

SOLAR INDUSTRIES

RESULT UPDATE

KEY DATA

Rating	BUY
Sector relative	Outperformer
Price (INR)	13,828
12 month price target (INR)	18,000
52 Week High/Low	17,820/8,479
Market cap (INR bn/USD bn)	1,251/14.1
Free float (%)	26.9
Avg. daily value traded (INR mn)	1,537.7

SHAREHOLDING PATTERN

	Sep-25	Jun-25	Mar-25
Promoter	73.15%	73.15%	73.15%
FII	7.11%	6.79%	5.82%
DII	12.90%	13.59%	14.10%
Pledge	0.55%	0.55%	0.55%

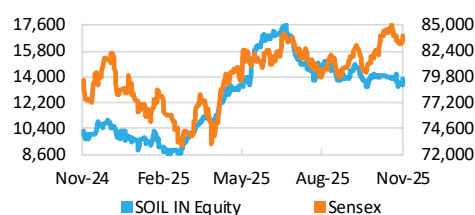
FINANCIALS

	(INR mn)			
Year to March	FY25A	FY26E	FY27E	FY28E
Revenue	75,403	96,442	1,26,923	1,61,068
EBITDA	19,604	25,520	34,253	43,490
Adjusted profit	12,094	16,351	21,034	27,187
Diluted EPS (INR)	133.7	180.7	232.4	300.4
EPS growth (%)	44.7	35.2	28.6	29.3
RoAE (%)	31.4	31.6	30.2	29.4
P/E (x)	103.2	76.3	59.3	45.9
EV/EBITDA (x)	63.8	49.3	36.8	28.9
Dividend yield (%)	0.1	0.1	0.1	0.2

CHANGE IN ESTIMATES

	Revised estimates		% Revision	
Year to March	FY26E	FY27E	FY26E	FY27E
Revenue	96,442	1,26,923	(0.2%)	(1.4%)
EBITDA	25,520	34,253	(0.5%)	(2.6%)
Adjusted profit	16,351	21,034	0.0%	(6.9%)
Diluted EPS (INR)	180.7	232.4	0.0%	(6.9%)

PRICE PERFORMANCE



Defence, exports propelling growth

Solar Industries (SOIL) delivered 21% YoY execution growth in Q2FY26 with OPM at 26.5%, driven by strong gains in Defence (+57% YoY) and International (+21% YoY), which offset weakness in domestic explosives amid a prolonged monsoon. Defence backlog of INR155bn provides visibility for two–three years while anticipated Pinaka orders (estimated INR40–60bn) would fortify prospects beyond FY27–28E.

Retain 'BUY' as Defence and Overseas remain key high-growth and margin-accretive drivers. Adopting a more conservative stance on OB/revenue, we are cutting FY27E/28E EPS by 7%/10%. This along with a rollover to Mar-28E EPS at 60x—from 70x, given need for fresh orders for visibility post-FY27-28E—yields a TP of INR18,000 (earlier INR17,500).

Growth anchored by strong execution; Defence, Overseas key pillars

Revenue rose 21.4% YoY to INR20.8bn led by strong international and defence traction. H1FY26 revenue grew 24.2% to INR42.4bn. GM stood at 52.6% versus 50.9% in Q2FY25, reflecting higher international and defence mix; for H1FY26, GM improved 110bp YoY to 50.9%. EBITDA margin came in at 26.5%, *ahead of Street's expectations of 25.5%*, while H1FY26 OPM stood at 25.7% vs 26.2% in H1FY25. Adjusted PAT up 20.7% YoY to INR3.5bn; margins steady at 16.6% (16.7% in Q2FY25).

The Defence segment delivered a strong performance with revenue crossing INR5bn this quarter and INR9bn in H1FY26, growing 57% YoY and 79% YoY, respectively. The **Defence order book remains robust at INR155bn-plus** with the **total backlog exceeding INR171bn**. The commencement of Pinaka rocket sales in Q3 further boosts management's confidence in meeting its annual targets. The international business too kept up the solid momentum, growing 21% YoY to INR9.6bn in Q2FY26.

Key conference call highlights: Management reiterated FY26 revenue guidance of INR100bn (30% defence mix) and OPM at 27%+. Commercial production of PINAKA rockets to begin from Q3FY26, supporting the overall defence segment growth. INR25bn capex planned for FY26E to see deferment led by an extended monsoon in H1FY26 (capex spend at INR7.6bn). [Click here](#) to read detailed KTAs.

Key variables to watch out for over 12–24 months

Execution of INR155bn-plus defence backlog (particularly PINAKA and 155mm Shell), scale-up in new international geographies such as Australia and Kazakhstan, and sustained OPMs at 26–27% remain key. Additionally, normalisation in industrial explosives demand and timely capex deployment shall be crucial for maintaining growth momentum and cash flow discipline.

Financials

Year to March	Q2FY26	Q2FY25	% Change	Q1FY26	% Change
Net Revenue	20,822	17,158	21.4	21,545	(3.4)
EBITDA	5,528	4,448	24.3	5,349	3.4
Adjusted Profit	3,459	2,808	23.2	3,387	1.8
Diluted EPS (INR)	38.2	31.6	23.2	37.4	1.8

Financial Statements

Income Statement (INR mn)

Year to March	FY25A	FY26E	FY27E	FY28E
Total operating income	75,403	96,442	1,26,923	1,61,068
Gross profit	36,330	46,930	62,683	80,375
Employee costs	(6,001)	(7,715)	(10,027)	(12,724)
Other expenses	(10,725)	(13,695)	(18,404)	(24,160)
EBITDA	19,604	25,520	34,253	43,490
Depreciation	(1,815)	(2,776)	(4,550)	(5,738)
Less: Interest expense	(1,165)	(1,252)	(1,861)	(1,971)
Add: Other income	708	976	870	1,134
Profit before tax	17,332	22,468	28,712	36,916
Prov for tax	(4,508)	(5,617)	(7,178)	(9,229)
Less: Other adj	56	0	0	0
Reported profit	12,094	16,351	21,034	27,187
Less: Excp.item (net)	0	0	0	0
Adjusted profit	12,094	16,351	21,034	27,187
Diluted shares o/s	90	90	90	90
Adjusted diluted EPS	133.7	180.7	232.4	300.4
DPS (INR)	10.0	12.6	16.3	21.0
Tax rate (%)	26.0	25.0	25.0	25.0

