

India sneak peek

Published research

Bosch Ltd (REDUCE - Maintained, TP: Rs26,379) - Prolonged slow sales momentum to haunt

Britannia Industries Ltd (ADD - Maintained, TP: Rs5,610) - Focus remains on driving balanced growth

Hyundai Motor India (REDUCE - Maintained, TP: Rs1,585) - Starts its innings with a profit dip

Jyothy Labs Limited (ADD - Maintained, TP: Rs575) - Growth expected to improve in 2HFY25F

Zydus Lifesciences (ADD - Maintained, TP: Rs1,150) - Steady 2Q performance

Top Investment Idea






Strategy Note - High-conviction stock ideas for Nov 2024
pramod.amthe@incredresearch.com

- Festive season demand revival in select segments is encouraging & eases concerns in respect of high-frequency indicators' weakness in Sep quarter.
- The Sep quarter results season, till date, has been muted (EBITDA dip of 2% yoy), driving Nifty-50 EPS cut of around 8% for FY25F-26F.
- We feel the correction will continue in the short term. In our high-conviction list, we drop Dabur India, MMFSL, PGEL & Zydus Life; introduce Cipla (ADD), Pidilite Industries (ADD) in large-caps and TCPL (ADD) in small-caps.

What's in the news *(Click on news for more information)*

- Retail inflation rises to 14-month high of 6.2% in October
- Geopolitical factors like Red Sea crisis impacting volumes, says Hyundai India MD
- Reliance Retail's shutting down Centro outlets temporarily
- Varun Beverages Acquires PepsiCo Bottlers In Tanzania And Ghana, Completes Buying Lunarmech
- NTPC Green seeks \$12 bn valuation in one of biggest renewable industry IPO

Expert speak

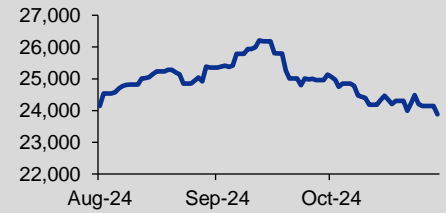
- Amit Syngle, MD & CEO – Asian Paints 
- Vijay Dewan, MD – Apeejay Surrendra Park Hotels 
- Sandeep Jain, MD – Akums Drugs 
- Amit Ramani, CMD – Awfis Space Solutions 
- Rajneesh Karnatak, MD & CEO – Bank of India 

Alternative research desk

Trading desk

Key Metrics

Nifty Index



Day Low	CMP	DayHigh
23,839	23,883	24,242

DXY	106.0	USDvsINR	84.4
US10YR (%)	4.4	IND10YR (%)	6.8
Brent Crude (\$/bbl)	72.0	WTI (\$/bbl)	68.2
Gold (\$/oz)	2,598	Aluminum (\$/MT)	2,587

Flows (Rs m)

DII	FII
18,545	(30,243)

Actionable Ideas

[InCred coverage universe](#)

[Recent published research](#)

InCred Institutional Equities Research

T (91) 22 4161 1500

E inst.research@incredcapital.com

Published research ➤ [Top](#)

Bosch Ltd (REDUCE - Maintained, TP: Rs26,379) - Prolonged slow sales momentum to haunt

pramod.amthe@incredresearch.com

- 2Q EPS growth of 5% qoq to Rs165 missed our/Bloomberg consensus estimates by 4% due to weak sales momentum (+6% yoy).
- Management retaining its double-digit growth aspiration, vs. 5% achieved in 1HFY25, looks stretched, considering macro slowdown. We cut EPS by 2%.
- Rich valuation at +1SD P/E for early double-digit EBITDA FY25F-27F CAGR is a cause of concern. Maintain our REDUCE rating on the stock.

Britannia Industries Ltd (ADD - Maintained, TP: Rs5,610) - Focus remains on driving balanced growth

rohan.kalle@incredresearch.com

- Britannia Industries (Britannia) posted 4.9%/8% standalone value/volume growth, respectively, in 2Q. Rural markets grew 2x faster than urban markets.
- Sluggish urban demand, coupled with inflation, is expected to keep margins range-bound in the near term. A price hike of ~4-5% is expected in 2HFY25F.
- Focus on driving volume growth & the new RTM 2.0 is in the right direction. Retain ADD rating with a lower target price of Rs5,610 (52x Sep 2026F EPS).

