

Your Masters Voice

Dow fell by more than 4000 points and recovered 2500 points close to QW date and after QW. I feel Dow will re-test 45000. Though I hold that Dow will correct this may not happen if TRUMP soften its stand on tariffs as tariffs is more dangerous to USA than any other countries. EU and other countries will close closer and we are seeing that happening and will start barter trades. JAPAN and CHINA will continue to corner US and US \$ for sure.

QW which was read well by CNI is now being discussed at news channels also though none were bullish either on Dow or Nifty.

In short, the first 90 days once over there will be normal TRUMP which will look at WTO for the global business. In any case TRUMP has also suggested that many countries will exempt from these tariffs and India will be one because India is a preferred new partner of USA and since INDIA announced to become number 1 in semiconductor USA has no choice as the biggest import requirement of USA is semiconductor and IT engineers.

Therefore there is a possibility of Dow travelling towards 60000 very fast once TRUMP become a normal man and talks about biz globally.

Nifty has come long way from 22000 to 24000 yet the shorts have not cut. As of date shorts are there to the extent of 90 K contracts which means 67.50 lacs Nifty which is massive. We feel the stage is set where FPI will cut these 90 K contracts and go long 100 K contracts which will have + impact on Nifty going into April. Few other factors will add to the rally and they are ...

Q4 GDP will top the year

Q4 earnings will be 14% +

Kumbh Spending adding to both GDP and Earnings

25 26 will start on fresh capex and public spending out of Rs 12 lacs no tax case

Fresh allocation to India by FPI

Pledge book opening on 28th March

SLBM shorts will come for short covering

Pro short covering

FPI turned bullish once again

FPI need to cut 80 K contracts short and go long 100 K contracts

Past record 30 K contracts short drove Sensex between 1000 to 1400 points

180 K contracts is 6x of 30 K so you can guess how much + ve impact

North block wants markets to go up

Policy correction started

FOMO triggered

MF sitting on piles of cash which is at unacceptable level

View changing from unsustainable rally to buy market

Trump softening on tariffs

Nifty OI dropped substantially suggesting shorts getting covered

Client's margin issue resolved

Tax harvesting completed

Those who sold in MARCH will start buying in APRIL at 30% higher

All these factors are indicating that too much money will chase too less paper and we will be in start leg 2 of MOTHER bull market and could reach 30000 Nifty in 2025. We had been telling this even when Nifty had corrected to 22000 though some firming now officially saying that Nifty will be 30000. The biggest buyers at 22000 was market drivers along with circles of north bloc who are now openly saying markets will blast and PSU will be the theme again.

We were told that desire of North bloc is to make PSU valuations to 200 lac crs from current 60 k lac crs which will become the largest stake holder and will be the richest Govt. Of course this all is subject the year end pain as everyone is busy with tax harvesting and books cleaning.

We discuss here some of the great opportunities which are available at decent valuations

Bhel

After Govt opened the doors of renewable and hydrogen energy production they have also focused again on written off sector Hydro energy which is the cleanest form of green energy. The hydro orders are now 20000 MW and NHPC NTPC and SJVN are the key players. But the component to all these will come from BHEL. In Q3 Bhel reported Rs 350 crs IBITDA without major execution from the new orders. However management said informally that they have started executing new orders which are procured at 11% margin. In order words there is possibility that BHEL will stun the world this time. And if this happens then BHEL will be travelling towards Rs 450 to 500 in 2025. We hold out long term target of Rs 1400 intact in BHEL as BHEL not yet shown its real strength of INDIAN MNC.

BSE

We had been maintaining that BSE will announce bonus. They announced and meeting on 30 th March. This is 150 years celebration. What is important is to know how much should be the bonus.

Could it be 1 : 2 1:1 or 2 :1

Last time they gave 2:1 as equity was very small at Rs 9 crs. Their profits have become Rs 267 crs a quarter which can service any equity. MCX is comfortable with 110 crs equity and BSE is just Rs 27 crs unfair they too need to take it past Rs 100 crs and for that 2:1 should be fair idea. If not 1:1 looks certain because even at that ratio equity will be only Rs 54 crs which is nothing.