Important Ratios (%)

Year to March	FY25A	FY26E	FY27E	FY28E
COGS (% of rev)	(51.8)	(51.3)	(50.6)	(50.1)
Employee cost (% of rev)	(8.0)	(8.0)	(7.9)	(7.9)
Other exp (% of rev)	(14.2)	(14.2)	(14.5)	(15.0)
EBITDA margin (%)	26.0	26.5	27.0	27.0
Net profit margin (%)	16.0	17.0	16.6	16.9
Revenue growth (% YoY)	24.2	27.9	31.6	26.9
EBITDA growth (% YoY)	43.2	30.2	34.2	27.0
Adj. profit growth (%)	44.7	35.2	28.6	29.3

Assumptions (%)

Year to March	FY25A	FY26E	FY27E	FY28E
GDP (YoY %)	6.3	6.3	6.3	6.3
Repo rate (%)	5.3	5.3	5.3	5.3
USD/INR (average)	82.0	82.0	82.0	82.0
Domestic rev gwth (%)	24.2	27.9	31.6	26.9
Exports rev gwth (%)	0	0	0	0
Gross margin (%)	48.2	48.7	49.4	49.9
EBITDA margin (%)	26.0	26.5	27.0	27.0
Tax rate (%)	(26.0)	(25.0)	(25.0)	(25.0)
Capex (INR mn)	(10,059.5)	(25,000.0)	(20,000.0)	(20,000.0)

Valuation Metrics

Year to March	FY25A	FY26E	FY27E	FY28E
Diluted P/E (x)	103.2	76.3	59.3	45.9
Price/BV (x)	28.4	20.9	15.7	11.8
EV/EBITDA (x)	63.8	49.3	36.8	28.9
Dividend yield (%)	0.1	0.1	0.1	0.2

Source: Company and Nuvama estimates

Balance Sheet (INR mn)

Year to March	FY25A	FY26E	FY27E	FY28E
Share capital	181	181	181	181
Reserves	43,682	59,389	79,451	1,05,234
Shareholders funds	43,863	59,570	79,632	1,05,415
Minority interest	1,503	1,503	1,503	1,503
Borrowings	9,396	21,896	21,896	21,896
Trade payables	4,925	5,426	7,040	8,843
Other liabs & prov	22,926	22,926	22,926	22,926
Total liabilities	82,613	1,11,320	1,32,996	1,60,583
Net block	26,920	49,144	64,594	78,856
Intangible assets	0	0	0	0
Capital WIP	7,070	7,070	7,070	7,070
Total fixed assets	33,990	56,214	71,664	85,926
Non current inv	1,473	1,473	1,473	1,473
Cash/cash equivalent	7,255	11,104	9,523	14,113
Sundry debtors	12,386	13,211	17,387	22,064
Loans & advances	5,311	5,311	5,311	5,311
Other assets	21,874	23,682	27,314	31,371
Total assets	82,613	1,11,320	1,32,996	1,60,583

Free Cash Flow (INR mn)

Year to March	FY25A	FY26E	FY27E	FY28E
Reported profit	13,301	16,851	21,534	27,687
Add: Depreciation	1,815	2,776	4,550	5,738
Interest (net of tax)	909	276	991	836
Others	0	0	0	0
Less: Changes in WC	8,144	(2,133)	(6,193)	(6,931)
Operating cash flow	24,169	17,770	20,882	27,330
Less: Capex	10,060	25,000	20,000	20,000
Free cash flow	14,109	(7,230)	882	7,330

Key Ratios

Year to March	FY25A	FY26E	FY27E	FY28E
RoE (%)	31.4	31.6	30.2	29.4
RoCE (%)	37.0	34.4	32.9	33.5
Inventory days	(88)	(83)	(80)	(81)
Receivable days	50	48	44	45
Payable days	(38)	(38)	(35)	(36)
Working cap (% sales)	16.4	15.0	16.3	17.1
Gross debt/equity (x)	0.2	0.4	0.3	0.2
Net debt/equity (x)	0	0.2	0.2	0.1
Interest coverage (x)	15.3	18.2	16.0	19.2

Valuation Drivers

Year to March	FY25A	FY26E	FY27E	FY28E
EPS growth (%)	44.7	35.2	28.6	29.3
RoE (%)	31.4	31.6	30.2	29.4
EBITDA growth (%)	43.2	30.2	34.2	27.0
Payout ratio (%)	7.5	7.0	7.0	7.0

Q2FY26 conference call highlights

Opening highlights

- Defence revenues: Crossed INR5bn in Q2FY26; INR9bn in H1FY26.
- Defence order book: INR155bn+, providing multi-year visibility.
- International business: Highest quarterly sales at INR9.6bn (+21% YoY).
- Industrial segment: Prolonged monsoons softened explosives demand in mining and infra sectors.

Defence segment – Growth drivers and outlook

- **Order book composition**
 - **Total:** INR155bn; of which ~INR80bn international.
 - **Execution horizon:** 3–4 years.
- **Key programs and products**
 - **Pinaka rocket systems:** Ramp-up continues; commercial sales to begin Q3FY26.
 - **155 mm shells:** Trial production initiated; commercial output from Q4FY26.
 - **Loitering munitions:** Repeat orders received; Bhargavastra (anti-drone) trials successful—further trials/approvals by Mar'26.
 - **Missile/energetics portfolio:** Development ongoing for KUSHA, medium-calibre ammunition, and energetic materials.
- **Guidance:** Defence revenue target of ~INR30bn in FY26 remains on track.
- **Collaboration:** Primarily indigenous—products developed in-house or with DRDO, minimal foreign tie-ups.

