

India sneak peek

Published research

Construction and Materials (Overweight - Maintained) - Cement & Paints: 1QFY26 results preview

Quick analysis

Hindustan Aeronautics Limited - First Tejas MK1A rollout from Nashik this month, 12 on-track | HAL's diverse orderbook assures double digit growth in the upcoming years

Kotak Mahindra Bank - 1QFY26 initial update - strong volume growth

Last Week in Indian Pharma

Ports – June 2025 - Steady growth, slightly lower than in 4QFY25

Top Investment Idea

Strategy Note - High-conviction ideas – Jul 2025






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- Macroeconomic high frequency data shows weak IIP growth, credit growth & investments. However, better-than-expected progress in rains provide hope.
- We introduce NTPC (ADD). However, exits continue to outpace entry ideas by 3:1, as we exit Petronet LNG, Birla Corp. and Ultratech Cement positions.
- We continue to remain cautious and prefer large-cap stocks.

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

- Trump issues letters to Japan and South Korea announcing 25% tariffs from August 1
- Dixon Tech and Eureka Forbes partner for assembly, manufacture of robotic vacuum cleaners
- India stands to lose \$5 billion of exports to Vietnam in no US trade deal scenario
- Trump Administration delays tariffs until August 1, extends July 9 deadline
- Trump may delay new 10% tariff on BRICS-aligned nations for now

Expert speak

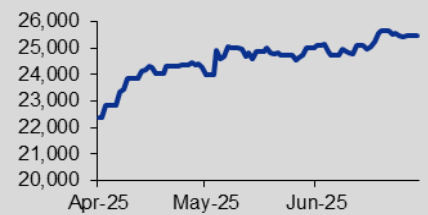
- Shikhar Aggarwal, Jt MD – BLS International Services 
- Pallab Banerjee, MD – Pearl Global Industries 
- Lalit Singhavi, CFO – JSW Infrastructure 
- J Lakshmana Rao, CMD – Mold-Tek Packaging 
- Rajeev Kale, President – Thomas Cook (India) 

Alternative research desk

Trading desk

Key Metrics

Nifty Index



DXY	97.6	USDvsINR	85.9
US10YR (%)	4.38	IND10YR (%)	6.29
Brent Crude (\$/bbl)	69.6	WTI (\$/bbl)	68.0
Gold (\$/oz)	3,336	Aluminum (\$/MT)	2,590

Flows (Rs m)

DII	FII
18,534	3,212

Actionable Ideas

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Construction and Materials (Overweight - Maintained) - Cement & Paints:
1QFY26 results preview
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- We expect avg. EBITDA/t for our coverage universe to improve by ~Rs70-90 qoq and by >Rs200 yoy due to a steep qoq price improvement in South India.
- The volume of our coverage universe is likely to grow by ~9-10% yoy (vs. 4-5% for industry) in 1Q because of a lower base & ramp-up of acquired assets.
- We stay selective, preferring UTCEN and ACEM for their expanding pan-India presence, and BCORP among small-caps. We avoid the paints sector.

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Hindustan Aeronautics Limited - First Tejas MK1A rollout from Nashik this month, 12 on-track | HAL's diverse orderbook assures double digit growth in the upcoming years

- HAL will roll out its first LCA Tejas Mk1A fighter from the new Nashik production line by end July 2025. This Nashik facility (HAL's 3rd Tejas line) is built for ~8 jets/yr and should deliver ~3-4 aircraft in FY26, contributing to an overall target of ~12 Tejas LCA deliveries this year.
- HAL has already built 6 Tejas jets and is pressing ahead despite engine delays. GE Aviation has committed 12 F404 engines in 2025 (with monthly shipments starting Jul'25) to meet this goal, enabling the plan to deliver ~12 aircraft in FY26.
- Diversity in HAL's orderbook with orders having past successful deliveries, with 101% spike in orderbook assures double digit growth for the upcoming years.

Kotak Mahindra Bank - 1QFY26 initial update - strong volume growth

- Net loan growth was strong at +4% QoQ (+14% YoY vs. 13.5% YoY last quarter). What needs to be watched out for is – whether the growth delivered is opportunistic or this is a structural change in stance towards delivering growth.
- Deposit growth (on avg. basis) was also strong at +5% QoQ (13% YoY vs. 15% YoY last quarter), led by term deposit growth at 7% QoQ as well as decent CASA growth at +2% QoQ. On period-end basis, deposits grew by ~15% YoY (+3% QoQ) vs. 11% YoY last quarter.
- Net loan to deposit ratio inched-up to ~87% from ~86% last quarter and was 87% last year.