Sebi chairman is on record saying he will look at NSE listing issues. NSE getting listed means BSE will too rise and hence BSE to have more float could announce 2 :1 we feel.

SAIL

Massive expansion started in SAIL. They have started exploring coal mines also. Imports of coal will reduce drastically at least by 4 mn tons which will be cost saved and profits added. Green steel and special steel SAIL is the only player. Trading at massive discount to fair value this giant steel will move in fast lane. We had mentioned earlier also however attempts are made to keep this stock suppressed PMO will not allow SAIL to be sold anything below Rs 2 lac crs. So wait patiently for this sleeping elephant to roar.

GLOBAL OFFSHORE is shaping well with March 25 is the beginning and March 26 as superlative numbers. Since stock has corrected from Rs 134 to 80 I think this is best time to increase your exposure. This is

super story and will turn out to be better than SEAMEC. Seamec has 4 vessels and GLOBAL have 4 now and will reach 21. The opex cost is 3500\$ a day whereas the revenue is between 11700 to 17000 \$ a day for different kinds of vessels. You can estimate the IBITDA margins. I had mentioned from last 2 years even when I gave 1st Buy call at Rs 22 that the earnings will be visible from 2026 as new contract will be in place from April 2025. Wait is over. Having waited patiently the time to enjoy the fruits has come. From June Q results will be visible.

What is changing rapidly is as under

Ongc has started digging wells in Ballia Uttar Pradesh where they have found largest oil and gas reservoirs which is capable to make India self-reliant in oil as per official announcements. They have started digging a well more than 3000 meter in Ganga basin. This is 300 km stretch running from Sagarpalli in Ballia to Phampamau Prajagraj.

What data says that ONGC is short of 17 vessels hence they will have issues even after the well is dug? They need to hire rigs and offshore support vessels. The latest tender they opened is at 15000 \$ a day but finding no response hence it is reliably learnt from ONGC sources that they will relax the age condition of the vessel and also raise the price to 17000 \$ a day in next tender. Global prices are much higher than 17000 \$ say 25000 \$ hence no global vessels are ready to enter Indian terrain. Global offshore is due for their second vessel renewal in March 28 could go for 17000 \$ tender.

As explained the opex is just 3500 \$ a day whereas tender price will be 17000 \$ a day which means xo will earn 13500 \$ a day as margin. The fortune gates are opening for Global offshore as this one vessel was deployed at 4500 \$ due to 2019 contract will get 17000 \$ a day and clear profit of Rs 42 crs will enter in the books. It's massive. Latch this share before market understand this economics.

1st vessel is renewed at 11700 \$ a day, 2nd got contract at 10835 \$ a day (Rs 34 crs per annum as per BSE filing) third I am not aware but has to be higher than this and 4 th will be at 15000 to 17000 \$ a day. Even if I take average of 12500 \$ for all 4 vessels the profits should be Rs 282 crs minus depreciation and interest as there is no tax. Discount this number the way you want to know how much they will earn. CICO (Charter In Charter Out) is around 10 vessels which I have not included and another 7 vessels under acquisition is not considered. Mind it in this biz revenue starts after 90 days this is the minimum period required to make changes, updates in the vessel as per requirement and movement time from earlier contract to dry dock and from dry dock to contract place.

This is our estimate based on information available in public domain and sourced from sources like ONGC, SUN Petro though Co is silent on the issues.