Anti-Drone Systems (ADS)

- Currently developing hard-kill system (kinetic interception).
- Plan to upgrade into integrated soft + hard kill solution later.
- Bhargavastra serves as the lead platform for this technology domain.

International business

- **Q2FY26 revenue:** INR 9.6 bn (+21% YoY)—record high.
- **Turnaround performance**
 - African and Eurasian operations (Turkey, Ghana, Nigeria, Tanzania) moved from losses to profitability.
 - New operations being set up in Australia and Kazakhstan; entry into Saudi Arabia next.
- **Growth guidance:** Targeting ~15% annualized growth, supported by wider geographic diversification and product mix.
- **Global ammunition shortage:** SOIL qualified for multiple export categories—positioned for incremental orders.

Capex and expansion

- **MoU with Maharashtra government:** INR127bn investment plan; current INR25bn capex forms part of this commitment.
- **H1FY26 capex:** INR7.6bn (lower due to monsoons). FY26 capex plan of INR25bn to see deferment.
- **Scale-up cycle:** New geographies typically take 3–4 years to reach breakeven.

Industrial explosives & domestic business

- **Q2FY26:** Mining slowdown and heavy rainfall hurt explosives demand. Defence production ramp-up increased working capital requirements.
- **Outlook:** Normalization expected in Q3–Q4; working capital days to stabilize around 90.
- **Housing & Infra:** Temporary dullness in Q2; management expects demand rebound in H2FY26.

Financial and margin guidance

- **Revenue guidance:** INR100 bn for FY26 reiterated.
- **EBITDA margins:** Maintained at 27%+ for FY26.
- **Working capital:** Temporarily higher from defence scaling but expected to normalize.

Guidance

- Defence vertical entering a multi-year growth phase—Pinaka, artillery ammunition, and drones to drive momentum.
- International business turnaround and export diversification to offset domestic cyclicality.
- H2FY26 expected to be stronger across all segments (defence, explosives, housing).
- **FY26 guidance reaffirmed:** Revenue INR100bn, EBITDA 27%+, Defence revenue ~INR30bn.

Key management comments (summary)

Topic	Key Takeaways
Defence growth	New growth phase starting FY26; strong ammunition demand globally; multiple product qualifications for export.
International turnaround	Loss-making units in Africa/Turkey now profitable; expanding to Australia, Kazakhstan, Saudi Arabia.
Order pipeline	Several large orders expected in coming months; Pinaka and ammunition to lead execution.
Capex	Deferred due to rain; INR25bn capex plan for FY26 to see deferral.
Debt / liquidity	Working capital elevated but manageable; WC cycle to revert near 90 days.
OCF trend	Temporarily lower due to defence ramp-up, expected to recover H2FY26.
Margins	27%+ guided maintained—supported by defence scale-up and international profitability.

Strategic snapshot

Segment	FY26 revenue outlook	Key focus areas
Defence	INR 30 bn	Pinaka, 155mm shells, loitering munitions, Bhargavastra, KUSHA
Industrial Explosives	Moderate growth rebound in H2	Mining, infra, housing
International	+15% YoY	New markets (Australia, Kazakhstan, Saudi), profitability turnaround
Capex	INR25bn	Expansion in energetics & defence manufacturing

Exhibit 1: Financial snapshot (INR mn)

Year to March	Q2FY26	Q2FY25	YoY (%)	Q1FY26	QoQ (%)	FY25A	FY26E	FY27E
Total revenues (net)	20,822	17,158	21.4	21,545	(3.4)	75,403	96,442	1,26,923
Direct cost	9,879	8,430	17.2	10,944	(9.7)	39,073	49,512	64,239
Staff cost	1,947	1,447	34.6	1,838	5.9	6,001	7,715	10,027
Other operating expenses	3,469	2,834	22.4	3,414	1.6	10,725	13,695	18,404
Total expenditure	15,294	12,711	20.3	16,196	(5.6)	55,799	70,922	92,670
EBITDA	5,528	4,448	24.3	5,349	3.4	19,604	25,520	34,253
Depreciation	606	436	39.0	560	8.3	1,815	3,032	4,530
EBIT	4,922	4,012	22.7	4,789	2.8	17,789	22,488	29,723
Interest	309	297	3.9	274	12.6	1,165	1,330	1,861
Other income	292	305	(4.2)	293	(0.3)	708	977	871
Exceptional items	0	0		0		0	0	0
PBT	4,905	4,019	22.0	4,807	2.0	17,332	22,135	28,733
Tax	1,281	1,032	24.1	1,281	(0.1)	4,508	5,534	7,183
Non-controlling interests	165	179	(7.9)	139	18.4	785	500	500
Reported Profit	3,459	2,808	23.2	3,387	2.1	12,039	16,101	21,050
Adjusted Profit	3,450	2,859	20.7	3,387	1.8	12,094	16,101	21,050
Equity capital(FV:INR1)	181	181		181		181	181	181
No. of Diluted shares outstanding (mn)	91	91		91		90	90	90
Adjusted Dil. EPS	38.1	31.6		37.4		133.7	177.9	232.6
as % of net revenues								
Direct cost	47.4	49.1		50.8		51.8	51.3	50.6
Staff cost	9.4	8.4		8.5		8.0	8.0	7.9
Other operating expenses	16.7	16.5		15.8		14.2	14.2	14.5
EBITDA	26.5	25.9		24.8		26.0	26.5	27.0
Adjusted profit	16.6	16.7		15.7		16.0	16.7	16.6
Tax rate	26.1	25.7		26.7		26.0	25.0	25.0

