

Editorial
Vol -1, No-I, 23 Feb 24, 8 pages

PEMA Verpackung GmbH Is heard talking to RDB RASAYAN for stake apart from some ULTA HNI all around Rs 250. Stock having cross 180 we suggest add more.

Rest we are bullish on market. All CNI suggested stocks are in upper cct including Mega Soft and RDB should hit upper cct in my opinion.

Archies received two orders from USA means the story now catching fire. Order announcements means promoters and operator are together now. Once again CNI proves that we were ahead of times.

CNI was the only one to tell you that SONY deal cancellation is drama. They have come back for merger so the price of Rs 290 also will come back.

PAYtm was pre planned crash to make CCT limit to 5% so that on rise investors can sell at lower prices. Now Rs 376 and I seeing 776 also in this stock. Hold.

Excessive screen manipulation is seen in LAHOTI where I am maximum bullish and waiting it to come out of trade to trade. I know a placement is all set at Rs 90 but not in trade to trade segment. There is chance that this co will become 20% limit out of turn. You know how it is done.

TATA MOTORS 4000 and TATA POWER 2200 are my three year targets.

First Unique Organics and now MEGASOFT deprived opportunity from you as they had well set game of making it 20% which is not possible in normal cases. Mega will become Rs 500 and Unique 300.

Change of the week

	23-Feb-24	Rise /Gain
Sensex	73142	724 
Nifty	22212	173 

Net Investments (` Cr)

	FII	DII
19-Feb-2024	(754.5)	452.7
20-Feb-2024	2973.5	1491.3
21-Feb-2024	393.7	(411.5)
22-Feb-2024	(188.0)	1823.6
23-Feb-2024	1276.0	176.6
Total	3700	3531

Turnover (` Cr)

	FII	DII	Combined
23-Feb-24	1,46,419	92,318	2,38,737

23-Feb-24	Advances	Declines	Ratio
BSE	2005	1883	1.06

RDB Rasayan still not at a stage to make announcements as MGT not willing to sell a single share below Rs 260 and same is the case with ALPINE HOUSING. In latter M K started accumulating in the former we see MNC buying stake. As such carbon the key where MNC are pouring orders to this co due to no pollution in bags and safe transportations. Even GERMANS do not have such brilliant technology. Kharagpur expansion is still not seen in results. We will see Rs 60 EPS either in 2025 or 2026. So keep adding RDB RASAYAN even by switching from other stocks. Where would you get Rs 3 crs debt co and Rs 100 crs cash co with promoter's stake at 83%. ? If still you do not love this co there surely something is wrong with investors test. Arihant became Rs 104 recommended at Rs 70 and now you can't get it. I see RDB Rasayan at Rs 700 as MO and RA have negotiated to buy stake but at Rs 260 +.

Banks and FINANCE will lead the next rally but selectively. I am in JK Bank, BOM, JANA Small Bank, MNM Finance, LFHF, Indus and SBI for further growth. In penny stocks JCT and Zenith Steel. HCC and SEPC have turned to be golden stocks from penny stocks. We hold Rs 300 and 150 targets for these two companies.

Vipul after AMBARNATH expansion will reach 14000 tons p a capacity. (Tarapur Palghar other facilities) Ambarnath itself will be 508x12 is 6000 tons plus. Sudarshan is at 8000 tons. Now 14000 tons x Rs 600 average price gives us a revenue of Rs 850 crs approximately. IBITDA is set to rise due to specialized products and scales of economies. It should be 24% minimum. Means co is capable to roll Rs 201 crs profit on an equity of just Rs 12 crs. This is why I always held VIPUL ORGANICS will reach Rs 1500 and this stage has come. It made life high today and need to cross Rs 265.

LAHOTI set to come out of trade to trade this week. They are in imports and with cotton import duty waived they will quickly leverage themselves to cotton imports. They will mint money. Also power is key. They will be doing QIP at Rs 90 for sure. I would suggest add as much as you can and wait till sellers die their natural death. Stock has to and will blast till 135. Could be even stock of decade as 800 crs company getting at 150 crs market cap itself is a dream come through.

