

Editorial
Vol -1, No-I, 15 Mar 24, 07 pages

Again the fall is engineered as FPI and HNI wants to buy big chunk as they know Nifty is heading for 28000 in 2024.

Tirupati starch a gem. Promoter increasing stake. Promoter looking for foreign partners for its wet corn process business. Company has strong hold in MP, South Indian and Rajasthan. Q3 was bad due to seasonality but q4 will surprise the street. With TASTY bite guy in the co this is no brainer. MUST buy.

KPT with international orders of EV riksha must buy.

CALCOM best time will start from MARCH Q. Must add. Stock below placement price is golden opportunity for investors.

In March whatever stock we get cheaper will get sold at 25% premium as funding will re-start.

GLOBAL OFFSHORE heard promoters will do creeping. SEBI formula price is Rs 56 57 hence if they do it you will get 25% returns quickly. Rs 45 is bottom of this stock now as it is debt free co. hold till March 25.

38 stocks are under scanner due to DUBAI connection none of which are under CNI banner hence CNI is not bothered to mention these stocks.

BHEL SAIL BPCL TATA POWER and TATA MOTORS are no brainer multi baggers.

SME IPO was a systematic fraud and hence now came under SEBI radar. Avoid SME stocks. Some TV anchors are also absconding. So avoid T V influence also.

Others weakness should be your strength.

Maximum SIP is coming is small cap funds and hence these is sabotage planned by media and fund housing to deviate the investors from small caps to large caps. I feel money will be made in small caps only. I know something which street does not know that will take monthly SIP to over Rs 25000 crs in less than 6 months and to Rs 50000 crs in next 18 months. Though looks aggressive it will happen with investor's number rising to 25 cr.

Change of the week

| | 15-Mar-24 | Rise /Gain |
|--------|-----------|------------|
| Sensex | 72,643 | 1445 ↓ |
| Nifty | 22023 | 460 ↓ |

Net Investments (` Cr)

| | FII | DII |
|------------|---------|----------|
| 11-03-2023 | 3945.5 | 3238.3 |
| 12-03-2023 | (115.6) | 2358.1 |
| 13-03-2023 | 14582.3 | 9093.7 |
| 14-03-2023 | (114.2) | 139.4 |
| 15-03-2024 | 848.5 | (682.21) |
| Total | 19146 | 14,146 |

Turnover (` Cr)

| | FII | DII | Combined |
|-----------|----------|----------|----------|
| 15-Mar-24 | 2,68,880 | 1,20,891 | 3,89,771 |

| 15-Mar-24 | Advances | Declines | Ratio |
|-----------|----------|----------|-------|
| BSE | 1725 | 2106 | 0.81 |

Out of 50000 crs 25000 crs will come in small cap fund which will make small caps fund to make massive investments.

In any case CNI have never recommended any stock which is over owned say SUZLON or JP etc except Yes bank though it is risky. Vakrangee is my new favorite as co has potential to report Rs 8000 crs + revenue from mere 185 crores in next 6 months and when this happen co could cross ATH before 2030. So just buy and hold this penny stock. Can you imagine e governance contracts TCS could execute only in partnership with Vakrangee. Major changes are happening in management cadre which will go long way to raise visibility.

CALCOM and TIRUPATI STARCH are my best bets both with target of Rs 1000 to 2500. Reason CALCOM is next Havel into making. Whereas Tirupati Starch is the biggest GREEN energy co from starch and just market cap of less than 130 crs it is no brainer. Remind me when stock cross Rs 1000 I will have the last laugh. EVERY CNI member must have 1000 shares of TIRUPATI STARCH and CALCOM for at least next 1 year.

CNI never ever cover a fraud co, never go with high valued stock howsoever it is good, mostly avoid covering over owned stocks as they can fall big which we are now seeing. SME is mostly accommodation entry stocks hence not advisable. Only 1 out of hundred could be genuine. Stock exchanges have given free hand to SME sector to satisfy their ego as they had pitched SME as alternative in SMSE.