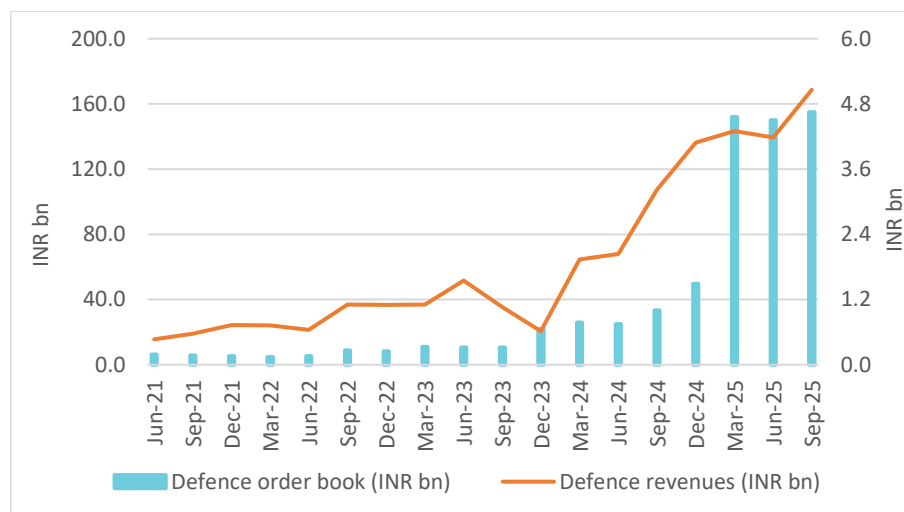
Source: Company, Nuvama Research

Exhibit 2: Segmental information

Customer wise revenues	Q2FY26	Q2FY25	% change	Q1FY26	% change
Coal India	1,560	1,690	(7.7)	2,380	(34.5)
Institutional	2,710	2,240	21.0	3,480	(22.1)
Housing & Infra	1,710	1,910	(10.5)	3,120	(45.2)
Exports & overseas	9,630	7,990	20.5	8,260	16.6
Defence	5,060	3,220	57.1	4,180	21.1
Others	150	110	36.4	120	25.0
Total	20,820	17,160	21.3	21,540	(3.3)
Customer wise revenues (%)	Q1FY26	Q1FY25	% change	Q1FY26	% change
Coal India	7.5	9.8	(2.4)	11.0	(3.6)
Institutional	13.0	13.1	(0.0)	16.2	(3.1)
Housing & Infra	8.2	11.1	(2.9)	14.5	(6.3)
Exports & overseas	46.3	46.6	(0.3)	38.3	7.9
Defence	24.3	18.8	5.5	19.4	4.9
Others	0.7	0.6	0.1	0.6	0.2

Source: Company, Nuvama Research

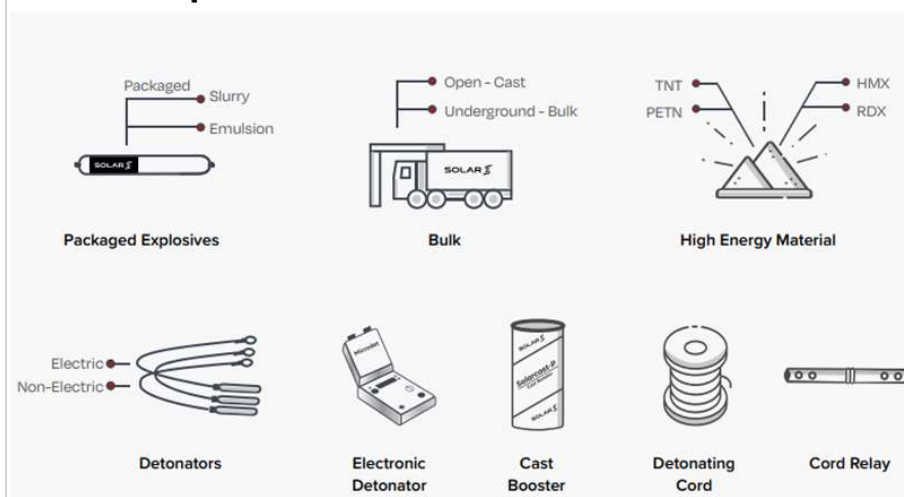
Exhibit 3: Defence execution picking up versus backlog



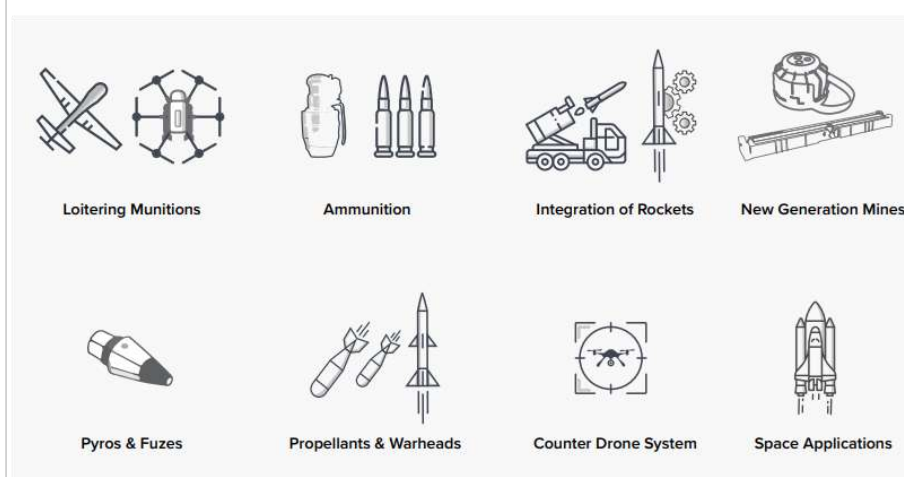
Source: Company, Nuvama Research

Exhibit 4: Product portfolio; defence mix at 24% in Q2FY26 (versus 18% in FY25)

