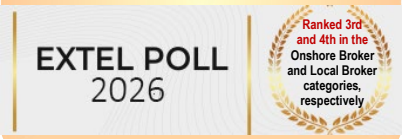
Defense

Motilal Oswal values your support in the EXTEL POLL 2026 for India Research, Sales, Corporate Access and Trading team.
We request your ballot.



Companies	Rating
Bharat Electronics	BUY
Hindustan Aeronautics	BUY
Solar Industries	BUY
Astra Microwave	BUY
Bharat Dynamics	NEUTRAL
Zen Technologies	NEUTRAL
Data Patterns	NEUTRAL
Unimech Aerospace	BUY

Strong performance; Wait for large orders continues

Defense sector companies reported a fairly strong quarter with healthy execution and stable-to-improving margins. Companies witnessed mixed trends on order inflows with visibility on some large platform orders over the next few quarters. DAC has accorded AoN for projects worth INR3.7t in FY27YTD, providing strong visibility into the overall TAM for companies. Along with this, the Ministry has also requested a further 20% increase in defense capex for the next fiscal year, which we believe will also be positive for the sector. Certain stocks have underperformed in the recent past due to delays in large platform awards, which are currently at an advanced stage of the award process. We remain positive on overall defense spending and expect companies to benefit from increased indigenization going forward. We prefer BHE, Solar Industries, and HNAL in the defense space.

Strong performance in 2QFY27

Execution across our coverage universe exceeded our estimates, and stronger-than-expected EBITDA margins across the majority of companies further supported PAT outperformance. However, order inflow trends during the quarter remained mixed. Within our coverage universe Bharat Electronics, Solar Industries, Astra Microwave, Bharat Dynamics (BDL), and Zen delivered better-than-expected results, while HNAL's result was in line. BDL faced margin challenges due to higher import content, while DATAPATT was affected YoY by a higher base following the execution of a large contract in 2QFY26, with further deliveries being scheduled for 2HFY27. NWC for private players remains higher, while that of DPSUs continues to be at comfortable levels. BDL, however, experienced an increase in NWC due to lower customer advances and higher receivables. With a healthy order book position we expect FY27 growth to be driven by multiple deliveries scheduled for 2HFY27. With a large number of contracts expected to be awarded over the near-to-medium term, we expect FY28 and FY29 growth to be driven by higher execution levels.

Prospect pipeline remains strong

Management commentaries indicate a strong pipeline ahead for defense sector players, along with the Ministry of Defense (MoD)'s push for a further 20% increase in defense capex for the next fiscal. BHE highlighted opportunities such as QRSAM, Next Generation Corvette (~INR200b), Shatrughat and Samaghat EW systems, P75I related electronics, HAMMER weapon and missile related electronics. Shipyard companies, in addition to recently receiving NGC orders, are expecting orders for P-17B frigates, P-18A, P75I submarines, additional P-75 Scorpene-class submarines, multipurpose vessels, LPDs, MCMVs, et al. Private defense players are expecting orders to ramp up going ahead, with QRSAM related order flows across the industry. Solar expects an INR30b guided Pinaka order by the end of FY27, ZEN has opportunities in FTP-based tenders, and Apollo Micro Systems expects MIGM orders. The medium- to long-term order pipeline is further supported by multiple DAC approvals in FY27, along with large platforms such as AMCA and Project Kusha, which are under development.

Research analyst – **Teena Virmani** (Teena.Virmani@MotilalOswal.com)
Nikunj Khetan (Nikunj.Khetan@MotilalOswal.com) | **Prerit Jain** (Prerit.Jain@MotilalOswal.com)

Investors are advised to refer through important disclosures made at the last page of the Research Report.
Motilal Oswal research is available on www.motilaloswal.com/Institutional-Equities, Bloomberg, Thomson Reuters, Factset and S&P Capital.

Update on large orders

- **QRSAM:** BHE expects to receive QRSAM (~INR300b) order by the end of FY27 and has already started first-of-production model development and qualification work ahead of the order.
- **Next-Generation Corvettes (NGCs):** The order was awarded in Nov'26 to GRSE (five ships) and GSL (three ships) for a total of ~INR530b, with GRSE's share at ~INR320b.
- **P-75(I) submarine:** CCS clearance is awaited and is expected by the end of FY27 for six submarines (~INR900b).
- **P-75(AS):** The three additional Scorpene-class submarine orders are still under consideration and remain at early stages.
- **AMCA:** Bids were submitted by the 3 consortiums on 30 Oct'26 and the winning DcPP will be announced by Dec'26.
- **Project Kusha:** DRDO conducted the maiden flight test of Project Kusha in Jul'26 with user trials expected next. Induction is targeted by CY30.
- **P-17B frigates:** Indian Navy released an RFP for seven ships in Sep'26.
- **P-18A destroyers:** These received AON in Oct'26.
- **LPDs:** The Indian Navy has issued the RFP.
- **Tejas Mk1A:** 27 airframes are ready and HAL expects to deliver 10 aircraft by the end of FY27.

