs ( name cant disclose) and also GTV power of Rs 4000 crs.

ITC now Rs 481 and will cross Rs 500 may be by tomorrow as PE is very low. I was told some FUNDS are buying with an eye at Rs 600+ as PE will be 30 at Rs 600 x 24. Also since the hotel business in on fire (Indian Hotel) the Welcome chain will be valued big. ITC's Hotel Group is one of India's leading luxury hotel chains. It operates under six distinct brands with more than 115 hotels in over 80 destinations in the country. Taj Hotels Resorts and Palaces comprises over 196 hotels across the globe, including the United Kingdom, India, North America, Africa, Middle East, Malaysia, Sri Lanka, Maldives and Bhutan.

Indian Hotels markets cap is Rs 65000 crs and ITC market cap is Rs 6 lac crs. With this kind of growing hotel business I feel ITC Welcome gr will be valued at Rs 50000 crs easily. Street was expected less than 10000 crs valuations like NMDC steel hence I will give more weightage to ITC for strong buy.

Also hotel business is revolving around asset light model that is they are now not investing in hotels but taking hotels for running which will multiply their profits. Post demerger Welcome could be Rs1 lac crs easily in 3 years' time.

So far hotel was giving losses to ITC but post de merger the margins of ITC will rise meaningfully.

Accumulate BBTC at Rs 1500 with target of Rs 7000 in next 12 months. BBTC holds 50% stake in Britannia which is valued at Rs 1.25 lac crs. Current market cap of BBTC is just Rs 10000 crs means it is undervalued. Buy and hold.

Market players are shorting the street at every level and market operators are pulling the market at the same time. We just advise to avoid shorts completely and don't try to time the market for 100- 200 pts dips.

Our new stock pic is BBTC. Keep a watch on the stock.

Vakrangee is being consolidated from last 8 quarters keep watch on the stock.

Read today Your Master Voice to know more on Tata group stock future till 2030.

Dish tv action has started a replica of HCC. Stay invested.

Today we have released our research coverage on Investment precision casting Ltd.

## Special feature

The man who sees Tomorrow.

As of my last knowledge there is a documentary titled "The Man Who Saw Tomorrow," which was released in 1981. This documentary is about the predictions of Nostradamus, a 16th-century French astrologer and physician, who is often credited with predicting future events.

In "The Man Who Saw Tomorrow," Charlton Heston narrates and dramatizes Nostradamus' quatrains, exploring how some people interpret these verses as predictions of historical and future events.

"The Man Who Sees Tomorrow" is not a specific term or title with a universally recognized meaning. However, it sounds like a phrase that could be associated with someone who is believed to have the ability to predict or foresee the future. This might refer to a person who claims to have psychic or prophetic abilities.

Well I am not referring this term to any documentary or movie but to CNI vision of predicting markets right from 2007 and the evidence of Sensex is given on the Balance Sheet of CNI Research Ltd from 2007 till 2023 with Sensex target. The world is very busy and rely on ready content event most of the times it is fishy and targeted one. This weakness is also known to the Street and they are taking advantage. Had you read CNI Annual Report you would have got a fair Idea of CNI predictions and in this sense we have referred this as the MAN who sees Tomorrow?

We know your memory is very short but we can't afford to have short memory. When we generated buy calls in TATA MOTORS TATA POWER and TATA COMMUNICATIONS we had shared the N Chandra rationale. We followed strictly taking his words as Bible you did not.

18 months back when TATA group was trailing at 120 bn \$ the Chairman of TATA Sons Mr N Chandrasekaran was on record saying the landscape of TATA Gr could be 1 trillion \$ before 2030.

Based on his statement, CNI had spotted few TATA company which were part of this landscape and they were TATA Communications, Tata Motors and TATA POWER which have almost doubled within 18 months.

The current group size around 342 bn \$ a rise of 185% in the said period of 18 months. Please look at top 10 companies out of which CNI believe few companies will help TATA to the designated landscape of 1 trillion \$.