Industrial Explosives



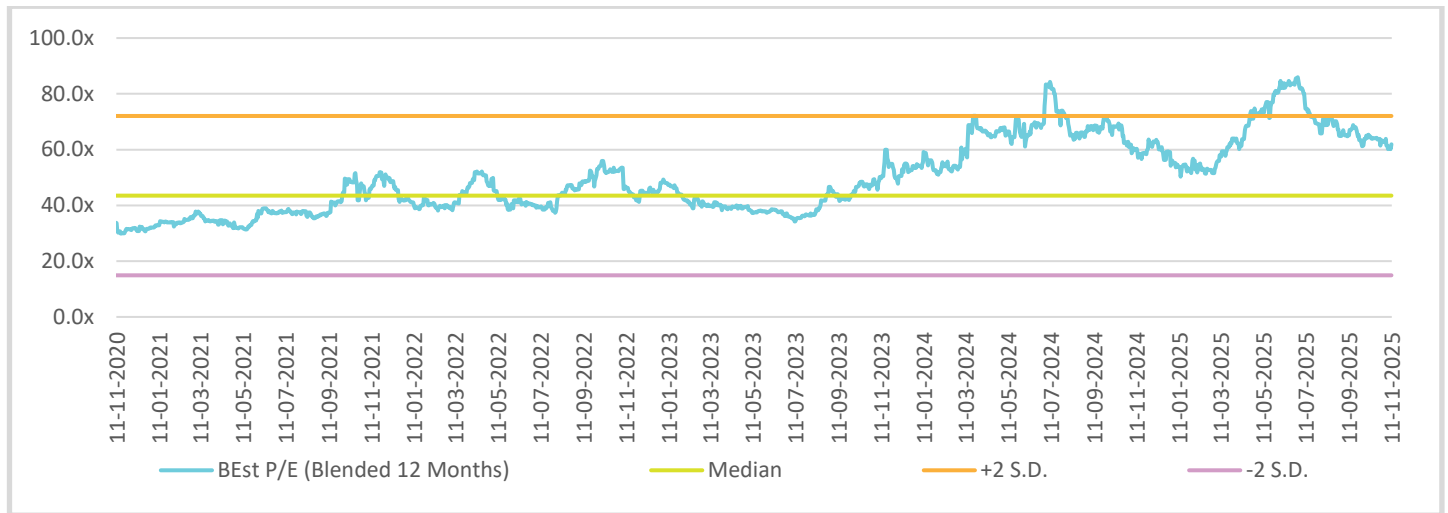
Defence Products



Source: Company, Nuvama Research

SOLAR INDUSTRIES

Exhibit 5: One-year forward consensus PE



Source: Bloomberg, Nuvama Research

Exhibit 6: Peer comparison

Equities	Nuvama target multiple (x)	Current PE on FY28E	EPS CAGR (FY25-28E)	Median ROE (FY26E-28E)	Book to bill (FY25)
Bharat Dynamics	45.0x	21.5x	68.2%	32.1%	7.8x
Bharat Electronics	45.0x	36.8x	17.1%	27.3%	0.0x
Data Patterns	60.0x	35.8x	24.8%	18.6%	2.0x
Hindustan Aeronautics	40.0x	28.7x	10.9%	21.9%	7.1x
Solar Industries India	60.0x	46.0x	31.0%	29.7%	-
Zen Technologies	30.0x	29.8x	11.7%	16.0%	1.7x

Source: Company, Nuvama Research

Company Description

Founded in 1984, SOIL (erstwhile Solar Explosives) is the largest manufacturer of industrial explosives and explosive initiating systems in India. With a licensed explosives capacity of over 250,000 MT/annum, the company has ~27% market share in India. It is the largest supplier of explosives to Coal India and exports to over 20 countries in Middle-East, Africa and South East Asia, with ~65% market share in exports from India. SIIL has manufacturing facilities spread across 16 locations and eight states in India. Economic Explosives, its 100% subsidiary, manufactures detonators.

Investment Theme

Solar Industries is a market leader in the high entry barrier Indian industrial explosives market. India, a potential market for industrial explosives and its accessories, has witnessed a radical shift from complete import dependence in the past decades to self-sufficiency with an exportable surplus presently and SOIL on back of its excellent project execution track record and a strong brand name in industrial explosives. SOIL has also successfully forayed into various offshore markets including Nigeria, Zambia, Turkey and South Africa and have already ventured in to Australia and Ghana. These global markets offer strong growth potential for the company with revenue contribution of ~25% from offshore regions. SOIL in past three-four years has aggressively invested in defence (approx INR3.5bn) in creating capacities and taking various approvals. Today SOIL can offer entire basket of products including bombs, warheads and has integrated up to providing rockets and missiles.

Key Risks

- Slowdown in mining and infrastructure sectors Regulatory risk - Explosives industry is heavily regulated by the government. Any adverse change in these regulations may impact the company's operations.
- Volatility of raw material prices may impact the company's profitability.
- High dependence on limited number of buyers - Over the years, while SIIL has been widening its customer base, even currently the top three customers contribute over 30% to the company's revenue.