Last Week in Indian Pharma

- **Torrent closes mega deal for JB Chemicals**
Torrent Pharma formally announced the acquisition of a controlling stake in JB Chemicals & Pharmaceuticals from KKR – in a deal valued at approximately ₹25,689 crore, making it one of the largest pharma transactions ever in India. The merger is expected to be completed in the next 15-18 months and will elevate Torrent into the top five Indian pharma firms by revenue and the second most valued company by market cap
- **Lupin demerges its consumer-health business**
On July 1, Lupin announced the demerger of LupinLife Consumer Healthcare, aiming to sharpen its focus on branded generics and the biosimilars pipeline.

Ports – June 2025 - Steady growth, slightly lower than in 4QFY25

- Cargo at major ports (MPs) + APSEZ (India ex recent additions) rose 5.3% yoy (vs. 6.7% yoy rise in 4Q).
- MPs' cargo rose 5.6% yoy. Coal at MPs rose 1.2% yoy. Containers at MPs rose 7.8% yoy, POL rose 9% yoy.
- APSEZ's volume was 41.3mt (up 11.6% yoy). We estimate volume (India ex recent additions) of 33.6mt (up 4.7% yoy), vs. 1.6% yoy rise in volume in 4Q.
- While APSEZ's yoy organic volume rise (4.7% in Jun 25) is slightly lower than MPs, APSEZ's two year CAGR (9.6% in Jun 23-25) is higher than MPs (5%)

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						
HDFC Bank	HDFCB IN	15,254	1,989	2,200	11%	Meghna LUTHRA
Tata Consultancy Services	TCS IN	12,373	3,420	3,589	5%	Abhishek SHINDADKAR
Bajaj Finance Ltd	BAF IN	5,750	925	10,800	1067%	Meghna LUTHRA
Maruti Suzuki	MSIL IN	3,976	12,646	13,621	8%	Pramod AMTHE
Axis Bank	AXSB IN	3,652	1,178	1,430	21%	Bhavik Shah
NTPC Ltd	NTPC IN	3,253	336	385	15%	Ishan VERMA
Bajaj Auto	BJAUT IN	2,355	8,433	10,400	23%	Pramod AMTHE
Shriram Finance Limited	SHFL IN	1,272	676	830	23%	Meghna LUTHRA
Mid-cap						
Lupin Ltd	LPC IN	905	1,981	2,400	21%	Yogesh SONI
UPL Limited	UPLL IN	554	681	1,289	89%	Satish KUMAR
Container Corp of India Ltd	CCRI IN	457	600	970	62%	Rajarshi MAITRA
Small-cap						
Ajanta Pharma Ltd	AJP IN	337	2,696	3,100	15%	Yogesh SONI
Deepak Fertilisers & Petrochemicals Corp. Ltd.	DFPC IN	216	1,710	2,051	20%	Pratyush KAMAL
Ethos Limited	ETHOSLTD IN	66	2,700	3,400	26%	Rohan KALLE
Skipper Limited	SKIPPER IN	57	495	612	24%	Ishan VERMA
Thyrocare Technologies Ltd.	THYROCAR IN	54	1,023	1,010	-1%	Yogesh SONI
Camlin Fine Sciences	CFIN IN	57	305	428	40%	Satish KUMAR
TCPL Packaging Ltd	TCPL IN	34	3,688	4,530	23%	Nishant BAGRECHA
Globus Spirits Ltd	GBSL IN	28	954	1,646	73%	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						
InterGlobe Aviation Ltd	INDIGO IN	2,224	5,753	3,030	-47%	Rajarshi MAITRA
Tata Steel	TATA IN	2,035	163	82	-50%	Satish KUMAR
Mid-cap						
Clean Science and Technology	CLEAN IN	158	1,483	683	-54%	Satish KUMAR