Key order wins

FY27YTD has experienced a total of ~INR3.7t of DAC approvals indicating strong ordering momentum in FY28/29. Total order wins during the quarter for our coverage amounted to ~INR78b, while we expect ordering to ramp up in 2HFY27. BHE secured cumulative orders worth ~INR36b, including contracts for communication equipment, electro optics, TR modules, seekers, etc. BDL secured an order worth ~INR8b for SAT-SAAW and ASTM won the Uttam radar order from HAL worth ~INR22b. In addition, GRSE and GSL were awarded NGC orders worth ~INR530b in Nov'26.

Key future monitorables

Key future monitorables include: 1) Tejas Mk1A and GE F404 engine deliveries, 2) improvement in inflows and finalization of large platform orders such as QRSAM, 3) government announcements regarding policy changes in the missile sector, 4) DAC approvals for additional naval platforms, along with monitoring the companies eligible to bid for these platforms, 5) update on AMCA prototype, and 6) trends in capex by private defense companies to analyze which companies are expecting order flows from large platforms.

Our view and recommendation

We maintain our positive thesis on the defense sector. Strong order books of the companies will support execution growth over the next two years. Order inflows expected over the next year should help companies sustain revenue growth beyond FY28. The conversion of DAC approvals into order inflows remains a key monitorable and, hence, capex incurred by companies to expand capacity and capability will play an important role in supporting execution and order book build-up. Given current sector valuations, we prefer companies with consistent order inflows and execution visibility. Bharat Electronics remains our preferred pick in defense, followed by Solar Industries and Hindustan Aeronautics.

Sector performance in 2QFY27 remains mixed vs. estimates

Exhibit 1: Sector performance was healthy on a sequential as well as YoY basis

Company	Revenue (INR m)				EBIDTA (INR m)				PAT (INR m)			
	2QFY27	Growth (%)		Var. over Exp. (%)	2QFY27	Growth (%)		Var. over Exp. (%)	2QFY27	Growth (%)		Var. over Exp. (%)
		YoY	QoQ			YoY	QoQ			YoY	QoQ	
Astra Microwave	2,628	22	49	8	879	84	166	64	511	114	314	59
Bharat Dynamics	16,641	45	191	79	1,011	-46	22	-28	1,835	-15	54	17
Bharat Electronics	72,909	26	32	9	20,395	20	47	10	15,407	20	47	10
Data Pattern	1,333	-57	15	-64	314	-54	-0	-70	218	-56	-1	-74
Hind. Aeronautics	76,133	15	38	1	17,395	12	14	-6	19,357	16	22	6
Solar Industries	35,189	69	-4	14	10,058	82	-1	19	6,170	79	-5	14
Unimech Aerospace	1,230	98	14	7	490	164	25	15	318	103	14	28
Zen Technologies	3,092	148	200	25	973	133	245	23	792	72	171	15
Defense	**2,09,155**	**28.1**	**32.4**	**8.8**	**51,513**	**23.5**	**24.2**	**3.7**	**44,608**	**22.2**	**27.4**	**7.9**

Source: Company, MOFSL

Exhibit 2: Revenue growth was supported by a broad-based pick up in execution

Revenue YoY %	1QFY23	2QFY23	3QFY23	4QFY23	1QFY24	2QFY24	3QFY24	4QFY24	1QFY25	2QFY25	3QFY25	4QFY25	1QFY26	2QFY26	3QFY26	4QFY26	1QFY27	2QFY27
Astra Microwave	25.8	-2.9	8.9	7.9	-17.5	8.8	4.9	37.0	16.0	20.8	11.9	15.2	28.7	-6.5	0.7	19.7	-11.5	22.5
BDL	NA	6.1	-42.6	-42.2	-57.2	15.2	30.3	7.0	-35.8	-11.5	38.3	108.0	29.7	110.6	-31.9	-73.0	130.8	45.1
BEL	90.4	7.8	11.8	2.1	12.8	1.2	0.1	32.1	19.6	14.8	39.1	6.9	5.2	25.8	23.7	11.6	25.3	26.5
Data Patterns	NA	136.8	88.8	322.2	31.2	22.9	24.8	-1.5	16.0	-16.0	-16.1	117.4	-4.6	237.8	47.9	-13.0	16.8	-56.7
HAL	124.2	-7.3	-3.9	8.1	8.1	9.5	7.0	18.2	11.0	6.0	14.8	-7.2	10.8	10.9	10.7	1.8	14.4	14.9
Solar Industries	95.8	98.9	78.0	46.5	4.1	-14.0	-21.1	-16.5	0.2	27.3	38.1	34.5	27.9	21.4	29.2	40.9	70.3	69.0
Unimech Aerospace	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	-16.7	9.7	6.4	0.9	-37.4	19.6	70.9	98.4
Zen Tech	263.9	30.0	166.5	364.4	298.5	203.1	197.8	83.0	91.7	277.4	44.3	116.3	-56.3	-48.4	-17.9	-75.5	-7.3	148.1

Source: Company, MOFSL

Exhibit 3: Profit growth remained healthy for most companies, barring Data Pattens, which was coming off a high base