Additional Data

Management

MD & CEO	Manish Nuwal
Joint CFO	Moneesh Agrawal
Joint CFO	Shalinee Mandhana
CIO: IT	Shailendra Tiwari
Auditor	

Holdings – Top 10*

% Holding		% Holding	
SBI Funds Manag	3.38	HDFC AMC Ltd	0.87
Kotak Mahindra	3.03	Motilal Oswal A	0.49
Vanguard Group	1.14	UTI AMC	0.46
Axis AMC Ltd/In	1.11	Edelweiss AM Lt	0.43
Blackrock Inc	1.02	PGIM India AM P	0.42

*Latest public data

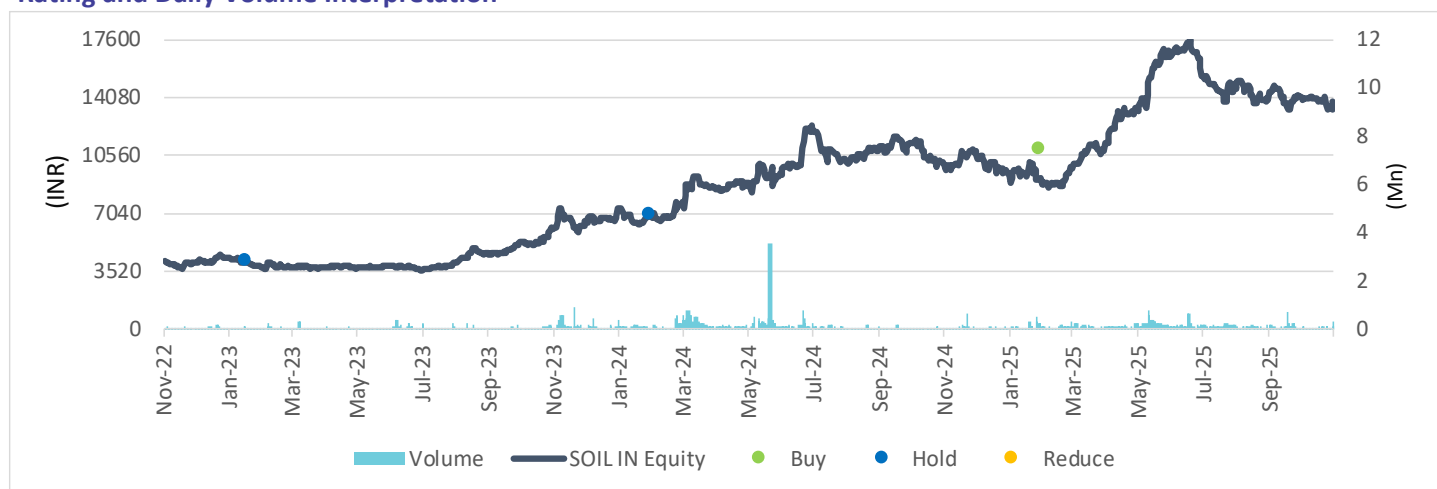
Recent Company Research

Date	Title	Price	Reco
08-Aug-25	Fast-paced growth to sustain; <i>Result Update</i>	14,462	Buy
21-May-25	Catalysts skewed towards upside; <i>Result Update</i>	14,192	Buy
07-Feb-25	Positioning for future growth; <i>Result Update</i>	9,115	Buy

Recent Sector Research

Date	Name of Co./Sector	Title
31-Oct-25	Bharat Electronics	Resilient momentum fuels optimism; <i>Result Update</i>
28-Oct-25	Zen Technologies	Bidding time: Waiting for tide to rise; <i>Result Update</i>
10-Oct-25	Defence	Selective momentum amid seasonality; <i>Sector Update</i>

Rating and Daily Volume Interpretation



Source: Bloomberg, Nuvama research

Rating Rationale & Distribution: Nuvama Research

Rating	Expected absolute returns over 12 months	Rating Distribution
Buy	15%	205
Hold	<15% and >-5%	68
Reduce	<-5%	37

DISCLAIMER

Nuvama Wealth Management Limited (defined as "NWML" or "Research Entity") a company duly incorporated under the Companies Act, 1956 (CIN No L67110MH1993PLC344634) having its Registered office situated at 801- 804, Wing A, Building No. 3, Inspire BKC, G Block, Bandra Kurla Complex, Bandra East, Mumbai – 400 051 is regulated by the Securities and Exchange Board of India ("SEBI") and is licensed to carry on the business of broking, Investment Adviser, Research Analyst and other related activities. Name of Compliance officer: Mr. Abhijit Talekar, E-mail address: researchcompliance@nuvama.com Contact details +91 9004510449 Investor Grievance e-mail address- grievance.nwm@nuvama.com

This Report has been prepared by NWML in the capacity of a Research Analyst having SEBI Registration No.INH000011316 and Enlistment no. 5723 with BSE and distributed as per SEBI (Research Analysts) Regulations 2014. This report does not constitute an offer or solicitation for the purchase or sale of any financial instrument or as an official confirmation of any transaction. Securities as defined in clause (h) of section 2 of the Securities Contracts (Regulation) Act, 1956 includes Financial Instruments and Currency Derivatives. The information contained herein is from publicly available data or other sources believed to be reliable. This report is provided for assistance only and is not intended to be and must not alone be taken as the basis for an investment decision. The user assumes the entire risk of any use made of this information. Each recipient of this report should make such investigation as it deems necessary to arrive at an independent evaluation of an investment in Securities referred to in this document (including the merits and risks involved), and should consult his own advisors to determine the merits and risks of such investment. The investment discussed or views expressed may not be suitable for all investors.