SOURCES: INCRED RESEARCH, BLOOMBERG

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Figure 3: Report links

Date	Analyst	Report Title
08 Jul 2025	Nishant Bagrecha	Construction and Materials - Cement & Paints: 1QFY26 results preview (Overweight-Maintained)
06 Jul 2025	Satish Kumar	Strategy Note - Battle for rare earth minerals
05 Jul 2025	Abhishek Shindadkar	IT Services - 1QFY26 preview – Focus on rate of change (Neutral-Maintained)
03 Jul 2025	Abhishek Shindadkar	E2E Network - Antifragile! (ADD-Initiate)
03 Jul 2025	Nitin Awasthi	Agribusiness - Grain dominates sugar within ethanol space (Overweight-Maintained)
03 Jul 2025	Pramod Amthe	Strategy Note - High-conviction ideas – Jul 2025
02 Jul 2025	Nishant Bagrecha	Ambuja Cements Ltd - KTAs from capital market day and plant visit (ADD-Maintained)
02 Jul 2025	Pramod Amthe	Auto & Parts - Overall - Ingredients in place for growth recovery (Neutral-Maintained)
30 Jun 2025	Nishant Bagrecha	Cement - Industry enters a seasonally weak phase (Overweight-Maintained)
30 Jun 2025	Meghna Luthra	Home First Finance company - Management meet update (ADD-Maintained)
30 Jun 2025	Rohan Kalle	Building Materials - Mixed outlook; industry weakness persists (Underweight-Maintained)
27 Jun 2025	Satish Kumar	Strategy Note - Iran regime survives - good for India
24 Jun 2025	Meghna Luthra	Financial Services - Overall - Barely a bounce; some shift in market share (Overweight-Maintained)
23 Jun 2025	Shubham Dalia	Aerospace & Defence - Accelerating along a robust growth trajectory (Overweight-Maintained)
18 Jun 2025	Pratyush Kamal	Oil & Gas Refinery - Capacity pressure as non-OECD demand up (Overweight-Upgrade)
15 Jun 2025	Satish Kumar	Jubilant Ingrevia Ltd - Guidance hinges on multiple moving parts (REDUCE-Maintained)
15 Jun 2025	Rajarshi Maitra	SpiceJet Ltd - Decent results, but a sharp scale-up awaited (HOLD-Maintained)
14 Jun 2025	Pramod Amthe	Strategy Note - Macro hopes yet to reflect in earnings
13 Jun 2025	Meghna Luthra	BFSI - Ears to the ground: TN MFI channel check (Overweight-Maintained)
11 Jun 2025	Meghna Luthra	Financial Services - AMCs - Better sentiment to touch lumpsum flows (Overweight-Maintained)

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Figure 1: Report links

Date	Analyst	Report Title
25 Jun 2025	Shubham Dalia	Hindustan Aeronautics Limited - 12 Tejas MK1A engines expected in FY26 F414 engine joint-production deal to be finalized by March 2026
24 Jun 2025	Rohan Kalle	India monsoon update - Deficit improves to 5% as monsoon regains pace; kharif sowing up 2%
23 Jun 2025	Rajarshi Maitra	Ports, logistics, aviation, infra & building materials - Impact analysis in case of prolonged closure of Strait of Hormuz
23 Jun 2025	Abhishek Shindadkar	Technology Services - Put and takes for Indian IT from Accenture 3QFY25 Earnings – Keep following the bookings
20 Jun 2025	Ishan Verma	Inorganic Thermal Growth
19 Jun 2025	Nishant Bagrecha	Sagar Cements - Key takeaways from Andhra Cement plant visit
17 Jun 2025	Shubham Dalia	NewAge Technologies - DRDO & IIT Delhi successfully test quantum entanglement-based free-space secure communication But what is QKD and why is it important for defense and cyber security
16 Jun 2025	Nitin Awasthi	Agribusiness - Feeding Growth, Not Fear: Rethinking GM Imports for Ethanol & Livestock
16 Jun 2025	Nitin Awasthi	BioFuels - Farm to Fuel Pump: TruAlt
16 Jun 2025	Pratyush Kamal	Iran's Limited Regional Support Signals Brent Crude Reversal to ~\$65/bbl in 1-2 Months; Accumulate Oil Marketing Companies
16 Jun 2025	Pramod Amthe	Tata Motors - Tata JLR analyst day takeaways
16 Jun 2025	Abhishek Shindadkar	Technology Sector - AI flywheel - Use-case across select FY25 annual reports
15 Jun 2025	Rajarshi Maitra	Adani Ports - Negligible impact of Middle East geopolitical turmoil
14 Jun 2025	Pratyush Kamal	Deepak Fertilisers and Petrochemicals Corporation Limited (DFPCL:IN) - TAN Spreads Surge to Near-Record Levels Amid Global Supply Constraints and Robust Demand
12 Jun 2025	Nitin Awasthi	Liquor Sector - 50% Hike? That's Cute. Excise Duty Drama: High Decibels, Low Understanding
11 Jun 2025	Ishan Verma	Adani Power - Investor Meet Highlights
11 Jun 2025	Satish Kumar	Jubilant Ingrevia - Agrochemical channel filling is coming to an end — and with it, the claim of pyridine being a specialty product
10 Jun 2025	Niharika Agarwal	Eli Lilly (UNRATED) / Pharma - LY4170156 Advances in a High-Growth ADC Landscape, Combining Strong Phase 1 Results with Significant Market Potential
10 Jun 2025	Satish Kumar	Indian Steel - Prices are softening even during the construction season
10 Jun 2025	Pramod Amthe	Tata Motors - India Investor Day Highlights

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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.

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.

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- 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.

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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.