With another 85000 crs projects approval railway stocks will continue its rally.

Lithium main story is yet to be out hence all stocks connected with lithium will keep rising.

FPI have short positions from 87K contracts to 30 K contracts which is a bullish sign.

3 days left for QW and Dow and Nasdaq rose 250 points even after rise in inflation. On 15th March QW. Post this 5 tr \$ options expiry Dow will cross 40K.

SEBI chairman said that small caps is bubble. It means SEBI admits that their control measures have failed. Now it is high time that what one gentleman is tweeted should be introduced. This Gentleman requested in his tweet that there should be 1% and .5% cct limits to further the market integrity. SEBI chairman statement was not required as they had taken enough measures to block small and micro-cap rallies already by having ASM ESM ESM 1 ESM 2 etc.

| 5 Top Gainers | | | |
|---------------|------------|------------|--------|
| Stock | 15/03/2024 | 11/03/2024 | % Gain |
| SOLAR IND | 8860.6 | 7530 | 17.6 |
| LINDE INDIA | 6353.9 | 5579.1 | 13.8 |
| CIGNITE TECH | 1239 | 1100 | 12.6 |
| HEG LTD | 1884.4 | 1698.6 | 10.9 |
| ZF COMMERCIAL | 15553.8 | 14320.6 | 8.6 |

| 5 Top Losers | | | |
|-----------------|------------|------------|--------|
| Stock | 15/03/2024 | 11/03/2024 | % Loss |
| PAISALO DIGITAL | 135.4 | 188.1 | 28.0 |
| JTL IND | 185.4 | 241.0 | 23.09 |
| TATA INVESTMENT | 7540.1 | 9744.4 | 22.6 |
| DB REALITY | 220.9 | 282.7 | 21.8 |
| SOBHA | 1244.2 | 1520.4 | 18.1 |

| Top 5 Picks By CNI 'A' Group |
|------------------------------|
| Company |
| RIL |
| HDFC BANK |
| TATA MOTORS |
| BAJAJ AUTO |
| TATA POWER |

| Top 5 Picks By CNI 'B' Group |
|------------------------------|
| Company |
| SHIVAM AUTO |
| J&K BANK |
| INDAG RUBBER |
| PATANJALI FOOD |
| CAPACITE INFRA |

Well in any case we do not give too much weightage as only fearsome minds will exit from market at losses. CNI have proper selection criteria and suggest this is golden opportunity to buy quality stocks.

What is quality stocks...?

Tirupati trading at Rs 170 crs M C as against revenue of Rs 400 crs is at discount. The business cannot be sold less than the revenue tag price. Or 20x of IBITDA or 10x of net profit. EV/EBITDA is mostly followed. Thus I am sure we can safely buy TIRUPATI till Rs 400 and wait as revenue will double and so valuation. Same thing we saw in GTV ENGG and steep upside is due once stock come out of trade to trade.

Exchange action punished the stock which has corrected from Rs 640 to 460 what more correction you want..? Global offshore corrected from Rs 70 to 45 what more you want..?

It is up to you what stock and at what price you should take it.

WHY SEBI did not react on SME segment when they were rising 500%...? Why the documents filed in SME are not vetted by SEBI..? Whole world suspect SME stocks with intent to manipulate for accommodation trades then why no action was taken earlier..? These are unanswered questions.

Anyway leave it as it is I am sure Nifty will rise to 23000 soon. ITC deal and HDFC are two positives for Nifty upside. Reliance will cross again Rs 3000 +. IF funds are diverting from small caps mid-caps to large caps then Nifty should rise 10% and if that happen there will be life returning to small caps and midcaps also. In any case small caps and mid-caps have come to support levels and due for sharp reversal.

All funding issue has been resolved before 13th March and there is no pending funding issues. Now we can expect fresh buying only from first HNI's as they do not have liquidity issue. They will buy when stocks are 40% cheaper.

My advice is go for shopping rest is your call. We are in Bull Market, we will see Nifty 40700 and hence such small corrections which happen periodically will not stop markets to go up.