This information is strictly confidential and is being furnished to you solely for your information. This information should not be reproduced or redistributed or passed on directly or indirectly in any form to any other person or published, copied, in whole or in part, for any purpose. This report is not directed or intended for distribution to, or use by, any person or entity who is a citizen or resident of or located in any locality, state, country or other jurisdiction, where such distribution, publication, availability or use would be contrary to law, regulation or which would subject NWML and associates, subsidiaries / group companies to any registration or licensing requirements within such jurisdiction. The distribution of this report in certain jurisdictions may be restricted by law, and persons in whose possession this report comes, should observe, any such restrictions. The information given in this report is as of the date of this report and there can be no assurance that future results or events will be consistent with this information. This information is subject to change without any prior notice. NWML reserves the right to make modifications and alterations to this statement as may be required from time to time. NWML or any of its associates / group companies shall not be in any way responsible for any loss or damage that may arise to any person from any inadvertent error in the information contained in this report. NWML is committed to providing independent and transparent recommendation to its clients. Neither NWML nor any of its associates, group companies, directors, employees, agents or representatives shall be liable for any damages whether direct, indirect, special or consequential including loss of revenue or lost profits that may arise from or in connection with the use of the information. Our proprietary trading and investment businesses may make investment decisions that are inconsistent with the recommendations expressed herein. Past performance is not necessarily a guide to future performance. The disclosures of interest statements incorporated in this report are provided solely to enhance the transparency and should not be treated as endorsement of the views expressed in the report. The information provided in these reports remains, unless otherwise stated, the copyright of NWML. All layout, design, original artwork, concepts and other Intellectual Properties, remains the property and copyright of NWML and may not be used in any form or for any purpose whatsoever by any party without the express written permission of the copyright holders.

NWML shall not be liable for any delay or any other interruption which may occur in presenting the data due to any reason including network (Internet) reasons or snags in the system, break down of the system or any other equipment, server breakdown, maintenance shutdown, breakdown of communication services or inability of the NWML to present the data. In no event shall NWML be liable for any damages, including without limitation direct or indirect, special, incidental, or consequential damages, losses or expenses arising in connection with the data presented by the NWML through this report.

We offer our research services to clients as well as our prospects. Though this report is disseminated to all the customers simultaneously, not all customers may receive this report at the same time. We will not treat recipients other than intended recipients as customers by virtue of their receiving this report.

NWML and its associates, officer, directors, and employees, research analyst (including relatives) worldwide may: (a) from time to time, have long or short positions in, and buy or sell the Securities, mentioned herein or (b) be engaged in any other transaction involving such Securities and earn brokerage or other compensation or act as a market maker in the financial instruments of the subject company/company(ies) discussed herein or act as advisor or lender/borrower to such company(ies) or have other potential/material conflict of interest with respect to any recommendation and related information and opinions at the time of publication of research report or at the time of public appearance. (c) NWML may have proprietary long/short position in the above mentioned scrip(s) and therefore should be considered as interested. (d) The views provided herein are general in nature and do not consider risk appetite or investment objective of any particular investor; readers are requested to take independent professional advice before investing. This should not be construed as invitation or solicitation to do business with NWML

NWML or its associates may have received compensation from the subject company in the past 12 months. NWML or its associates may have managed or co-managed public offering of securities for the subject company in the past 12 months. NWML or its associates may have received compensation for investment banking or merchant banking or brokerage services from the subject company in the past 12 months. NWML or its associates may have received any compensation for products or services other than investment banking or merchant banking or brokerage services from the subject company in the past 12 months. NWML or its associates have not received any compensation or other benefits from the Subject Company or third party in connection with the research report. Research analyst or his/her relative or NWML's associates may have financial interest in the subject company. NWML and/or its Group Companies, their Directors, affiliates and/or employees may have interests/ positions, financial or otherwise in the Securities/Currencies and other investment products mentioned in this report. NWML, its associates, research analyst and his/her relative may have other potential/material conflict of interest with respect to any recommendation and related information and opinions at the time of publication of research report or at the time of public appearance.

Participants in foreign exchange transactions may incur risks arising from several factors, including the following: (i) exchange rates can be volatile and are subject to large fluctuations; (ii) the value of currencies may be affected by numerous market factors, including world and national economic, political and regulatory events, events in equity and debt markets and changes in interest rates; and (iii) currencies may be subject to devaluation or government imposed exchange controls which could affect the value of the currency. Investors in securities such as ADRs and Currency Derivatives, whose values are affected by the currency of an underlying security, effectively assume currency risk.

Research analyst has served as an officer, director or employee of subject Company in the last 12 month period ending on the last day of the month immediately preceding the date of publication of the Report.: No

NWML has financial interest in the subject companies: No

NWML's Associates may have actual / beneficial ownership of 1% or more securities of the subject company at the end of the month immediately preceding the date of publication of research report.

Research analyst or his/her relative may have actual/beneficial ownership of 1% or more securities of the subject company at the end of the month immediately preceding the date of publication of research report

NWML has actual/beneficial ownership of 1% or more securities of the subject company at the end of the month immediately preceding the date of publication of research report: No

Subject company may have been client during twelve months preceding the date of distribution of the research report.

There were no instances of non-compliance by NWML on any matter related to the capital markets, resulting in significant and material disciplinary action during the last three years. A graph of daily closing prices of the securities is also available at www.nseindia.com

Artificial Intelligence ("AI") tools may have been used (i) during the information gathering stage for compiling or collating the data from-(a) publicly available data sources; (b) databases to which NWML subscribes; and (c) internally generated research data, and/or (ii) for compiling summaries of the report.

Analyst Certification:

The analyst for this report certifies that all of the views expressed in this report accurately reflect his or her personal views about the subject company or companies and its or their securities, and no part of his or her compensation was, is or will be, directly or indirectly related to specific recommendations or views expressed in this report.

Additional Disclaimers

Disclaimer for U.S. Persons

This research report is a product of NWML, which is the employer of the research analyst(s) who has prepared the research report. The research analyst(s) preparing the research report is/are resident outside the United States (U.S.) and are not associated persons of any U.S. regulated broker-dealer and therefore the analyst(s) is/are not subject to supervision by a U.S. broker-dealer, and is/are not required to satisfy the regulatory licensing requirements of FINRA or required to otherwise comply with U.S. rules or regulations regarding, among other things, communications with a subject company, public appearances and trading securities held by a research analyst account.

