

India sneak peek

Published research

Alkem Laboratories Ltd (ADD - Upgrade, TP: Rs6,150) - Moving in the right direction

Eicher Motors Ltd (HOLD - Upgrade, TP: Rs4,841) - Better sales execution drives upgrade

Elin Electronics (ADD - Maintained, TP: Rs271) - Resilient growth & diversification drive 2Q results

Samvardhana Motherson International Ltd (HOLD - Maintained, TP: Rs173) - Profits weaken; balance sheet strengthens

Top Investment Idea

Gland Pharma Ltd (HOLD - Upgrade, TP: Rs1,768) - Cenexi drag remains; better risk-reward ratio






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- 2QFY25 revenue was in line with expectations, but EBITDA was 22% above our estimate, led by a sharp 500bp QoQ growth in base business margin.
- Cenexi should see positive EBITDA in 4QFY25F and FY26F. Management expects Cenexi to deliver EUR200m+ revenue in FY26F.
- Upgrade the stock's rating to HOLD (from REDUCE earlier) with an unchanged target price of Rs1,768.

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

- Gautam Adani plans to invest \$10 billion in US energy, infrastructure to create up to 15,000 jobs
- Railways switches to fast track for Kavach rollout
- Trump's return will boost oil supply, cool prices, says Minister Hardeep Singh Puri
- India's outward FDI rises to \$3.7 billion in October 2024: RBI data
- ONGC to soon open 5 wells in KG basin to boost gas, crude output in H2FY25

Expert speak

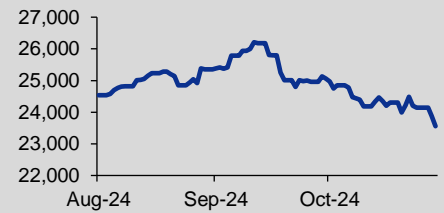
- Nikhil Dhingra, CEO – ACME Solar Holdings 
- Pranav Bansal, MD & CEO – Bansal Wire Industries 
- Shantanu Roy, CMD – BEML 
- Amit Syngle, MD & CEO – Asian Paints 
- Vijay Dewan, MD – Apeejay Surrendra Park Hotels 

Alternative research desk

Trading desk

Key Metrics

Nifty Index



Day Low	CMP	Day High
23,542	23,542	23,542

DXY	106.6	USDvsINR	84.4
US10YR (%)	4.5	IND10YR (%)	6.9
Brent Crude (\$/bbl)	72.0	WTI (\$/bbl)	68.1
Gold (\$/oz)	2,560	Aluminum (\$/MT)	2,531

Flows (Rs m)

DII	FII
61,452	(25,026)

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Alkem Laboratories Ltd (ADD - Upgrade, TP: Rs6,150) - Moving in the right direction

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- 2Q performance was a mixed bag. Revenue miss was on account of weak US market & India biz (weak anti-infectives). EBITDA margin was in line at 22%.
- Gross margin improvement is likely to continue. EBITDA margin is expected to see a gradual recovery.
- Upgrade the stock's rating to ADD (from HOLD earlier) with a higher target price of Rs6,150 (Rs5,935 earlier) on a favourable risk-reward ratio.

Eicher Motors Ltd (HOLD - Upgrade, TP: Rs4,841) - Better sales execution drives upgrade

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- 2QFY25 EPS grew by 8% yoy and qoq, beating our estimate but in line with the Bloomberg consensus estimate.
- Bottoming out of market share & competition comforts. Impressed by improved management execution to capture festive season-led demand recovery.
- Upgrade EPS by 5% and rating to HOLD with new SOTP-based TP. Production change-over challenges for new emission norms in Jan 2025 is short-term risk.

Elin Electronics (ADD - Maintained, TP: Rs271) - Resilient growth & diversification drive 2Q results

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- Elin Electronics posted a 11% YoY growth in 2Q revenue to Rs3.1bn, driven by a 33% rise in motor segment and a 20% surge in small appliances segment.
- Despite high raw material costs, EBITDA increased by 15% YoY to Rs113m, with PAT up 22% YoY at Rs48m due to effective cost management.
- Due to new products and a diversified customer base, we maintain our ADD rating on the stock with a higher target price of Rs271 or 25x Sep 2026F EPS.