CALCOM TIRUPATI GTV AND KPT will be super hit stories whether you like or now.

US markets fell just 100 odd points that too ahead of biggest event of 5 tr \$ options expiry today. From Monday till Elections US markets will remain bullish.

What up university is extremely short on markets on slowdown and technical data and crash of small caps and midcaps? On the contrary Quant passed the stress test being the first MF to do so.

There is no CHINA factor, nothing found in bonds, big investors accepted that there is no froth no bubble in small caps and micro caps hence index recovered 4%.

I have a clear buy on Indian markets as GOI announced 8% GDP which is not seen by analysts as always happen. Govt gets daily data and they know what they are announcing. India will do more than 8%.

We have given buy list. Tirupati will remain my best pick.

Special feature

We are in world's biggest market which runs more on rumors than on news. This week we so many events to kill the retail which typically happen in every March. This year there was extra ordinary gains hence the fall from the top seems was hurting everyone by and large. To top it the profit booked is always ignored by street players and they show the red portfolio on current holding with remarks such as I down 20% I am down 30% though in fact none is negative on yearly basis. Because if are in red where is the question of paying advance tax. Big people manipulate calls and options and even futures for that matter as they have to transfer profits due to tax considerations. They fall under 35% bracket as they report their trading under business income and 35% really hurts them a lot. I can understand.

Secondly retail investors cry with false tear that there stocks are down by 30% but that is the case with every stock how is that retail is indifferent. Bhel crashed from Rs 275 to 222 20% fall in large cap, Tata Power crashed from Rs 432 to 370 14% SCI crashed from 290 to 190 35% SAIL from Rs 143 to 118 18% GPPL from 218 to 175 AND likewise then what is cry for B gr shares which too have fallen in the same tune. It is usual practice to manipulate the prices with low volumes and kill the investors who invest with leverage. Brokers close positions without wasting time and hits straight lower circuit.

I had warned this in the first week of FEB that till MARCH 25 there will be massive volatility due to funding closing and fresh funding will be available only from 1st APRIL to retail as well as operators and HNI. The situation got aggravated due SME kand and ED raids on HARI which had connections with 40 companies. Whole world knew that SME is nothing but accommodation companies yet this mushroomed as if this is the only world and stocks rose 500% also without any regulations. This was the serious and grave implications and those who were holding shares of normal B gr companies in main board also had to liquidate their positions. These were used to create margin for funding of SME IPO and with the setback the margin shares were triggered. It was so strange to see comments that small caps had some bubble whereas the fact remain the bubble was in SME. A leading industrialist had to tweet that there is no such bubble.

This was pre decided fall and kill the retail investors. I had warned on my perception. But this was visible when some other guys came and expressed their views that markets will crash 70% which though will never happen. Yes, carnage was seen in stocks prices but to my mind it was buying opportunity. Those who are sitting on fence will say wait I will buy further lower as I feel there is more fall. Those who are having cash are afraid if investing and those who can buy does not have and this is the story of every time. And we realize this always when market falls. Now let us the see the events came during the week which give lead to my understanding that the fall was pre decided.

Some analyst says on record that markets will fall 70%. Highly respected HNI says markets will fall 25%. (his positions though remains intact). Then comes a circular on disclosures of small caps from the policy makers. All these events had little impact on the market sentiments then comes a statement that micro caps and small caps have a bubble. Why similar statement did not come in SME where ED had to step in and expose the market manipulations in SME segment. The role of the policy makers is the make policies which prevent such bubbles and they have created many safeguards such as ASM, GSM, GSM2, GSM 3, GSM 4, ESM, ESM 1, ESM 2 , Z gr, trade to trade etc etc then where the question of market bubble. With even 10% to 30 rise stock get moved in any of the segment hence further movement get halted. Many stocks have corrected 40 to 50% once the punishment was given e g SUNIL agro crashed from Rs 270 to 145, GTV from 640 to 445, Global Offshore from Rs 70 to 40 and what not ..? With the maximum rise of only 30% possible where could the bubble come from..? It means the bubble is coming from stocks which are above Rs 500 crs ,market cap which are not in ESM category, comes from A gr F and O stocks where stock crash after they go in ban. This is called bubble. This will keep on happening even in future as there is open license to all F and O stocks.