Market cap of TATA Group is 28.5 lac crs Expected before 2030 85 lac crs

### Rs in Lac crs

| Top11M-cap     | Current | Expected by 2030 |
|----------------|---------|------------------|
| TCS            | 13.90   | 20               |
| Titan:         | 3.25    | 5                |
| Tata Motors:   | 2.90    | 12               |
| Tata Steel:    | 1.70    | 5                |
| Trent:         | 1.08    | 2                |
| Tata Power     | 1.05    | 5                |
| Tata Consumer  | 1       | 2                |
| Indian Hotels: | 62k     | 1                |

|                        |             |          |
|------------------------|-------------|----------|
| <b>Tata Elxsi:</b>     | <b>55k</b>  | <b>2</b> |
| <b>Tata Comm:</b>      | <b>50k</b>  | <b>5</b> |
| <b>Tata Technology</b> | <b>50 k</b> | <b>3</b> |

Rest will come from other companies. You can decide the price of shares based on our estimates.

From the above you can find out 4 companies will lead the journey to 1 trillion \$ and they are TATA Motors, Tata Power TATA Communications and Tata Technology. Still our top pick will remain TATA MOTORS with a target of Rs 4000 followed by TATA Power with target of Rs 2000 Tata Communications with a target of Rs 20000 and Tata Technology with a target of Rs 7000 to 10000. Other will also contribute for sure and you can read between the lines the expectations of CNI team over next 7 years.

It's essential to note that predictions in the financial market always involve uncertainties, and actual outcomes may vary. Investors should carefully consider various factors and conduct thorough research before making any investment decisions. Additionally, market conditions and company performances can change over time.

The market, often unpredictable, took an unexpected turn on Tuesday by correcting around 600 points. This correction was triggered by a notable statement from a major financial institution, asserting that Nifty was overvalued by 20%. Strangely, such corrections, though not anticipated, can serve as a perfect platform for subsequent rallies.

Reflecting on past instances, we observed downgrades in prominent stocks such as TATA MOTORS, which, despite being initially valued at 300, soared to Rs 800+. Similarly, BHEL witnessed a downgrade from Rs 60 to 76, only to see its stock surge to Rs 204. These occurrences prompt us to consider the possibility that influential entities might leverage their considerable following to influence public opinion, potentially aiding them in accumulating stocks for their clients.

Despite the apparent expertise of these influential players in understanding the market dynamics, we believe in sharing our insights based on the information available to us. Notably, another significant financial entity attempted a similar move, predicting a market downturn from 15200 to 14500. Contrary to this prediction, the market witnessed a substantial increase, reaching almost 22000, a remarkable 50% upswing.

Our perspective is grounded in a base case analysis. Currently trading at a Price-to-Earnings (PE) ratio of 23.3, historical data indicates that corrections typically occurred when Nifty PE surpassed 27.70. However, this time around, we anticipate a lower PE ratio by 18% due to the incorporation of earnings data up to March 24. Consequently, we project that reaching the 27.7 mark might not occur before May 2024 or December 2024. This analysis underscores our cautious optimism and expectation of sustained market stability.

On the contrary, there are several compelling factors supporting a bullish scenario, even at the current market level of 22,000. Notably, the movement of Foreign Portfolio Investment (FPI) money from China to India, coupled with substantial earnings growth, a robust 7% GDP, impressive tax collections, and the stability and certainty associated with upcoming elections, form a strong foundation for optimism.

One key aspect often overlooked is the exponential rise in the number of investors. In just a few years, the investor base has surged from a mere 4 crore to a staggering 15.5 crore individuals. This figure represents a significant 11% of India's population, a noteworthy statistic officially acknowledged by the Bombay Stock Exchange (BSE) on their website. This surge in investor participation is a new lifeline for the market, acting as a deterrent against significant declines, given the continuous influx of fresh capital.

Another crucial factor is the impending introduction of a new Systematic Investment Plan (SIP) with a minimal investment amount of Rs 250. If successful, this initiative could potentially bring in an additional Rs 5,000 crore per month for Domestic Institutional Investors (DIIs), pushing the aggregate monthly inflow beyond Rs 22,000 crore and possibly reaching Rs 25,000 crore in 2024. This influx is expected to act as a counterbalance to any potential panic selling by Foreign Portfolio Investors (FPIs).

Interestingly, these positive developments seem to be disregarded by the prominent financial entity that deemed Nifty overvalued by 20%. In contrast, our perspective suggests that Nifty might be undervalued by a substantial 40%, especially if we consider a base case PE ratio for financial year 24-25, a viewpoint aligned with the approaching end of the financial year.

This assessment underscores our belief in a more optimistic market outlook, taking into account the multifaceted factors contributing to its resilience and growth potential.

We congratulate our analysts on the success of rationale note on Hindustan Tin, resulting in a remarkable 20% rally in the stock. His analysis rightly emphasized the significant expansion of the company's capacity, from 6500 tons to approximately 17000 tons. This expansion implies a potential doubling of revenue due to higher capacity utilization.