5 Top Gainers			
Stock	23-02-2024	19-02-2024	% Gain
KPI GREEN	1805.7	1479.1	22.0
TATA INVEST	6814.0	5613	21.4
ARCHEAN CHEM	789.9	659	19.8
DISHMAN	245.6	204.9	19.8
ONE97	407.6	341.5	19.3

5 Top Losers			
Stock	23-02-2024	19-02-2024	% Loss
IFCI	46.8	54.5	14.1
ORIENT CHEMICAL	242.3	269.5	10.0
GENUS POWER	247.5	274.7	9.9
TECHNO ELECTR	755.3	836.5	9.7
SULA WINE	559.8	617.4	9.3

Top 5 Picks By CNI 'A' Group	
Company	
BHEL LTD	
NALCO	
HCL TECH	
TATA MOTORS	
JIO FINANCIAL	

Top 5 Picks By CNI 'B' Group	
Company	
RIBA TEX	
BBTC	
NILE	
LAHOTI	
PATANJALI FOOD	

Shilpa Medi was failed stock and not moving at all. Once it came under CNI radar price moved from Rs 347 to 443. It will cross 1000 also. CNI stock picking is respected globally.

The problem lies with your faith. If you have faith you will make money.

CALCOM is in EV CHARGERS and SMART meters. They are have got orders. They are expanding capacities. We do not like this stock and for sure will make hey when sun shine that we will come at Rs 500 and then enter. Choice is yours.

SAIL I have explained why should it cross Rs 600. Sub grade 52 mn tons ore will give them Rs 7000 crs, no scam will add up Rs 2500 crs, cost saving of ore will add up Rs 2500 crs, and 5 tons ore selling in open market could add up Rs 13000 crs. So SOTP profits will be Rs 25000 crs + existing Rs 5000 crs. Means on an equity of Rs 4000 crs co is capable of earning of Rs 30000 crs which is 60% of the cmc. 2.1 mn tons steel itself should be valued at Rs 210000 crs. Rest you decide how long to hold as consensus is that EXIT SAIL being a dirty co same feelings about BHEL when It was at Rs 41.

26 bn coming in nuclear power and only 3 companies can benefit out of it and they are TATA POWER, BHEL and GE power and I will not be surprised all three become 4 digit in 2024 itself.

Archies game started now. Yesterday we saw two big orders from US and today V mart gave them paper bags order. Paper bags is the key business which was Rs 35 crs and Profit was 20%. From JULY plastic bags will be strictly banned and hence the use of paper bags will be at all-time high. Also marriage industry is booming. It is expected to see spending of Rs 2 lac crs this year. Even a fraction if goes in paper bags then Archies could get Rs 200 crs bite. Also their toys manufacturing is catching and hence they may live to the test of exports of toys to US. They have already made major dent in e selling of rakhi and chocolates. In short we can expect stock tripling soon.

Once again CNI focus on Sales to market cap which no one does in the industry. This is the promoter efficiency ratio. CNI also focus on sales to market cap because when you sell business you get valuation on following scales..

20x of ibitda

10x of net profits

2x of revenue

When any stock fit in these three criteria the selection cannot fail. How long operator can suppress the price. If he does he will become bankrupt. Classical example is operator was holding 20% and promoter 63% in Artefact, operator A B sold entire 20% at Rs 40 and made also sell promoter almost 24% but what happened. After combined sell of 44% stock price rose from Rs 30 to 111. Had promoter sold another 10% he could have lost his company. Now one day at Rs 200 he will raise his stake in the co. This will happen with each and every stock. Same thing we noticed in AMD at Rs 30 and stock rose to Rs 110. CNI has art of picking stock stocks but will benefit only to those who have faith in CNI.

This is applicable to CALCOM, ARCHIES, TIRUPATI STARCH and RDB RASAYAN hence keep these stocks under radar as advising to buy to you is not in my hands. CALCOM with smart meters and E V chargers, RDB with carbon, Tirupati with HYDROGEN should become Rs 1000 +. How many of you have BETEX, PRAVAGE or even UNIQUE can me whats up me to know your loyalty...?

Zee denied media story of Rs 2000 crs siphoning. Again think this was planned as more than 7 cr shares changed hands. Stock if has to cross Rs 600 this kind of gimmicks will be tried. And sold media can do it for few lacs Rs. They have lost their media ethics. Those who rely and trade get raped.