This was not stopping here. The mongers use the growing social media to circulate fake news. They circulated CHINA war story which is most unlikely. Also was in circulation the BOND saga where they say all political parties will get exposed. I think all humbug. Let the PM and BJP or other political parties think about this why market? Our PM says India is a growth story come and invest and our policy makers says India markets have a bubble it will get burst so please do not come to India.

Hindenburg downgrades ADANI and that destabilized markets just 12 months back. Adani Enterprise crashed to Rs 1000 but what happened thereafter...? Now it is at Rs 3200 320% massive returns in less than 12 months. So this is a regular feature in every March and markets rally immediately in next 2 months. This leaves with your capacity to hang on. If you are leveraged you have no option. Also the cost of borrowing which is as high as 24% will kill you always. The brokers will force to close positions always in bad times and that hit triple way, one that you have to sell at 30% losses, two your interest cost kills you and third your reentry again becomes at 50% higher as red portfolio does not allow to add more

stocks till the time your portfolio comes back in green. Thus those who are leveraged always sell at the bottom and buy at the top.

Now on Tuesday Dow and Nasdaq rallied 250 points each even though inflation was bit higher reducing the chances of cutting rates immediately. This happened because those were oversold markets with RSI trailing at 47. On Friday the 15th March and the day when I am writing this note there is QUADRUPLE witching. More than 5 tr \$ options will expire on this day. Post this US markets has to rally and Dow will cross 40000 for sure. I am repeating so long as rate cut does not happen market rally will continue as the hope of rate cut will drive markets and the delay create short positions. Ideally speaking US market cannot correct before elections.

The analysts which I had referred too earlier were saying India has wide exposure of calls and puts and the positions has crossed 4 lac crs. This is 400% higher than what it used to be 20 years back. Wow. What a veered logic. 20 years back Nifty was 6200 not 22000. 4 lac crs spread in 200 series but the eventual value is only 4 bn \$ which is pea nut for a market cap of 4.5 tr market capitalization. How much is the percentage of this in options? Mostly these trades are fake and done only in order to vitiate markets in desired direction. This practically means retail is taken for granted. This is why I always mention that markets are fully managed, engineered and manipulated. And we are no way comparable with US markets which is at 28 tr \$ and the options size is around 5 tr \$ in every QW.

Now here is the equity reforms are required. Instead of 200 to 500 crs F and O ban limit the same should be widened to 10% of the equity or market cap of the company which will avoid frauds. Allow price discovery mechanism on the basis price earnings ratio not on the basis of 30% rise punishment. You are predefining that all companies which are below 500 crs market cap are fraud and deserve severe penalty if stock prices rise by 30%. It is dangerous to believe that all companies which are above Rs 500 crs market cap are genuine and freely can decide their market capitalization. Now just check from the 40 companies which were caught in the scam all have market capitalization of over Rs 1000 crs. Companies below 500 crs should be given special status as it require guts, confidence and support to small investors to buy these small companies shares which really work as pyramid in the growth of the economy. THESE SMSE gets rough treatment from everywhere as even fund raising options are closed to them. Banks refuse, investors refuse and hence they fall back on costly debt from NBFC.

25th March is holiday. So only eight trading sessions are left now for rollover. With current situation, mostly shorts opened, no leverage, no long, retail away and tons of the cash available in the system I feel markets will rise. This being the last month of the financial year we will see enough steam on account of NAV exercise. Roll over has started this week itself hence next whole week we may see buying in APRIL series. While holding March OI at 1.28 cr shares which is very high the APRIL OI rose to 29 lacs as of now which is very high indicating the addition started in April. This also suggest closing will be handsome. We are firm with our view of 22666 and/or 23000.