Highlighting the IBITDA margins of 10% or more adds another layer of positivity to the stock's outlook. With these factors in mind, his projection of the company reaching an IBITDA of 100 to 150 crores in 2025 seems well-founded. Considering the relatively modest equity base of just Rs 10 crores, the current valuation of Rs 230 crores appears conservative.

Your confidence in the stock and the potential for it to outperform current market valuations is evident. If the stock were to remain at its current level despite the anticipated growth and improved financials, it indeed raises questions about the market's understanding of the company's true value.

Our commitment to identifying undervalued gems in the market to help investors create wealth is will be continued. Such diligent efforts in research and analysis play a crucial role in uncovering opportunities that may be overlooked by the broader market. Our ongoing endeavors to identify and share such valuable insights with the investment community more particularly CNI members will be of pride to us.

We discuss the investment strategy of CNI with a particular focus on small-cap stocks. The emphasis on small caps is explained as a bottom-up approach, where the focus is on individual stocks rather than broader market trends. This approach is considered less risky because it is believed that Foreign Portfolio Investors (FPIs), Domestic Institutional Investors (DIIs), and High Net Worth Individuals (HNIs) are not actively involved in the small-cap segment. When they become mid-caps and see the entry of HNI these stocks enter in cost free portfolio giving reason to hold long for many years where they become multi baggers.

The assertion is made that CNI's expertise is not limited to small-cap stocks, and it is capable of selecting large-cap stocks as well. The suggestion is to review the historical performance of CNI over the past 13 years to observe its success in picking large-cap stocks. According to us, these large-cap picks by CNI have reportedly delivered returns ranging from 100% to 1000%, a performance that is claimed to surpass that of other intermediaries in the market.

In summary, the statement is asserting that while CNI primarily focuses on small-cap stocks due to their perceived lower risk and lack of involvement from certain investor groups, the firm has a track record of successfully selecting large-cap stocks that have yielded significant returns over a considerable period. The recommendation is to verify this claim by examining CNI's historical performance in the large-cap segment.

The additional information from our statement emphasizes that the performance and track record of CNI can be verified by visiting our website, specifically by clicking on the "performance" button on the homepage at [www.cniresearchltd.com](http://www.cniresearchltd.com). It suggests that the CNI team has consistently delivered returns over a 13-year period, particularly in the A group of stocks.

This reinforces that CNI is not inclined to boast about its achievements or publicize its track record extensively. Instead, the primary focus is on providing services to our 23,000 members, whom we consider to be part of the CNI family. The success of CNI's strategy is measured by the financial gains and satisfaction of its members. The commitment to reevaluate their strategy if even one member expresses dissatisfaction underscores the importance CNI places on meeting the financial goals and expectations of its clientele. This customer-centric approach aligns with the organization's dedication to providing value and positive outcomes for its members.

Hindustan Tin, Alpine Housing, Vipul Organics, Rdb Rasayan (underperforming even after having Rs 80 crs cash in books and debt of just Rs 3 crs) and many more stocks we covered as they were grossly undervalued and they are low risk stocks. Rdb Rasayan has to see unfrequented rally in coming days its raw material is polypropylene and with falling OIL prices this co may report super profits. Rs 142 is the last resistance for this stock and may be it could have crossed this before it comes in your hand.

Tata Motors now analysts saying will become Rs 1500 is not a surprise to us. We have been there from Rs 64 and believe that our journey will end at Rs 4000+. Now we are focused on LTFH, MNM Finance ( again downgrade victim) ITC and PAYTM and explained the rationale in CHAKRY comments why ITC should cross Rs 1000 mark and PAYTM to see ATH. One thing is certain when you trade in number of stocks on technical break outs you are going to be lost and will cough up



mark to market due to stop losses. In CNI we focus only 4 to 5 stocks at a time and see it to that you will get good returns out of it. Most of our calls are ahead of break out as they are based on information.

I can only urge you to join the CNI family and read the market commentary every day in Chakry comments which is available just at Rs 1200 pm + GST which is less than cost of one time taxi to the town. Knowledge comes through reading and free knowledge is not respected hence we have kept a token cost for acquiring knowledge. Every day you get free reports where if you act you will get trapped. E g India downgrade report. Where were these guys at 15200 Nifty? Never seen any upgrade either. Also what is the basis of downgrade? At CNI we always share rationale of buying.