This report is intended for distribution by NWML only to "Major Institutional Investors" as defined by Rule 15a-6(b)(4) of the U.S. Securities and Exchange Act, 1934 (the Exchange Act) and interpretations thereof by U.S. Securities and Exchange Commission (SEC) in reliance on Rule 15a-6(a)(2). If the recipient of this report is not a Major Institutional Investor as specified above, then it should not act upon this report and return the same to the sender. Further, this report may not be copied, duplicated and/or transmitted onward to any U.S. person, which is not the Major Institutional Investor.

In reliance on the exemption from registration provided by Rule 15a-6 of the Exchange Act and interpretations thereof by the SEC in order to conduct certain business with Major Institutional Investors, NWML has entered into an agreement with a U.S. registered broker-dealer, Nuvama Financial Services Inc. (formerly Edelweiss Financial Services Inc.) ("NFSI"). Transactions in securities discussed in this research report should be effected through NFSI.

Disclaimer for U.K. Persons

The contents of this research report have not been approved by an authorised person within the meaning of the Financial Services and Markets Act 2000 ("FSMA").

In the United Kingdom, this research report is being distributed only to and is directed only at (a) persons who have professional experience in matters relating to investments falling within Article 19(5) of the FSMA (Financial Promotion) Order 2005 (the "Order"); (b) persons falling within Article 49(2)(a) to (d) of the Order (including high net worth companies and unincorporated associations); and (c) any other persons to whom it may otherwise lawfully be communicated (all such persons together being referred to as "relevant persons").

This research report must not be acted on or relied on by persons who are not relevant persons. Any investment or investment activity to which this research report relates is available only to relevant persons and will be engaged in only with relevant persons. Any person who is not a relevant person should not act or rely on this research report or any of its contents. This research report must not be distributed, published, reproduced or disclosed (in whole or in part) by recipients to any other person.

Disclaimer for Canadian Persons

This research report is a product of NWML, which is the employer of the research analysts who have prepared the research report. The research analysts preparing the research report are resident outside the Canada and are not associated persons of any Canadian registered adviser and/or dealer and, therefore, the analysts are not subject to supervision by a Canadian registered adviser and/or dealer, and are not required to satisfy the regulatory licensing requirements of the Ontario Securities Commission, other Canadian provincial securities regulators, the Investment Industry Regulatory Organization of Canada and are not required to otherwise comply with Canadian rules or regulations regarding, among other things, the research analysts' business or relationship with a subject company or trading of securities by a research analyst.

This report is intended for distribution by NWML only to "Permitted Clients" (as defined in National Instrument 31-103 ("NI 31-103")) who are resident in the Province of Ontario, Canada (an "Ontario Permitted Client"). If the recipient of this report is not an Ontario Permitted Client, as specified above, then the recipient should not act upon this report and should return the report to the sender. Further, this report may not be copied, duplicated and/or transmitted onward to any Canadian person.

NWML is relying on an exemption from the adviser and/or dealer registration requirements under NI 31-103 available to certain international advisers and/or dealers. Please be advised that (i) NWML is not registered in the Province of Ontario to trade in securities nor is it registered in the Province of Ontario to provide advice with respect to securities; (ii) NWML's head office or principal place of business is located in India; (iii) all or substantially all of NWML's assets may be situated outside of Canada; (iv) there may be difficulty enforcing legal rights against NWML because of the above; and (v) the name and address of the NWML's agent for service of process in the Province of Ontario is: Bamac Services Inc., 181 Bay Street, Suite 2100, Toronto, Ontario M5J 2T3 Canada.

Disclaimer for Singapore Persons

In Singapore, this report is being distributed by Nuvama Investment Advisors Private Limited (NIAPL) (Previously Edelweiss Investment Advisors Private Limited ("EIAPL")) (Co. Reg. No. 201016306H) which is a holder of a capital markets services license and an exempt financial adviser in Singapore and (ii) solely to persons who qualify as "institutional investors" or "accredited investors" as defined in section 4A(1) of the Securities and Futures Act, Chapter 289 of Singapore ("the SFA"). Pursuant to regulations 33, 34, 35 and 36 of the Financial Advisers Regulations ("FAR"), sections 25, 27 and 36 of the Financial Advisers Act, Chapter 110 of Singapore shall not apply to NIAPL when providing any financial advisory services to an accredited investor (as defined in regulation 36 of the FAR. Persons in Singapore should contact NIAPL in respect of any matter arising from, or in connection with this publication/communication. This report is not suitable for private investors.

Disclaimer for Hong Kong persons

This report is distributed in Hong Kong by Nuvama Investment Advisors (Hong Kong) Private Limited (NIAHK) (Previously Edelweiss Securities (Hong Kong) Private Limited (ESHK)), a licensed corporation (BOM -874) licensed and regulated by the Hong Kong Securities and Futures Commission (SFC) pursuant to Section 116(1) of the Securities and Futures Ordinance "SFO". This report is intended for distribution only to "Professional Investors" as defined in Part I of Schedule 1 to SFO. Any investment or investment activity to which this document relates is only available to professional investor and will be engaged only with professional investors." Nothing here is an offer or solicitation of these securities, products and services in any jurisdiction where their offer or sale is not qualified or exempt from registration. The report also does not constitute a personal recommendation or take into account the particular investment objectives, financial situations, or needs of any individual recipients. The Indian Analyst(s) who compile this report is/are not located in Hong Kong and is/are not licensed to carry on regulated activities in Hong Kong and does not / do not hold themselves out as being able to do so.

INVESTMENT IN SECURITIES MARKET ARE SUBJECT TO MARKET RISKS. READ ALL THE RELATED DOCUMENTS CAREFULLY BEFORE INVESTING. REGISTRATION GRANTED BY SEBI, MEMBERSHIP OF RAASB AND CERTIFICATION FROM NISM IN NO WAY GUARANTEE PERFORMANCE OF NWML OR PROVIDE ANY ASSURANCE OF RETURNS TO INVESTORS AND CLIENTS.

Abneesh Roy

Head of Research Committee

Abneesh.Roy@nuvama.com