PAT YoY %	1QFY23	2QFY23	3QFY23	4QFY23	1QFY24	2QFY24	3QFY24	4QFY24	1QFY25	2QFY25	3QFY25	4QFY25	1QFY26	2QFY26	3QFY26	4QFY26	1QFY27	2QFY27
Astra Microwave	-33.4	507.1	142.5	24.1	NM	46.3	56.7	302.3	NM	-15.4	9.3	35.1	125.9	-5.9	-1.3	44.2	-24.1	113.7
BDL	NA	75.3	-60.7	-48.7	4.9	94.0	61.2	89.0	-82.7	-16.7	9.0	-5.5	154.3	76.2	-50.4	-58.5	547.4	-15.0
BEL	NA	-0.2	2.6	19.6	23.0	32.9	49.2	30.6	46.2	34.3	47.3	18.0	24.9	17.9	20.8	4.7	8.2	19.8
Data Patterns	NA	104.4	158.5	517.9	81.4	60.5	53.0	28.4	26.9	-10.4	-12.4	60.5	-22.2	62.5	35.6	21.3	-13.5	-55.6
HAL	218.5	44.2	23.8	-8.8	31.3	1.3	9.2	52.2	76.5	21.7	14.1	-7.7	-3.7	10.9	29.6	5.5	14.9	16.0
Solar Industries	74.6	139.0	100.4	22.7	16.0	13.5	-0.6	14.1	45.1	42.8	54.9	37.1	18.2	20.7	41.7	70.0	92.7	78.9
Unimech Aerospace	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	-23.6	48.1	-7.3	-13.2	-84.7	-10.6	45.7	102.8
Zen Tech	NA	440.1	NA	928.2	474.2	279.1	467.2	77.3	57.4	276.1	21.9	177.3	-50.0	-29.2	23.8	-82.6	-21.3	71.5

Source: Company, MOFSL

Order inflows remain incremental growth levers in defense

Exhibit 4: Management commentaries on order inflows and pipeline across the sector for our coverage companies

Companies	Management Comments
Astra Microwave	❖ There is visibility of orders worth INR12b in FY27, of which INR6b is expected by Dec'26. With more platform orders getting finalized, the consolidated order book can reach ~INR55-60b in FY28, excluding the QRSAM order.
Bharat Dynamics	❖ BDL received an INR13b heavyweight torpedo order during 3QFY27 and a SAT-SAAW order worth INR8b over the quarter. BDL is further likely to receive the Takshak torpedo order by 4QFY27 and a missile order from QRSAM.
Bharat Electronics	❖ Over the next few quarters, BHE expects orders from QRSAM (INR300b), NGC (~INR200b spread over FY27/28), Shatrughat and Samaghat, and HAMMER weapon. Beyond FY27, the opportunities are from Project Kusha, P75I-related electronics, NGD, P-17B, AMCA electronics, missile electronics, and counter drone systems.
Data Patterns	❖ The company has INR9.6b of negotiated orders. Most negotiated contracts are expected to be formalized within one to two months, while an additional INR15-20b pipeline could convert by Mar'27. Tejas Mk1A discussions are progressing, while BrahMos production enquiries depend on successful qualification testing.
Hindustan Aeronautics	❖ HAL is a key potential beneficiary of DAC approvals covering advanced light helicopters (ALH), light multi-role helicopters (LMRH), and special utility helicopters for the Army and IAF.
Solar Industries	❖ The company expects the defense segment to benefit from 1) a guided Pinaka order worth INR30b, by FY27-end, 2) a Bhargavastra order by next year, 3) steady demand for high-energy materials from global ammunition replenishment, and 4) a scale-up from the 155mm ammunition facility.
Unimech Aerospace	❖ The company is expanding into long-term contracts for aero tooling from short-cycle orders currently. The nuclear segment has a large order book and supports a strong growth outlook. The FACC Long-Term Agreement is valued at USD7.5m for aerostructure components and has the potential to double.
Zen Technologies	❖ Anti-drone system tenders under FTP are yet to be floated, with orders expected in 4QFY27, while near-term simulator orders are now pegged at INR4b. HyperStrike orders are expected in FY28.

Source: Company, MOFSL

Exhibit 5: Management commentaries on order inflows and pipeline across the sector for companies not under our coverage

Companies	Management Comments
Apollo Micro System	❖ Order book is expected to reach INR45-50b by FY27-end. MIGM order (INR25b) is expected in FY27. For Pinaka (INR 8.5m each) Apollo is expecting an order for 300 units under the MIL program by Dec'26, and for QRSAM (INR 10m each), an order for ~1000 units. Management indicated that the MoD is also looking for ~1,000 unit order for Akash-NG.
Cochin Shipyard	❖ Inflows expected are NGSV (~INR50b) by Nov'26 and a DCI dredger (~INR13b) within two months. The company is also bidding for LPD (INR320b), MCMV (INR360b), P-17B (INR490b), as well as Andaman vessels and SCI tanker tenders.
Garden Reach	❖ GRSE has ~INR250b of orders across four closed tenders, including water-jet FACs (~INR150b), fast interceptor crafts (~INR45-50b), NGOPVs (~INR35b) and interceptor boats (~INR10-11b). Three large RFPs - P-17 Bravo, LPD and MCMV - add ~INR1,470b, taking the visible opportunity to ~INR1,720b, with awards expected in FY28.
Mazagon Dock	❖ MDL's management expects its order book to cross INR1t by FY27-end led by P-75I and P-75A. Further, the company is expected to benefit from large naval platform orders spanning LPDs, P-18A, P-17B, and MCMV in the medium term and P-15C in the long term.