As of today Nifty Dow and nasdaq are not in over bought state hence are safe. RSI are 63 52 and 57 respectively. Yet be cautious in F and O trade as we have just 6 sessions for monthly expiry.

Market may stay volatile ahead of expiry. So avoid unnecessary F&O exposure.

Archies looking extremely good. Company has started getting strong order from domestic as well as international market. So keep watch.

Same way Shivam auto is also looking quite attractive. We had picked up Mega soft at 44 just few months back and you can see the result as stock is currently trailing at 95 plus. Same way Shivam may catch momentum. Don't miss.

BF utility is on radar. Big investor are eyeing the stock. Can double.

Lahoti overseas and Riba tex both looking good.

Keep watch on DH INDIA.

Archies Ltd cmp 36 Take it from us will be a huge multi bagger. A strong takeover candidate.

Same way don't miss shivam auto.

Reliance has crossed 20 lakhs crs market cap. Now HDFC bank will start its run. Keep watch.

Tata communication will be a replica of Tata elxsi. Don't miss.

GPPL is looking extremely strong. Hold strongly.

Special feature

We are entering decisive week of monthly expiry and the thumb rule is moderate correction ahead of expiry which started on Wednesday itself. As rightly said last week major shorts were trapped (details were shared) and hence Nifty rose from 21700 to 22260 on the first day of the week though volumes were missing due to SHIVAJI Jayanti bank holiday in the capital of the financial market Mumbai. Data shows 69% short from FPI and if they continue to cover short we may even see 22700 to 22900 in expiry so my call is be cautious not do not short. However 22300 will act as major resistance in Feb. In March we have seen 22409 also.

Well I still believe markers will remain volatile till 25th of March 24 due to profit transfers which will happen through calls and puts which are reflected in high quantity of calls and puts bought and written which is unusual. But this is part of system. There are hundreds of loopholes in the system which are twisted by the market drivers. I will not spell out here as this is not subject matter of my report. But certainly one can easily find out weakness of systems. Investors of Inspirisys a class Japanese co are punished severely by closing their exit option since stock is suspended from trading and on the order hand there is another stock which came out of ESM 2 with direct price band of 20% from 2% circuit limit here too investors were at loss as they had exited sensing brutal punishment of esm2. But those consider esm2 as an opportunity are making their fortunes. I could see massive volume of 73000 shares in Triveni Glass another co in ESM 2 which corrected from 38 to 30.

Esm 2 though is a cooling measure which cannot change the fundamentals of the co. Can esm2 reduce the eps of Tirupati Starch? Answer is no. Then why eliminate these shares from buying? Privilege is granted to select investors who can buy shares in esm 2 and the price goes up. Unique Organics was trading at 65 66 around when it was in esm2. It hit 20% upper the day it came out of esm2. How only select stocks band is changed from 2% to 20% no one knows but it is certain that the normal rule book is from 2% to 5%. Incidentally unique organic doubled in less than a month after it came out of esm2.

There are many stocks which are in esm2 and have corrected thanks to this special category but offers excellent opportunity to make 100% profits on such stocks as valuation does not change. None of the online brokerages permit trade in esm2 category. 99% brokers seek advance cash for buying these stocks. No margin is allowed. This is why it become privilege of only few investors who can buy stocks in cash and make hundred percent profit.

Generally Esm 2 remains active for 30 days. Smart investors start buying once 25 days are lapsed. Prices come down by 30 to 50% in these 25 days and bounce 100 % in next 60 days. Means you have opportunity to make not only hundred percent profit but also opportunity to buy at the lowest prices in the cycle. Triveni Glass, Tirupati Starch, Madhav Infra are set to come out of esm2 soon which can be bought for good upside. Global Offshore has come out but price band is changed to 5% and not 20% unlike few other stocks.