Stocks which had seen Rs 80 in March 23 had seen high of Rs 265 in Feb 24 and this is seen in most of the stocks. So we should pick out spot and try to add shares with conviction.

We repeat we are trading at 19 PE now. Average of 33 years is 25. So if we try to test average then we should see Nifty 32000 and if someone says this will happen without mid-caps and small Caps then he is living in fools' paradise. Micro caps will become small caps, small caps will become mid-caps and mid-caps will become large caps. Bhel has completed that journey once crossed 67000 crs market cap. Sail is on the way and will see soon it been called large cap.

List of stocks you all aware. You are also aware what rates we get in MARCH is never seen again. Rolls have early started means expiry will be on bullish note. BJP cannot displease the investing community. They are 11% of the population and their family if added could be 23% hence this is the largest voter community. When you dole lacs of crs for 5% votes why not for 23% vote.

Market fall was due to removal of funds for elections as major withdrawal was seen in PSU stocks. Now market rally will happen mainly in PSU and stocks which CNI had discussed. CNI takes care of valuations and hence do not recommend over valued stocks like HUL Colgate even though they are great stocks. We love undervalued stocks.

Global Indices

| Country | Indices | Date | Index | Net Change | Change % |
|----------------|--------------------|-------|--------------|------------|----------|
| Hong Kong | Hang Seng | 16/03 | 16,720.89 | -240.77 | -1.42 |
| Singapore | Straits Times | 16/03 | 3,172.96 | -13.44 | -0.42 |
| United States | NASDAQ | 16/03 | 15,973.18 | -155.35 | -0.96 |
| United States | DJIA | 16/03 | 38,714.77 | -190.89 | -0.49 |
| United States | S&P 500 | 16/03 | 5,117.09 | -33.39 | -0.65 |
| Japan | Nikkei 225 | 16/03 | 38,707.64 | -99.74 | -0.26 |
| United Kingdom | FTSE 100 | 16/03 | 7,727.42 | -15.73 | -0.20 |
| Malaysia | KLSE Composite | 16/03 | 1,552.83 | +9.08 | +0.59 |
| Indonesia | Jakarta Composite | 16/03 | 7,328.06 | -105.26 | -1.42 |
| Thailand | SET | 16/03 | 1,386.04 | -8.89 | -0.64 |
| France | CAC 40 | 16/03 | 8,164.35 | +2.93 | +0.04 |
| Germany | DAX | 16/03 | 17,936.65 | -5.39 | -0.03 |
| Argentina | MerVal | 16/03 | 1,068,973.63 | +29,878.19 | +2.88 |
| Brazil | Bovespa | 16/03 | 126,741.81 | -948.16 | -0.74 |
| Mexico | IPC | 16/03 | 56,228.40 | +169.14 | +0.30 |
| Austria | ATX | 16/03 | 3,410.12 | -15.74 | -0.46 |
| Belgium | BEL-20 | 16/03 | 3,684.20 | -7.65 | -0.21 |
| Netherlands | AEX General | 16/03 | 851.78 | -6.97 | -0.81 |
| Spain | Madrid General | 16/03 | 1,044.90 | +11.19 | +1.08 |
| Switzerland | Swiss Market | 16/03 | 11,676.13 | -44.57 | -0.38 |
| Australia | All Ordinaries | 16/03 | 7,923.76 | -50.19 | -0.63 |
| China | Shanghai Composite | 16/03 | 3,054.64 | +16.40 | +0.54 |
| Philippines | PSE Composite | 16/03 | 6,822.32 | -145.64 | -2.09 |
| Sri Lanka | All Share | 16/03 | 11,336.71 | +18.79 | +0.17 |
| Taiwan | Taiwan Weighted | 16/03 | 19,682.50 | -255.42 | -1.28 |
| South Korea | KOSPI | 16/03 | 2,666.84 | -51.92 | -1.91 |

CNI Publications, A/120, Gokul Arcade, Sahar Road, Vile Parle (East). Mumbai- 400 057. PH.022- 49737861