Samvardhana Motherson International Ltd (HOLD - Maintained, TP: Rs173)

- Profits weaken; balance sheet strengthens

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- 2Q normalized EPS dip of 25% qoq to Rs1.1 was a big miss to our/Bloomberg consensus estimates due to a 12% miss in EBITDA & higher interest costs.
- Recent QIP fund-raising of Rs6.6bn should help address debt & interest costs, but subdued Europe sales are a cause of concern. We cut EPS by 7-9%.
- Maintain our HOLD rating as short-term macroeconomic weakness to impact EPS, while a strong balance sheet can lead to a bigger M&A opportunity.

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	15,016	4,150	4,915	18%	Abhishek SHINDADKAR
HDFC Bank	HDFCB IN	12,848	1,681	2,150	28%	Jignesh SHIAL
State Bank of India	SBIN IN	7,217	809	1,100	36%	Jignesh SHIAL
Bajaj Finance Ltd	BAF IN	4,064	6,566	9,000	37%	Jignesh SHIAL
Maruti Suzuki	MSIL IN	3,474	11,050	14,593	32%	Pramod AMTHE
Pidilite Industries Limited	PIDI IN	1,520	2,989	3,470	16%	Rohan KALLE
Cipla Ltd	CIPLA IN	1,216	1,506	1,640	9%	Praful BOHRA
Mid-cap						
Lupin Ltd	LPC IN	930	2,039	2,329	14%	Praful BOHRA
Hero MotoCorp	HMCL IN	904	4,520	5,812	29%	Pramod AMTHE
Bharat Forge	BHFC IN	615	1,322	1,831	39%	Pramod AMTHE
Container Corp of India Ltd	CCRI IN	483	792	1,083	37%	Rajarshi MAITRA
Petronet LNG	PLNG IN	472	315	519	65%	Satish KUMAR
Aditya Birla Sunlife AMC	ABSLAMC IN	225	781	1,000	28%	Jignesh SHIAL
Small-cap						
Skipper Limited	SKIPPER IN	59	518	615	19%	Arafat SAIYED
Cyient DLM Ltd	CYIENTDL IN	49	614	1,000	63%	Arafat SAIYED
Globus Spirits Ltd	GBSL IN	26	887	1,588	79%	Nitin AWASTHI
TCPL Packaging Ltd	TCPL IN	28	3,123	4,250	36%	Nishant BAGRECHA
BCL Industries Ltd	BCLIL IN	16	53	98	86%	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	1,737	139	82	-41%	Satish KUMAR
InterGlobe Aviation Ltd	INDIGO IN	1,646	3,849	2,400	-38%	Rajarshi MAITRA
Mid-cap						
SBI Cards	SBICARD IN	647	680	500	-27%	Jignesh SHIAL
Exide Industries Ltd	EXID IN	356	418	395	-6%	Pramod AMTHE
Clean Science and Technology	CLEAN IN	139	1,309	665	-49%	Satish KUMAR

SOURCES: INCRED RESEARCH, BLOOMBERG

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Figure 3: Report links

Date	Analyst	Report Title
14 Nov 2024	Praful Bohra	Alkem Laboratories Ltd - Moving in the right direction (ADD-Upgrade)
14 Nov 2024	Pramod Amthe	Eicher Motors Ltd - Better sales execution drives upgrade (HOLD-Upgrade)
13 Nov 2024	Pramod Amthe	Bosch Ltd - Prolonged slow sales momentum to haunt (REDUCE-Maintained)
13 Nov 2024	Ishan Verma	Elin Electronics - Resilient growth & diversification drive 2Q results (ADD-Maintained)
13 Nov 2024	Pramod Amthe	Samvardhana Motherson International Ltd - Profits weaken; balance sheet strengthens (HOLD-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)

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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

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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>	
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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.
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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.