I had mentioned that Japanese are now stepping up investments in India. Mitsubishi is likely to take 32% stake in TVS arm as per media report. Earlier Sumitomo realty had bought 22 acre land from Bombay Dyeing at Rs 5200 crs. One security systems co and two pigment companies are also entering Indian markets. I think more than 100 bn \$ is lined up from Japan in India. This is after Japan had slipped to no 4 and Germany became No 3. Japan is fully aware that India will become no 3 within 12 months hence they need to mobilize their funds quickly in India which will better there ROI prospects. I think we should keep tab on Vipul Organics being the biggest emerging pigment co with exposure to 59 countries and Rdb Rasayan which had been preferred due to carbon element in packaging for exports. Rdb also represent green energy co as this is first co in west Bengal to have entire roof top solar. Apart from cutting power costs, they will have good amount of subsidy and also will have preferred European equity partners in course of time. Already co has strong Balance Sheet with no debt no pledge and if investors ignore it then it is their bad luck. The most importance aspect of this co is carbon which is G 20 condition and packaging which is true indicator of economic growth.

We had covered detailed analysis on BHEL and stock become 3x and will be a story to be watched. A new PSU fund has raised 5 bn \$ and closed on 20th Feb. Deployment will start from 21st Feb and to my mind this fund can't ignore BHEL SAIL BPCL SBI ONGC HPCL SCI hence these stocks will see much upper side due to massive investment coming in these companies. We had spotted GPPL at Rs 135 and stock has already became Rs 215 yet we believe this is just the beginning ahead of new port policy. I think this stock is still 50% cheaper as compared to Adani port and hence there is long way to go. Can be 5x from even current market price. Co has issued presentation means the mindset is now clear. Whenever stock is set in the upward direction all positives announcement start coming. This is a true indicator of any stock direction. We have seen this in BHEL, TATA POWER and many other stocks. On the contrary management remain tight lipped about their companies E G SAIL and GTV ENGG etc. Now we have seen orders from US flowing to Archies also. Apart from US, V Mart and others are giving paper bags orders which is the key business segment about which we have explained in CHAKRY comments. Stock will show its true colour now and could be a multi bagger. Another company where positive announcement started after share price is doubled is GE Power. Co said their order book is very healthy at Rs 3400 crs and the sector outlook extremely positive for next three years.

Nifty and A gr stocks are selectively bullish and set to explode. However we have to be extremely cautious as many stocks are running out of valuations. Some companies are making unrealistic announcements which are misleading. I saw a company announcing Rs 10000 crs revenue in three years and stock price rose 15%. Here you need to check the integrity of promoter, current growth rates, debt and pledge of promoters. Another shady company in my view is doing QIP and promoters will get money. This company was in control of AHD based operators in pump and dump operations. There are hundreds of companies which are doing IPO at extremely high valuations. We cannot become victims of high valuation ipo , glare of qip or bloc deals of fpi and hni. These are fishing nets in typical bull market. At the same time there are hundreds of companies where we focus are investment bets as they qualify many criteria such as promoter's integrity, good balance sheet, no big debt, no big pledge, compelling price earnings and capacity expansion cases.

Time has come to focus on some new stocks which fit in this criteria like Gppl, J K Bank, Jana Small Bank Bank of Maharashtra, Nam India, Alpine Housing (railway sleepers key driver), Niles, BBTC, Glosters, Forbes, Kpt, Investment Precision, Shivam Auto, Lahoti Overseas, Hindustan Tin, Shetron, Gulf Petroleum, Riba Textiles, Mega Soft, M K Exim, Akar Auto, Integra Engg, Swiss Military and Mafatlal Industries etc with strong fundamentals warranting higher valuations but not yet participated in the rally sounds well for 100 to 300 % gains in coming quarters These stocks have not even moved inches suggest that they are still under accumulation. It is better to enter stocks which are under accumulations as threat of big losses are always eliminated. In fact we can still add HCC, SEPC as safe harbour for at least 400% upside in both these stocks. Many have shared their experience of Zee losses which I feel not matured investors because to change the scenario may require even 12 months.

How do we differentiate the stocks under accumulation? Hni enter in stocks where big announcement start coming. Rather I would put it this way. When company and operators come together with a common object of creating value, raising funds for expansion etc the announcement process starts and on every announcement stock react positively. This apply to PSU also. Bhel announced order every second day and a broker like Morgan had to change the rating from sell to buy with price revision from Rs 35 to 265. On the contrary even though there are hundred positive triggers they are not coming out in SAIL means they will start doing this once SAIL cross Rs 200. This is the same feature in all the stocks mentioned above hence in my opinion are safe for investment. Classical examples of announcement becoming a starting point and rise of stock prices is Archies. ARCHIES secured two orders from TJX Companies, Inc. and Anthropologies US for exports. This is the beginning. Watch this stock now. Next tipping point is change of circuit limit. Once done stock will double.