Hyundai Motor India (REDUCE - Maintained, TP: Rs1,585) - Starts its innings with a profit dip

pramod.amthe@incredresearch.com

- Maiden quarterly results post-IPO were a disappointment with a PAT dip of 16% yoy and 8% qoq to Rs13.8bn in 2Q, on an 8% yoy sales decline.
- ASP discount in the local market & the Red Sea impact on exports led to a 10% yoy EBITDA dip. Our full-year estimate needs a flat EBITDA yoy in 2H.
- Considering the weak 2Q financial performance, it will be difficult to justify Hyundai's premium valuation over leader Maruti Suzuki. Maintain REDUCE.

Jyothy Labs Limited (ADD - Maintained, TP: Rs575) - Growth expected to improve in 2HFY25F

rohan.kalle@incredresearch.com

- Jyothy Labs' sales growth was flat (+0.2%) in 2QFY25 led by a 3% volume growth, implying a cut in pricing of 2.8% (vs. price hike of 2.1% in 2QFY24).
- Management maintained its EBITDA margin guidance of 16-17% for FY25F, which, we believe, can be beaten if it maintains a consistent performance.
- We maintain our constructive view on Jyothy Labs and retain ADD rating with a lower TP of Rs575 (Rs620 earlier) based on 40x Sep 2026F EPS.

Zydus Lifesciences (ADD - Maintained, TP: Rs1,150) - Steady 2Q performance

praful.bohra@incredresearch.com

- Zydus Lifesciences posted healthy 2Q results (down QoQ on a high base). Revenue was in line & also margin beat, despite R&D costs up 290bp QoQ.
- On track to achieve its FY25F guidance. Street is apprehensive on growth beyond FY26F when the gRevlimid settlement period ends in Jan 2026.
- FY25F/26F EPS cut by 6% due to high ETR. Retain ADD rating on the stock with a lower target price of Rs1,150 factoring in competition in gAsacol HD.

Actionable Ideas [▶ Top](#)

Figure 1: Top Buys (All ADD Ratings)

Company	Bloomberg Ticker	Market Capital (Rs bn)	Price	Target Price	Up/down (%)	Analyst Name
Large Cap						
Tata Consultancy Services	TCS IN	15,191	4,199	4,915	17%	Abhishek SHINDADKAR
HDFC Bank	HDFCB IN	13,497	1,766	2,150	22%	Jignesh SHIAL
State Bank of India	SBIN IN	7,565	848	1,100	30%	Jignesh SHIAL
Bajaj Finance Ltd	BAF IN	4,196	6,779	9,000	33%	Jignesh SHIAL
Maruti Suzuki	MSIL IN	3,584	11,400	14,593	28%	Pramod AMTHE
Pidilite Industries Limited	PIDI IN	1,577	3,100	3,470	12%	Rohan KALLE
Cipla Ltd	CIPLA IN	1,254	1,553	1,640	6%	Praful BOHRA
Mid-cap						
Lupin Ltd	LPC IN	951	2,085	2,329	12%	Praful BOHRA
Hero MotoCorp	HMCL IN	951	4,758	5,812	22%	Pramod AMTHE
Bharat Forge	BHFC IN	651	1,398	1,831	31%	Pramod AMTHE
Container Corp of India Ltd	CCRI IN	506	830	1,083	30%	Rajarshi MAITRA
Petronet LNG	PLNG IN	490	327	519	59%	Satish KUMAR
Aditya Birla Sunlife AMC	ABSLAMC IN	229	794	1,000	26%	Jignesh SHIAL
Small-cap						
Skipper Limited	SKIPPER IN	64	572	615	8%	Arafat SAIYED
Cyient DLM Ltd	CYIENTDL IN	52	650	1,000	54%	Arafat SAIYED
Globus Spirits Ltd	GBSL IN	31	1,068	1,588	49%	Nitin AWASTHI
TCPL Packaging Ltd	TCPL IN	30	3,251	4,250	31%	Nishant BAGRECHA
BCL Industries Ltd	BCLIL IN	16	56	98	77%	Nitin AWASTHI

SOURCES: INCRED RESEARCH, BLOOMBERG

Figure 2: Top Sells (All REDUCE Ratings)

Company	Bloomberg Ticker	Market Capital (Rs bn)	Price	Target Price	Up/down (%)	Analyst Name
Large Cap						
Tata Steel	TATA IN	1,810	145	82	-43%	Satish KUMAR
InterGlobe Aviation Ltd	INDIGO IN	1,646	4,012	2,400	-40%	Rajarshi MAITRA
Mid-cap						
SBI Cards	SBICARD IN	659	693	500	-28%	Jignesh SHIAL
Exide Industries Ltd	EXID IN	371	437	395	-10%	Pramod AMTHE
Clean Science and Technology	CLEAN IN	148	1,394	665	-52%	Satish KUMAR