Source: Company, MOFSL

Export demand remains strong, but inflows yet to be seen

Exhibit 6: Management commentaries on the international exposures of the companies under our coverage

Companies	Management Comments
Covered companies	
Astra Microwave	❖ The company has received good leads from a few international customers for the design and development of prototypes. The border detection radar is ready, and the demonstration is ongoing. The company is expecting inquiries of ~INR2-3b in the next two to three years for the border detection radar in the export market.
Bharat Electronics	❖ The company continues to target export opportunities, especially in the counter drone solutions segment with recent demonstrations successfully completed for export clients.
Data Patterns	❖ Export opportunities include additional precision approach radar contracts, European radar front-end orders scheduled for execution during 2HFY27, and radar subsystem inquiries progressing from qualification to production.
Solar Industries	❖ The company plans to scale up defense exports through incremental orders on explosives and other products.
Unimech Aerospace	❖ Management expects precision components and assemblies to scale up from FY28 as 590+ qualified parts enter serial production, backed by FACC, Honeywell and French Tier-1 contracts. A semiconductor step-up is likely in 2H.
Zen Technologies	❖ Advanced export negotiations in the Middle East have been delayed by the Iran-Israel war, while US entry through prime contractors and European opportunities under the SAFE program's 65% local-content rule are likely to materialize only from next year.

Source: Company, MOFSL

Exhibit 7: Management commentaries on the international exposures of companies not under our coverage

Companies	Management Comments
Apollo Micro System	❖ Management expects to enter the export market from FY28, supported by the commissioning of expanded capacity. It is already engaging with overseas clients and expects export orders to scale once Unit 3 is fully operational.
Cochin Shipyard	❖ The company is negotiating export orders, with no definitive timeline indicated. European vessel deliveries (German MPVs, Cyprus CSOVs, and Samskip) are likely in FY27; DDW JV is expected to attract international ship-repair clients.
Garden Reach	❖ GRSE has 12 multipurpose vessels under execution for a German client and a 1,000m³ trailer hopper suction dredger for Bangladesh, with the German project carrying INR12.5b of remaining order value and the Bangladesh dredger INR0.6b. The Bangladesh vessel has been launched and is targeted for delivery by Apr'27.

Source: Company, MOFSL

EBITDA margin performance remains fairly strong

Exhibit 8: Management comments on future margins

Companies	Management Comments
Covered companies	
Astra Microwave	❖ Management guides for a steady EBITDA margin of 26-28% over the next two to three years, with operating-leverage upside as fixed costs will not rise sharply.
Bharat Dynamics	❖ Due to higher import content, EBITDA margin can remain around 12-14% in FY27. Going forward, BDL is incurring capex across plants to increase indigenization which can support margin over the long term.
Bharat Electronics	❖ Management reiterated its FY27 guidance of 28% for FY27, while also increasing its focus on normalizing EBITDA margins across quarters through product mix.
Data Patterns	❖ Management maintained an EBITDA margin guidance of 35-40% for FY27.
Solar Industries	❖ The company expects FY27 EBITDA margin to exceed 29%, compared with its initial guidance of ~28%. Margins are likely to remain strong on higher contribution from the defense business as well as price hikes to pass on RM costs.
Unimech Aerospace	❖ Its 2Q margins were supported by a high-margin order mix and strong operating leverage. EBITDA margin is expected to sustain in the 38-40% range going forward.
Zen Technologies	❖ The company reiterated mid-30% EBITDA margin guidance for FY27. With the execution of simulator orders, margins can improve further in the coming quarters.
Not covered companies	
Apollo Micro System	❖ Management highlighted that EBITDA margins may fluctuate quarter-on-quarter depending on the product mix and expects margin momentum to remain healthy going forward.
Cochin Shipyard	❖ Management guided that shipbuilding and ship repair margins to be ~10-12%/20-22% and would constitute 70%/30% in revenue. This would entail a blended EBITDA margin of 14-15% ahead.
Garden Reach	❖ Management indicated that NGC was won through competitive bidding rather than nomination and that margins are comparable to those of the profitable ASW-SWC project.

