

## Your Masters Voice...

PB FINTECH price Rs 1425 came down from Rs 2250 and yet it is extremely overvalued as PE is 0 and EPS is .26 on Rs 2 paid up shares. BV is Rs 171 and stock trading at 8.5 PE which is against the normal acceptance level of 2 to 3. Promoter holding zero well it is called professional management. FPI and ISNTI holding 68% and these same FPI says Indian markets are expensive. When ADANI governance issues came it crashed 75% but when PB governance issue came stock was up. This is how Indian markets work. Support fraud co even at 100 or more PE and cry for companies at 10 PE also. See now what has come read

"Forensic research firm Trudence picks holes in PB Fintech profitability narrative

### **PBFINTECH-**

Synopsis. A recent report by the firm raises several red flags on accounting treatment of commissions and other earnings on insurance policies sold and the role of subsidiaries that are reporting non-GAAP numbers. Company calls report "juvenile" <https://economictimes.indiatimes.com/prime/corporate-governance/forensic-research-firm-trudence-picks-holes-in-pb-fintech-profitability-narrative/primearticleshow/118823230.cms>"

### **Many reactions on rejection of insurance claims**

- 1) My experience with star health is same. They rejected spine tumor surgery saying constipation leads to tumor
- 2) My cataract claim for ₹ 65000/- was denied by
- 3) Car insurance denied
- 4) Hospital claim denied

There are many. As against this we see VIRAT KOHLI pitching for policy bazaar, Kapil sharma pitching and for all these fake ads there is no accountability.

Our own car claim was refused for petty reasons. Insurance premium of Rs 16000 and claim was Rs 34000 online but no one even attended it. Well we renewed next time with New India being Govt co and through agent for Rs 15000. PB kept chasing for more than 60 days and 30 days after the policy as over and crashed premium from 15000 to just 7000 because they knew even 7000 is income as do not have to pass any claims.

I do not know whether management had any role in indus ind episode else this could have come out long back. Hypothetically assume that someone wants to acquire a major stake from market at reasonable price then such thing can be structured. This may or may not be true but what will you tell if this stock drops again Rs 1400 in next 2 years. Similar thing had happened in Infosys, Hdfc Bajaj Auto etc where stock prices came to square one after big collapse. If corporate governance is such a serious issue why is that policy bazaar did not fall even after reports of issue is revenue and forensic audit. No management, no profits yet Rs 65000 crs market cap and history of claim rejections. Jio profit 1600 crs and market cap Rs 1.5 lac crs once 3 lac crs whereas Indus profit Rs 7500 crs and market cap just Rs 50000 crs makes no sense of comparison.

AGS transact had issued shares at 160 in ipo and now trading at 15 and hdfc hold 3.5% stake. How do you explain the rationale of hdfc holding these shares. Rating agencies have rated this as third grade D rating. Why have we mentioned HDFC name because it is again the largest shareholder in policybazaar.

This raises a question mark as to why they invest in such companies and hold till 90% values is destroyed. This also gives rise to speculation that these funds buy shares in anchor book for the reasons best known to the industry as well street. Anyways there are agencies to look into such transactions and let them do their duties.

Yesterday we saw IIP not improving and inflation falling which is clear indication that RBI will cut rates more. Generally inflation cannot fall in summer as the supply economy is affected. If at all inflation has to fall

particularly food inflation this will always happen in winter where supply chain is efficient. Another 25 basis point rate cut would improve earnings by another 1%.

Thus along with improving GDP, improved earnings, improved iip and controlled inflation you can't have a better situation . Dxy has crashed from 109 to 103.4 and all set to break loose below 100. There is distinct possibility of it testing 88 the earlier low in previous regime of Trump.

We are happy to see at least some firung came forward to set target of 105000 Sensex target for 2025 which is 50% upside to current Sensex. We are coming across maximum bearish persons who have made up their mind that this year there will not be profits at all. Some are bearish with 19700 Nifty target. Some believe that there will not be any recovery till July 2025. However we defy all presumption and assumptions and reiterate that we will see 28888 and possibly 30000 in 2025.

US is creating a threat to themselves as they are bringing on tariffs. After CHINA JAPAN CANADA MEXICO now even EUROPE has decided to treat US not an ally any more. Japan and China has started dumping their bonds which is pushing Dollar down and also DXY. Many big houses are also understanding this and echoing that US dominance is getting reduced. This also means money will move to E M being no other alternative. Blackstone announced to invest 100 bn \$ in India including 11 bn \$ in data center. Many global funds have moved data center to India.

We are safe at 16 x 26 valuation hence keep investing irrespective of March tax harvesting. Higher GST is in indication of robust economy and robust earnings and hence markets will readjust very fast once the technical issue of funding is resolved. We had shared data on funding, margin pledges, slbm shorts and fpi shorts. Market is slim and trim and ready for next BULL RUN which 28888 to 30000. Be ready and take guards. Stock selection you all know and every day it is b3coning more cheaper but the only problem is your own belief. When price corrects your confidence also which is a human psychology.