SOURCES: INCRED RESEARCH, BLOOMBERG

[InCred coverage universe](#)

Recent published research ➤ [Top](#)

Figure 3: Report links

Date	Analyst	Report Title
13 Nov 2024	Pramod Amthe	Bosch Ltd - Prolonged slow sales momentum to haunt (REDUCE-Maintained)
12 Nov 2024	Nishant Bagrecha	TCPL Packaging Ltd - Strong delivery in 1H; momentum to sustain (ADD-Maintained)
12 Nov 2024	Yogesh Soni	Metropolis Healthcare Ltd. - Steady performance likely to continue (ADD-Upgrade)
12 Nov 2024	Arafat Saiyed	Data Patterns (India) Ltd - Weak performance; outlook on track (ADD-Maintained)
12 Nov 2024	Rohan Kalle	Asian Paints Limited - Persistent weakness drives earnings cut (REDUCE-Maintained)
12 Nov 2024	Pramod Amthe	Hyundai Motor India - Starts its innings with a profit dip (REDUCE-Maintained)
12 Nov 2024	Rohan Kalle	Britannia Industries Ltd - Focus remains on driving balanced growth (ADD-Maintained)
12 Nov 2024	Rohan Kalle	Jyothy Labs Limited - Growth expected to improve in 2HFY25F (ADD-Maintained)
12 Nov 2024	Praful Bohra	Zydus Lifesciences - Steady 2Q performance (ADD-Maintained)
11 Nov 2024	Jignesh Shial	Financial Services - AMCs - Better inflow despite choppy markets (Overweight-Maintained)
11 Nov 2024	Arafat Saiyed	PG Electroplast - Robust performance in 1H; dilution for capex (REDUCE-Maintained)
11 Nov 2024	Praful Bohra	Aurobindo Pharma - Positives priced in; downgrade to HOLD (HOLD-Downgrade)
11 Nov 2024	Pramod Amthe	Exide Industries Ltd - Sales growth slowdown persists (REDUCE-Maintained)
10 Nov 2024	Satish Kumar	Strategy Note - Money, Military and Markets- IV
09 Nov 2024	Praful Bohra	Lupin Ltd - Strong performance; upbeat outlook (ADD-Maintained)
09 Nov 2024	Rohan Kalle	Kansai Nerolac Paints Limited - Weakness persists (REDUCE-Maintained)
09 Nov 2024	Pramod Amthe	Ashok Leyland - Gradual volume recovery likely (ADD-Maintained)
09 Nov 2024	Rohan Kalle	Ethos Limited - Growth acceleration expected (ADD-Maintained)
09 Nov 2024	Rohan Kalle	Emami Ltd - Favourable seasonality to aid growth in 2H (ADD-Maintained)
09 Nov 2024	Pramod Amthe	Tata Motors - Weakness across divisions (REDUCE-Maintained)

Latest Quick Analysis ➤ [Top](#)

Figure 4: Report links

Date	Analyst	Report Title
13 Nov 2024	Satish Kumar	Clean science - Heading towards triple digits, with further declines likely to follow
12 Nov 2024	Arafat Saiyed	Finolex Cables - 2QFY25 First Cut: Weaker than expected performance
12 Nov 2024	Pramod Amthe	SAMIL - 2QFY25 Result disappoint
12 Nov 2024	Arafat Saiyed	Siemens - 5th Transform - Innovation Day 2024: Key takeaways
12 Nov 2024	Satish Kumar	Solid Oxide Fuel Cell (SOFC) - Trump's Return Poses Challenges for Solid Oxide Fuel Cells, Subsidy Reliance at Risk
12 Nov 2024	Satish Kumar	Vinati Organics - Q2FY25 First cut
11 Nov 2024	Nitin Awasthi	Balrampur Chini Mills Ltd - Challenging quarter with profitability concerns
11 Nov 2024	Satish Kumar	Hindalco Industries Ltd - Q2FY25 First cut
11 Nov 2024	Abhishek Shindadkr	IT Services - Strengthens AI & software capabilities within Digital Engineering
11 Nov 2024	Satish Kumar	NMDC - Q2FY25 First cut
11 Nov 2024	Rajarshi Maitra	Ports - Oct 2024 - Jarring decline of 1% yoy (vs. 7% yoy rise in 1HFY25) - decline in coal and POL at major ports
11 Nov 2024	Nishant Bagrecha	Ramco Cement (TRCL) - Better than expected Unit EBITDA
11 Nov 2024	Nishant Bagrecha	Shree Cement - Volume disappoints; better realisation supports unit EBITDA
11 Nov 2024	Nitin Awasthi	Shrimp Sector - Following the Tipping point
11 Nov 2024	Satish Kumar	UPL Ltd - Q2FY25 First cut
10 Nov 2024	Ishan Verma	IKIO Lighting
09 Nov 2024	Rohan Kalle	Asian Paints Limited - 2QFY25 First Cut: Weaker than expected performance; Miss on all fronts
09 Nov 2024	Praful Bohra	Aurobindo Pharma - 2QFY25 First Cut: In-line revenue, miss on profitability
09 Nov 2024	Arafat Saiyed	Data Patterns - 2QFY25 First Cut: Weaker than expected performance
09 Nov 2024	Satish Kumar	Epigral Ltd - Q2FY25 First cut