Source: Company, MOFSL

Order inflow growth from the current levels to sustain valuations

Exhibit 9: Target valuations for the core business and expected growth over FY26-29

Companies	Target Multiple	TP (INR)	CAGR FY26-29 (%)		
			Revenue	EBITDA	PAT
Astra Microwave	42x 2Y forward EPS	2,000	23.2	22.2	34.1
Bharat Dynamics	40x 2Y forward EPS	1,130	42.1	67.2	36.8
Bharat Electronics	45x Dec'28E EPS	540	14.7	13.9	15.0
Data Patterns	50x 2Y forward EPS	4,040	24.4	23.0	27.6
Hindustan Aeronautics	Avg DCF and 30x 2Y forward EPS	5,900	22.5	19.2	17.1
Solar Industries	50x Dec'28E EPS	24,000	55.4	45.3	39.4
Unimech Aerospace	60x FY28E EPS	2,138	58.5	70.4	53.9
Zen Technologies	30x Dec'28E EPS	1,700	60.3	67.1	53.4

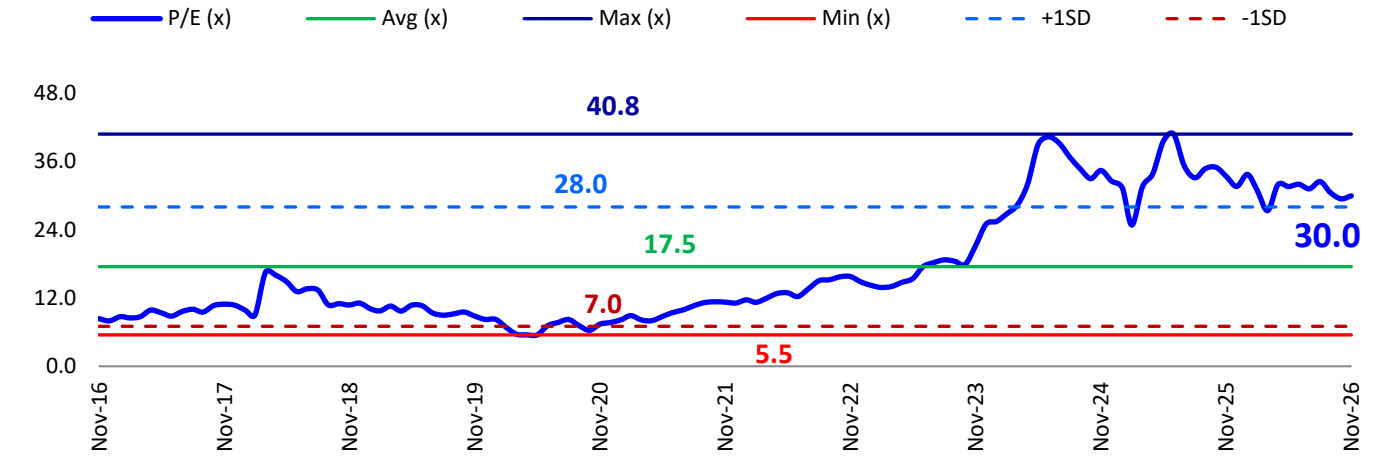
Source: MOFSL

Exhibit 10: Defense – relative valuation

Companies	CMP	Mcap	EPS			P/E (X)			FY26-28 CAGR (%)			ROE (%)		
	(INR)	(INR b)	FY26	FY27E	FY28E	FY26	FY27E	FY28E	Rev	EBITDA	PAT	FY26	FY27E	FY28E
Bharat Electronics	404	2,952	8.3	9.6	11.2	48.8	42.1	36.1	16.9	15.7	16.2	25.5	23.1	21.5
Hindustan Aeronautics	4,930	3,297	136.3	151.1	180.2	36.2	32.6	27.4	19.6	18.3	15.0	22.2	21.0	21.1
Bharat Dynamics	1,028	377	11.5	18.1	24.6	89.6	56.7	41.7	57.7	98.0	46.6	9.9	14.3	17.2
Zen Technologies	1,714	155	16.2	35.6	48.5	106.1	48.1	35.4	84.5	96.4	73.2	8.3	16.2	18.5
Astra Microwave	1,601	152	20.3	24.6	35.3	78.8	65.1	45.4	17.6	16.1	31.8	16.0	16.3	19.5
Solar Industries	18,073	1,635	185.4	309.0	399.9	97.5	58.5	45.2	82.4	61.3	46.9	26.7	31.1	28.9
Data Patterns	4,162	233	47.9	59.9	80.0	86.8	69.4	52.0	24.9	22.8	29.2	16.5	17.7	19.6
Unimech Aerospace	1,727	88	12.4	26.2	35.6	138.8	66.0	48.5	75.2	95.1	69.2	8.6	15.3	17.2
PTC Industries	24,774	371	67.8	132.9	326.4	365.6	186.4	75.9	79.4	128.8	121.1	7.0	14.1	24.7
Azad Engineering	2,356	152	20.6	23.7	34.4	114.5	99.6	68.4	35.6	36.1	32.3	9.1	9.5	12.2
Mazagon Dock	1,800	726	64.0	60.6	65.3	28.1	29.7	27.6	1.8	-3.0	1.0	29.2	22.9	20.9
Garden Reach	2,050	235	65.3	78.7	88.0	31.4	26.1	23.3	15.3	11.3	16.1	31.8	28.3	25.9
Cochin Shipyard	1,081	284.4	27.2	34.3	36.4	39.7	31.5	29.7	14.3	12.1	16.6	12.5	14.3	13.8

Source: Bloomberg, MOFSL

Exhibit 11: Overall valuations for defense have come-off from their one-year highs on a two-year forward basis – P/E (x)



Source: Bloomberg, MOFSL

Investment in securities market are subject to market risks. Read all the related documents carefully before investing.