We can also take calculated risk in penny stocks like Zenith Steel, Jct, Madhav Infra, Yes Bank, Essentia Integra, Vakrangee, Citi Net, Praxis etc but be cautious as all penny stocks are not gold. Many penny stocks have in fact become 10x yet market is driving crazy but I feel take at least capita out instead of crying later. And if you boarded now then God is with you for sure and only he can help mitigate your risk.

I had mentioned finance will be the best play in coming times apart from metals and oil. I feel apart from SAIL, Bhel one should now focus on SCI, NAM INDIA which will help create wealth. Ongc, bpcl, hpcl, ioc were top picks of cni in last 2 years and at 2x, market is realizing the potential. ONGC has announced mega merger of some step down companies. Similar sort of sudden news will come in SAIL once it cross Rs 200 (cut and paste this). The north bloc want SAIL to reach Rs 3 lac crs market cap. On hidden valuations I had shared my views in previous report which was derived from material available from public domain. Similar exercise I had done in BHEL when it was at Rs 80 and now Bhel had become darling with 2 upgrades to buy. Bhel reported Rs 80 crs positive ibitda and may be in next quarter if even part of the order book is executed could see Rs 500 to 1000 crs profit and if that happen Bhel will cross Rs 400 to 500. SAIL is in mega Bull Run now. Results were misread as Rs 338 crs write off explained in notes gone unnoticed. A highly decorated officer from PMO economic advisory team has been assigned to monitor SAIL and to my belief SAIL will be super story in coming quarters. On charts also SAIL is showing massive break out with target of Rs 306.

I think CNI was bullish pre budget and post Budget also. We had given you target of 23k and 24 k before elections. They will come irrespective of volatility as discussed earlier. We have discussed many stocks which have potential but not participated in the rally so far hence in our opinion are less risky. There are hundreds of stocks which have run beyond fundamental values due to various reasons need profit booking because you need to protect your capital. If Govt succeed in generating Rs 5.75 lac crs from spectrum sell and Rs 4 to 5 lac crs from coal mines, we will be forced to revisit our 24 K numbers to 28 K as this will be a different class then.

Now on Zee and PAYtm.

Sony has come back to discuss merger and only CNI told you that this option was open as SONY was at receiving end. We had already expressed our view on ZEE that this was pre planned attack. We will realize this when ZEE cross Rs 290 again which will happen for sure. This may take 6 to 12 month and hence need to have patience. For sure no big groups could buy Zee as some exiting FPI investors are ready to bid for Zee. High drama is over and stock is settled at Rs 160a-180 around

and once it cross Rs 210 it will regain its lost glory. This kind corporate attacks are not first time in India. Insiders say SONY and ZEE is a done deal hence the price should also be back to Rs 290+

Paytm, the one who had picked 5 mn shares seems as parking account. These shares were used to create artificial market and was hit till Rs 318 where the circuit limits changed to 5% and stock returned in upward trajectory but only in 5%. On Tuesday stock was trading at Rs 376. 25 volume less than 1 mn shares and buyers 13 mn shares. What more evidence of artificial controls you require. I had mentioned few things about PAYTM and I will hold my stocks : 1) Damodaran ex SEBI chief would never accept any assignment where his image will be shaded 2) ED did not find any money laundering 3) RBI extended the date to 15th March giving more time 4) Co tied with Axis bank to fall back on payments clearance 5) by that time all dirt will be cleaned up 6) more than 20% equity has changed hands and all week hands have booked losses 7) no one is willing to compare the IPO and now situation IPO for rs 2800 crs revenue Rs 1900 crs and now Rs 12000 crs revenue Rs 350 price 8) seems investors over reacted 9) Cash and investment value still higher than market cap suggesting you are getting business free. 10) Paytm closure will damage DIGITAL India and that will be biggest setback to India growth story. 11) Creating another Paytm will require Rs 25000 crs cash and at least 5 years' time.

I hold my faith in PAYTM intact.