DISCLAIMER

This report (including the views and opinions expressed therein, and the information comprised therein) has been prepared by Incred Research Services Private Ltd. (formerly known as Earnest Innovation Partners Private Limited) (hereinafter referred to as "IRSPL"). IRSPL is registered with SEBI as a Research Analyst vide Registration No. INH000011024. Pursuant to a trademark agreement, IRSPL has adopted "Incred Equities" as its trademark for use in this report.

The term "IRSPL" shall, unless the context otherwise requires, mean IRSPL and its affiliates, subsidiaries and related companies. This report is not directed or intended for distribution to or use by any person or entity resident in a state, country or any jurisdiction, where such distribution, publication, availability or use would be contrary to law, regulation or which would subject IRSPL and its affiliates/group companies to registration or licensing requirements within such jurisdictions.

This report is being supplied to you strictly on the basis that it will remain confidential. No part of this report may be (i) copied, photocopied, duplicated, stored or reproduced in any form by any means; or (ii) redistributed or passed on, directly or indirectly, to any other person in whole or in part, for any purpose without the prior written consent of IRSPL.

The information contained in this report is prepared from data believed to be correct and reliable at the time of issue of this report.

IRSPL is not required to issue regular reports on the subject matter of this report at any frequency and it may cease to do so or change the periodicity of reports at any time. IRSPL is not under any obligation to update this report in the event of a material change to the information contained in this report. IRSPL has not any and will not accept any, obligation to (i) check or ensure that the contents of this report remain current, reliable or relevant; (ii) ensure that the content of this report constitutes all the information a prospective investor may require; (iii) ensure the adequacy, accuracy, completeness, reliability or fairness of any views, opinions and information, and accordingly, IRSPL and its affiliates/group companies (and their respective directors, associates, connected persons and/or employees) shall not be liable in any manner whatsoever for any consequences (including but not limited to any direct, indirect or consequential losses, loss of profits and damages) of any reliance thereon or usage thereof.

Unless otherwise specified, this report is based upon reasonable sources. Such sources will, unless otherwise specified, for market data, be market data and prices available from the main stock exchange or market where the relevant security is listed, or, where appropriate, any other market. Information on the accounts and business of company(ies) will generally be based on published statements of the company(ies), information disseminated by regulatory information services, other publicly available information and information resulting from our research. While every effort is made to ensure that statements of facts made in this report are accurate, all estimates, projections, forecasts, expressions of opinion and other subjective judgments contained in this report are based on assumptions considered to be reasonable as of the date of the document in which they are contained and must not be construed as a representation that the matters referred to therein will occur. Past performance is not a reliable indicator of future performance. The value of investments may go down as well as up and those investing may, depending on the investments in question, lose more than the initial investment. No report shall constitute an offer or an invitation by or on behalf of IRSPL and its affiliates/group companies to any person to buy or sell any investments.

The opinions expressed are based on information which is believed to be accurate and complete and obtained through reliable public or other non-confidential sources at the time made (information barriers and other arrangements may be established, where necessary, to prevent conflicts of interests arising. However, the analyst(s) may receive compensation that is based on his/their coverage of company(ies) in the performance of his/their duties or the performance of his/their recommendations. In reviewing this report, an investor should be aware that any or all of the foregoing, among other things, may give rise to real or potential conflicts of interest. Additional information is, subject to the duties of confidentiality, available on request. The report is not a "prospectus" as defined under Indian Law, including the Companies Act, 2013, and is not, and shall not be, approved by, or filed or registered with, any Indian regulator, including any Registrar of Companies in India, SEBI, any Indian stock exchange, or the Reserve Bank of India. No offer, or invitation to offer, or solicitation of subscription with respect to any such securities listed or proposed to be listed in India is being made, or intended to be made, to the public, or to any member or section of the public in India, through or pursuant to this report.