Explanation of Investment Rating	
Investment Rating	**Expected return (over 12-month)**
BUY	>=15%
SELL	< - 10%s
NEUTRAL	> - 10 % to 15%
UNDER REVIEW	Rating may undergo a change
NOT RATED	We have forward looking estimates for the stock but we refrain from assigning recommendation

*In case the recommendation given by the Research Analyst is inconsistent with the investment rating legend for a continuous period of 30 days, the Research Analyst shall within following 30 days take appropriate measures to make the recommendation consistent with the investment rating legend.

Disclosures:
The following Disclosures are being made in compliance with the SEBI Research Analyst Regulations 2014 (herein after referred to as the Regulations).

Motilal Oswal Financial Services Ltd. (MOFSL) is a SEBI Registered Research Analyst having registration no. INH000000412 and BSE enlistment no. 5028. MOFSL, the Research Entity (RE) as defined in the Regulations, is engaged in the business of providing Stock broking services, Depository participant services & distribution of various financial products. MOFSL is a listed public company, the details in respect of which are available on www.motilaloswal.com. MOFSL is registered with the Securities & Exchange Board of India (SEBI) and is a registered Trading Member with National Stock Exchange of India Ltd. (NSE) and Bombay Stock Exchange Limited (BSE), Multi Commodity Exchange of India Limited (MCX) and National Commodity & Derivatives Exchange Limited (NCDEX) for its stock broking activities & is Depository participant with Central Depository Services Limited (CDSL) National Securities Depository Limited (NSDL), NERL, COMRIS and CCRL and is member of Association of Mutual Funds of India (AMFI) for distribution of financial products and Insurance Regulatory & Development Authority of India (IRDA) as Corporate Agent for insurance products and is a member of Association of Portfolio Managers in India (APMI) for distribution of PMS products. Details of associate entities of Motilal Oswal Financial Services Ltd. are available on the website at http://onlinereports.motilaloswal.com/Dormant/documents/Associate%20Details.pdf

Details of pending Enquiry Proceedings of Motilal Oswal Financial Services Limited are available on the website at https://galaxy.motilaloswal.com/ResearchAnalyst/PublishViewLitigation.aspx. As per Regulatory requirements, Research Audit Report is uploaded on www.motilaloswal.com > MOFSL-Important Links > MOFSL Research Analyst Compliance Audit Report.

MOFSL, it's associates, Research Analyst or their relatives may have any financial interest in the subject company. MOFSL and/or its associates and/or Research Analyst or their relatives may have actual beneficial ownership of 1% or more securities in the subject company at the end of the month immediately preceding the date of publication of the Research Report or date of the public appearance. MOFSL and its associate company(ies), their directors and Research Analyst and their relatives may have any other potential conflict of interests at the time of publication of the research report or at the time of public appearance, however the same shall have no bearing whatsoever on the specific recommendations made by the analyst(s), as the recommendations made by the analyst(s) are completely independent of the views of the associates of MOFSL even though there might exist an inherent conflict of interest in some of the stocks mentioned in the research report..

In the past 12 months, MOFSL or any of its associates may have:
a) received any compensation/other benefits from the subject company of this report
b) managed or co-managed public offering of securities from subject company of this research report,
c) received compensation for investment banking or merchant banking or brokerage services from subject company of this research report,
d) received compensation for products or services other than investment banking or merchant banking or brokerage services from the subject company of this research report.

- MOFSL and its associates have not received any compensation or other benefits from the subject company or third party in connection with the research report.
- Subject Company may have been a client of MOFSL or its associates during twelve months preceding the date of distribution of the research report.
- Research Analyst may have served as director/officer/employee in the subject company.
- MOFSL and research analyst may engage in market making activity for the subject company.

MOFSL and its associate company(ies), and Research Analyst and their relatives from time to time may have:
a) a long or short position in, act as principal in, and buy or sell the securities or derivatives thereof of companies mentioned herein.
(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 company(ies) discussed herein or act as an advisor or lender/borrower to such company(ies) or may have any other potential conflict of interests with respect to any recommendation and other related information and opinions.; however the same shall have no bearing whatsoever on the specific recommendations made by the analyst(s), as the recommendations made by the analyst(s) are completely independent of the views of the associates of MOFSL even though there might exist an inherent conflict of interest in some of the stocks mentioned in the research report.
Above disclosures include beneficial holdings lying in demat account of MOFSL which are opened for proprietary investments only. While calculating beneficial holdings, It does not consider demat accounts which are opened in name of MOFSL for other purposes (i.e holding client securities, collaterals, error trades etc.). MOFSL also earns DP income from clients which are not considered in above disclosures.
To enhance transparency, MOFSL has incorporated a Disclosure of Interest Statement in this document. This should, however, not be treated as endorsement of the views expressed in the report. MOFSL and / or its affiliates do and seek to do business including investment banking with companies covered in its research reports. As a result, the recipients of this report should be aware that MOFSL may have a potential conflict of interest that may affect the objectivity of this report.