Can CIFL become next IIFL

Could be as they have lined up as under

Acquire existing nbfc with big ticket size or if permitted even a bank

Merge fintech co in cifl

Bank on new fintech policy

Bring in overseas global finance co as strategic partner

Hire people from big nbfc's

Management is in Japan though purpose is not known

Management have met 3 investment bankers though details not known at this juncture

Current holding is 75% May dilute in favour of HNI DII or some big investors only

Current selling is from frustrated investors as this is the only stock which is in profit in last 12 months (1 mn shares cornered by strong hands in 7 days)

Insiders buying for last few days hunting at quick development of some of the events mentioned above

Co appointed PR/IR to create brand image

IR PR have started pitching this with big HNI investors

Due diligence will be always your take though we are bullish on the co per say and would see this rising quickly in April as many big HNI have built good positions

We have seen all those who had bought at Rs 39 have made exit till 30 making a cool loss of 30% and those who bought it will make cool profit of over 100% for sure. In the game of demand and supply buyers always win as markets are at low end of valuation and circumspect of year end closing.

Vipul Organics Ltd

Retail public shareholding in this co is 19 lac shares as per BSE filing. According to this only 6.3 lac shares will be subscribed to rights which we believe will come easily. RE traded more than 80 K and will add another 20 40 K in next 3 sessions means the retail portion will go down to 5.3 lac shares. RE are not entitled to excess subscription. Out of 5.3 there are many HNI investors who will apply more than 200% which means this 5.3 lac shares will be oversubscribed. HNI will subscribe more than double so the issue is already sailed through. Even NRI could subscribe excess as they have not sold single share even at Rs330 and getting to subscribe at just Rs 46. Only portion which will go vacant is IEPF which could be around 1 lac shares. Fight is there which HNI retail and management could eat out.

What leaves us on table that those who sold original shares in anticipation of getting excess allotment will be for rude shock?

We may see sharp rally post 2nd April in this counter. Management is silent on DAHEJ capacities though have announced completion of AMBARNATH capacities. They are also silent on JAPAN orders though from our sources we have found that they will be getting massive massive orders for TODI a specialty chemical with very high margin.

Stock opened at Rs 160 ex rights and corrected till Rs 125 and selling is over due to year end. Now we should see massive buying and with every new trigger stock will get re rated. We are looking at VIPUL to become 10 bagger in next few years as we believe all expanded capacities will be in place by end 2025 and there is no dearth of orders whether it is TODI, pigment, paper pigment, membrane, master batch supplies. Lot of backward and forward integration has been done. We can't explain more at this point in time even though it is covered in our research.

ISWL

India Steel Works Ltd has sold plant for Rs 109 crs and yet to receive consideration. They have re paid Rs 25 crs due to KOTAK Bank. Now only one creditor as on the Balance Sheet date that is JC Flower for just Rs 17 crs which will be taken care of from the Rs109 crs plant sale value. Co will become debt free with 44 acre land bank at KHOPOLI with already plans approved for development. They are developers and developed many projects at Wadala, Chembur AND Matunga hence they know the biz well. They have announced to BSE that they are converting Rs 120 crs promoter's debt to equity at Rs 6.25. We initiated buy at Rs 4.44 and stock seen high of Rs 5.90. Recently it is seen that promoters have sold nearly 4 cr shares in market. May be this to accommodate HNI/ operator and secondly for creating funds to settle Kotak. Anyways, keep watch in this stock. It may double in shortest possible time. Make your due diligence as some north based and overseas investors have made decent positions. No one likes the word operator

but everyone trades only when operator is active. Else it will be ITC for 5 years without operator. Every stock whether it is ISWL or TISCO has jockey. Some are reputed like RJ VK MA MK etc some are notorious hence whom you follow is important.

M K EXIM

Rare to find a business with 35% margin and enough cash in books. They do not have debt. MK EXIM promoters have been adding shares every week.

"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.

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.

Stock corrected till Rs 62 before reversal and came back to Rs 80 as promoters seen adding. Once it cross Rs 94 it will be in new trajectory which should happen in New Year as all weak hands have exited. Co off record said as under:

Their mining activity is starting soon which will add massive cash profits

They are adding skincare and healthcare products though details are kept under wrap

They are adding hair colors

AND biggest plus is that they are entering into manufacturing which will be a repeat story of PAGE INDUSTRES which we had mentioned a year back.

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Brand Name : CNI GLOBAL BIZ