#### **PSU land monetization has started. MTNL BSNL raised more than Rs 3000 crs**

NAMO had mentioned in the parliament that buy psu shares markets will rise. He never said it will rise tomorrow. Your interpretation may be different. We can bet on this Govt and endorse that all Psu shares will be 10x at least in next 10 years means annual growth of over 100% which reflect the PM vision. He is the person who will plan things and value unlocking scheme. He knows today PSU is as good as FPI and DII valuations in India and 10x schemer planned then it will be 3x 4x of Fpi money and Dii money which no Govt possess in the world. Oil counties became rich on oil alone similarly PSU in India will become richer by monetizing land. Sail hold 97 acre and Bhel 16 acre. Thus Psu land monetization alone will make India not only debt free but cash surplus holding bonds of other counties. Psu are considered GOLD MINES though many brokers said psu valuations are expensive and do not deserve to be held as long term investment bets. Govt though believe that PSU are game changer for India. Execution has started and every state govt has started monetizing land parcels to generate funds. E g In Mumbai the cost of metro and other development projects have been coming of land sell at BKC.

Happy HOLI to all CNI members and we wish Holi could burn all market worried and bring new colour's un your life with lots of cheers. We are repeating some stock ideas which can benefit you if you are long term investor and can create own conviction.

**MK EXIM** promoters have been adding shares every week. Why just see from our earlier comments

**"MK EXIM** market cap 330 crs whereas one acquisition by HUL in this space was of Rs 3000 crs. For sure this Budget will be known for consumption push. In any case female cosmetic sector will never go in recession like child baby care products. This is because world over males have to allow female spending + female income too is riding more than male income and saloon has become costliest component of cost of living. Even in marriages 1% allocations are being made to beautician. Fits in new theme of stocks. This world class stock has got consolidated around Rs 90 for almost 6 months and ready for big break out. One 20% and stock will be in different orbit.

I wrote yesterday on this stock what CLSA feels and what industry feels. Now I have got feelers that some brand acquisitions are round the corner and this will be global for which some global funders have shown interest. I was told once this is done many MNC will get attached with this co and valuations will become

100 PE like Nykaa and Trent. So keep your fingers crossed and hold. If cross Rs 100 then Rs 134 the target was already given to you long back. When markets are bad and someone is willing to sell they do not give premium or they buy at premium when things they get to know insider information.

Itc ibitda margin is 36% and market cap 6.06 lac crs M K Exim ibitda 35% m c is just 350 crs which suggest that re rating in PE is must in this stock. Without even earnings growth if we apply this rationale stock should become Rs 500 to 600. Mt resolution for 2025 in this stock is this much. Following quote is apt for M K EXIM the most loved company by me and I will continue to do that. There is no recession of this company's business"

Stock corrected from 90 to 70 giving an excellent opportunity to buy more may be in lacs. Sellers will regret and we should not bother about their fate. By selling we should not allow our conviction to change.

**GTV ENGG** market cap 220 crs potential engg Co to become 1000 2000 crs. Power ppa rates are highest for this co in himachal Pradesh will start reflecting in earnings from 25 26. Co expanding from 40 MW to 200 MW which means assets worth Rs 2000 crs will check in course of time in the Balance Sheet of GTV ENGG. If you take this co lightly you will miss BSE opportunity. In 3 years it will be next BSE. More than 1 lac shares have been placed by promoters to HNI as per SAST filing. The day selling stops there will be big corporate action.

**AKAR AUTO** market cap 100 crs which is at discount of 75% to fair valuation. Forging companies have largely over performed except this tortoise. Only idiots can ignore this beautiful co at throwaway valuations.

**SHIVAM AUTO** complete turnaround case of Munjal Gr post Rs 285 crs raise. 55% products are import substitute which will glare with every falling Re.

**VIPUL ORGANICS** 200 crs market cap fast expanding capacities with rights issue at Rs 46 is a good bargain in specialty chemical sector. Paper ink , emulsion pigment and todi have become monopoly for this co. They are under owned first time R and D co which have made breakthrough in new technology (**membrane**) which will be game changer. Number game will start from q1 25-26 post dahej expansion.

**CIFL** market cap 1200 crs AUM sudden spurt expected from 900 crs to 1600 crs then to 10000 crs belonging to wealthy promoters from Delhi could be new icon in nbfc. Fits in change of stock theme. A perfect switch from other nbfc to this as this is under owned Gem of stock.

**RIBA TEXTILES** emerging global towel export company with clean promoters. Fits in theme. Beach towel is premium segment and other Terry towel companies can't enter in this space due to specification. Market share is remarkable. Expansion announced.

**SHETRON** is king in Tin packaging. With expected merger of their paper packaging company they will have 5 plants. Stock hitting new highs indicate that already action in new theme has started.

**GLOBAL OFFSHORE** 320 crs market cap. Complete revival from 1200 crs debt to debt free. Belong to Garware Technique Gr and have family connections with Bajaj family. Revival plans could suggest co will scale up operations from 2 vessels to 17 vessels in next 2 years crossing its previous peak vessel count of 14. The market cap then was Rs 2200 crs. Announcement of 3rd vessel acquisition came recently which will have revenue of 34 crs more than previous year's full revenue. This contract which was done at 11000 \$ a day could mean co will Rs 23 crs ibitda from this vessel. Every rise in vessel will keep adding to ibitda. There is tax to this industry so pbt becomes pat. Again a fit case in new theme.

**TIRUPATI STARCH:** already announced Rs 9 crs PAT which is difficult to be ignored.

**LAHOTI OVESEAS:** already announced Rs 6 crs PAT which is difficult to be ignored.

**ISWL:** Co converting 285 crs loan at Rs 6.25 as per BSE filing. It is now a real estate co. Engg plant has been sold to ITALIAN co for Rs 98 crs and cash as and when comes will help promoters clear pending loan of Rs 25 crs and make co debt free and use balance money for development of 44 acre land.

**CNI INFOXCHANGE PVT LTD**

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**Brand Name : CNI GLOBAL BIZ**