Terms & Conditions:
This report has been prepared by MOFSL and is meant for sole use by the recipient and not for circulation. The report and information contained herein is strictly confidential and may not be altered in any way, transmitted to, copied or distributed, in part or in whole, to any other person or to the media or reproduced in any form, without prior written consent of MOFSL. The report is based on the facts, figures and information that are considered true, correct, reliable and accurate. The intent of this report is not recommendatory in nature. The information is obtained from publicly available media or other sources believed to be reliable. Such information has not been independently verified and no guaranty, representation of warranty, express or implied, is made as to its accuracy, completeness or correctness. All such information and opinions are subject to change without notice. The report is prepared solely for informational purpose and does not constitute an offer document or solicitation of offer to buy or sell or subscribe for securities or other financial instruments for the clients. Though disseminated to all the customers simultaneously, not all customers may receive this report at the same time. MOFSL will not treat recipients as customers by virtue of their receiving this report.
Analyst Certification
The views expressed in this research report accurately reflect the personal views of the analyst(s) about the subject securities or issues, and no part of the compensation of the research analyst(s) was, is, or will be directly or indirectly related to the specific recommendations and views expressed by research analyst(s) in this report.

Disclosure of Interest Statement	
Analyst ownership of the stock	No

A graph of daily closing prices of securities is available at www.nseindia.com, www.bseindia.com. Research Analyst views on Subject Company may vary based on Fundamental research and Technical Research. The proprietary trading desk of MOFSL and its associates operates independently of the Research Team, with appropriate arm's-length separation and segregation of activities from MOFSL's research operations. Accordingly, the proprietary trading desk and investment businesses are entitled to independently formulate and maintain its views on any subject company, irrespective of the views, recommendations or opinions expressed by the Research Team and investment decisions may deviate from Research views.

Regional Disclosures (outside India)
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 MOFSL & its group companies to registration or licensing requirements within such jurisdictions.

For Hong Kong:
This report is distributed in Hong Kong by Motilal Oswal capital Markets (Hong Kong) Private Limited, a licensed corporation (CE AYY-301) licensed and regulated by the Hong Kong Securities and Futures Commission (SFC) pursuant to the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) "SFO". As per SEBI (Research Analyst Regulations) 2014 Motilal Oswal Financial Services Limited (SEBI Reg No. INH000000412) has an agreement with Motilal Oswal capital Markets (Hong Kong) Private Limited for distribution of research report in Hong Kong. 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 Indian Analyst(s) who compile this report is/are not located in Hong Kong & are not conducting Research Analysis in Hong Kong.

For U.S.

MOTILAL Oswal Financial Services Limited (MOFSL) is not a registered broker - dealer under the U.S. Securities Exchange Act of 1934, as amended (the"1934 act") and under applicable state laws in the United States. In addition MOFSL is not a registered investment adviser under the U.S. Investment Advisers Act of 1940, as amended (the "Advisers Act" and together with the 1934 Act, the "Acts), and under applicable state laws in the United States. Accordingly, in the absence of specific exemption under the Acts, any brokerage and investment services provided by MOFSL, including the products and services described herein are not available to or intended for U.S. persons. This report is intended for distribution only to "Major Institutional Investors" as defined by Rule 15a-6(b)(4) of the Exchange Act and interpretations thereof by SEC (henceforth referred to as "major institutional investors"). This document must not be acted on or relied on by persons who are not major institutional investors. Any investment or investment activity to which this document relates is only available to major institutional investors and will be engaged in only with major institutional investors. In reliance on the exemption from registration provided by Rule 15a-6 of the U.S. Securities Exchange Act of 1934, as amended (the "Exchange Act") and interpretations thereof by the U.S. Securities and Exchange Commission ("SEC") in order to conduct business with Institutional Investors based in the U.S., MOFSL has entered into a chaperoning agreement with a U.S. registered broker-dealer, Motilal Oswal Securities International Private Limited. ("MOSIPL"). Any business interaction pursuant to this report will have to be executed within the provisions of this chaperoning agreement.

The Research Analysts contributing to the report may not be registered /qualified as research analyst with FINRA. Such research analyst may not be associated persons of the U.S. registered broker-dealer, MOSIPL, and therefore, may not be subject to NASD rule 2711 and NYSE Rule 472 restrictions on communication with a subject company, public appearances and trading securities held by a research analyst account.

For Singapore

In Singapore, this report is being distributed by Motilal Oswal Capital Markets (Singapore) Pte. Ltd. ("MOCMSPL") (UEN 201129401Z), which is a holder of a capital markets services license and an exempt financial adviser in Singapore. This report is distributed solely to persons who (a) qualify as "institutional investors" as defined in section 4A(1)(c) of the Securities and Futures Act of Singapore ("SFA") or (b) are considered "accredited investors" as defined in section 2(1) of the Financial Advisers Regulations of Singapore read with section 4A(1)(a) of the SFA. Accordingly, if a recipient is neither an "institutional investor" nor an "accredited investor", they must immediately discontinue any use of this Report and inform MOCMSPL.
In respect of any matter arising from or in connection with the research you could contact the following representatives of MOCMSPL. In case of grievances for any of the services rendered by MOCMSPL write to grievances@motilaloswal.com.
Nainesh Rajani
Email: nainesh.rajani@motilaloswal.com
Contact: (+65) 8328 0276

Disclaimer:

This report is intended for distribution to Retail Investors.