The research analysts, strategists or economists principally responsible for the preparation of this research report are segregated from the other activities of IRSPL. Information barriers and other arrangements have been established, as required, to prevent any conflicts of interests.

The research analysts, strategists or economists principally responsible for the preparation of this research report are segregated from the other activities of IRSPL. Information barriers and other arrangements have been established, as required, to prevent any conflicts of interests.

IRSPL may have issued other reports (based on technical analysis, event specific, short-term views, etc.) that are inconsistent with and reach a different conclusion from the information presented in this report.

Holding of Analysts/Relatives of Analysts, IRSPL and Associates of IRSPL in the covered securities, as on the date of publishing of this report

Research Analyst or his/her relative(s) or InCred Research Services Private Limited or our associate may have any financial interest in the subject company.

Research Analyst or his/her relatives or InCred Research Services Limited or our associates may have actual or beneficial ownership of 1% or more securities of the subject company(ies) at the end of the month immediately preceding the date of publication of the Research Report.

Research Analyst or his/her relative or InCred Research Services Private Limited or our associate entities may have any other material conflict of interest at the time of publication of the Research Report.

In the past 12 months, IRSPL or any of its associates may have:

- a) Received any compensation/other benefits from the subject company,
- b) Managed or co-managed public offering of securities for the subject company,
- c) Received compensation for investment banking or merchant banking or brokerage services from the subject company,
- d) Received compensation for products or services other than investment banking or merchant banking or brokerage services from the subject company

We or our associates may have received compensation or other benefits from the subject company(ies) or third party in connection with the research report.

Research Analyst may have served as director, officer, or employee in the subject company.

We or our research analyst may engage in market-making activity of the subject company.

Analyst declaration

- The analyst responsible for the production of this report hereby certifies that the views expressed herein accurately and exclusively reflect his or her personal views and opinions about any and all of the issuers or securities analysed in this report and were prepared independently and autonomously in an unbiased manner.
- No part of the compensation of the analyst(s) was, is, or will be directly or indirectly related to the inclusion of specific recommendations(s) or view(s) in this report or based on any specific investment banking transaction.
- The analyst(s) has(have) not had any serious disciplinary action taken against him/her(them).
- The analyst, strategist, or economist does not have any material conflict of interest at the time of publication of this report.
- The analyst(s) has(have) received compensation based upon various factors, including quality, accuracy and value of research, overall firm performance, client feedback and competitive factors.

IRSPL and/or its affiliates and/or its Directors/employees may own or have positions in securities of the company(ies) covered in this report or any securities related thereto and may from time to time add to or dispose of, or may be materially interested in, any such securities.

IRSPL and/or its affiliates and/or its Directors/employees may do and seek to do business with the company(ies) covered in this research report and may from time to time (a) buy/sell the securities covered in this report, from time to time and/or (b) act as market maker or have assumed an underwriting commitment in securities of such company(ies), and/or (c) may sell them to or buy them from customers on a principal basis and/or (d) may also perform or seek to perform significant investment banking, advisory, underwriting or placement services for or relating to such company(ies) and/or (e) solicit such investment, advisory or other services from any entity mentioned in this report and/or (f) act as a lender/borrower to such company and may earn brokerage or other compensation. However, Analysts are forbidden to acquire, on their own account or hold securities (physical or uncertificated, including derivatives) of companies in respect of which they are compiling and producing financial recommendations or in the result of which they play a key part.

Recommendation Framework	
Stock Ratings	Definition:
Add	The stock's total return is expected to exceed 10% over the next 12 months.
Hold	The stock's total return is expected to be between 0% and positive 10% over the next 12 months.
Reduce	The stock's total return is expected to fall below 0% or more over the next 12 months.
<i>The total expected return of a stock is defined as the sum of the: (i) percentage difference between the target price and the current price and (ii) the forward net dividend yields of the stock. Stock price targets have an investment horizon of 12 months.</i>	
Sector Ratings	Definition:
Overweight	An Overweight rating means stocks in the sector have, on a market cap-weighted basis, a positive absolute recommendation.
Neutral	A Neutral rating means stocks in the sector have, on a market cap-weighted basis, a neutral absolute recommendation.
Underweight	An Underweight rating means stocks in the sector have, on a market cap-weighted basis, a negative absolute recommendation.
Country Ratings	Definition:
Overweight	An Overweight rating means investors should be positioned with an above-market weight in this country relative to benchmark.
Neutral	A Neutral rating means investors should be positioned with a neutral weight in this country relative to benchmark.
Underweight	An Underweight rating means investors should be positioned with a below-market weight in this country relative to benchmark.