The report and information contained herein is strictly confidential and meant solely for the selected recipient and may not be altered in any way, transmitted to, copied or distributed, in part or in whole, to any other person or to the media or reproduced in any form, without prior written consent. This report and information herein is solely for informational purpose and may not be used or considered as an offer document or solicitation of offer to buy or sell or subscribe for securities or other financial instruments. Nothing in this report constitutes investment, legal, accounting and tax advice or a representation that any investment or strategy is suitable or appropriate to your specific circumstances. The securities discussed and opinions expressed in this report may not be suitable for all investors, who must make their own investment decisions, based on their own investment objectives, financial positions and needs of specific recipient. This may not be taken in substitution for the exercise of independent judgment by any recipient. Each recipient of this document should make such investigations as it deems necessary to arrive at an independent evaluation of an investment in the securities of companies referred to in this document (including the merits and risks involved), and should consult its own advisors to determine the merits and risks of such an investment. The investment discussed or views expressed may not be suitable for all investors. Certain transactions -including those involving futures, options, another derivative product as well as non-investment grade securities - involve substantial risk and are not suitable for all investors. No representation or warranty, express or implied, is made as to the accuracy, completeness or fairness of the information and opinions contained in this document. The Disclosures of Interest Statement incorporated in this document is provided solely to enhance the transparency and should not be treated as endorsement of the views expressed in the report. This information is subject to change without any prior notice. The Company reserves the right to make modifications and alternations to this statement as may be required from time to time without any prior approval. MOFSL, its associates, their directors and the employees may from time to time, effect or have effected an own account transaction in, or deal as principal or agent in or for the securities mentioned in this document. They may perform or seek to perform investment banking or other services for, or solicit investment banking or other business from, any company referred to in this report. Each of these entities functions as a separate, distinct and independent of each other. The recipient should take this into account before interpreting the document. This report has been prepared on the basis of information that is already available in publicly accessible media or developed through analysis of MOFSL. The views expressed are those of the analyst, and the Company may or may not subscribe to all the views expressed therein. This document is being supplied to you solely for your information and may not be reproduced, redistributed or passed on, directly or indirectly, 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 MOFSL to any registration or licensing requirement within such jurisdiction. The securities described herein may or may not be eligible for sale in all jurisdictions or to certain category of investors. Persons in whose possession this document may come are required to inform themselves of and to observe such restriction. Neither the Firm, not its directors, employees, agents or representatives shall be liable for any damages whether direct or indirect, incidental, special or consequential including lost revenue or lost profits that may arise from or in connection with the use of the information. The person accessing this information specifically agrees to exempt MOFSL or any of its affiliates or employees from, any and all responsibility/liability arising from such misuse and agrees not to hold MOFSL or any of its affiliates or employees responsible for any such misuse and further agrees to hold MOFSL or any of its affiliates or employees free and harmless from all losses, costs, damages, expenses that may be` suffered by the person accessing this information due to any errors and delays.

This report is meant for the clients of Motilal Oswal only.

Investment in securities markets are subject to market risks. Read all the related documents carefully before investing.

Registration granted by SEBI, enlistment as RA with Exchange and certification from NISM in no way guarantee performance of the intermediary or provide any assurance of returns to investors

Registered Office Address: Motilal Oswal Tower, Rahimtullah Sayani Road, Opposite Parel ST Depot, Prabhadevi, Mumbai-400025; Tel No.: 022 - 71934200 / 71934263; www.motilaloswal.com.
Correspondence Address: Palm Spring Centre, 2nd Floor, Palm Court Complex, New Link Road, Malad (West), Mumbai- 400 064. Tel No: 022 71881000. Details of Compliance Officer: Neeraj Agarwal, Email Id: na@motilaloswal.com, Contact No.:022-40548085.

Grievance Redressal Cell:

Contact Person	Contact No.	Email ID
Ms. Hemangi Date	022 40548000 / 022 67490600	query@motilaloswal.com
Ms. Kumud Upadhyay	022 40548082	servicehead@motilaloswal.com
Mr. Ajay Menon	022 40548083	am@motilaloswal.com
Mr. Neeraj Agarwal	022 40548085	na@motilaloswal.com
Mr. Siddhartha Khemka	022 50362452	po.research@motilaloswal.com

Registration details of group entities.: Motilal Oswal Financial Services Ltd. (MOFSL): INZ000158836 (BSE/NSE/MCX/NCDEX); CDSL and NSDL: IN-DP-16-2015; Research Analyst: INH000000412, BSE enlistment no. 5028, AMFI registered Mutual Fund Distributor and SIF Distributor: ARN.: 146822. IRDA Corporate Agent – CA0579, APMI: APRN00233. Motilal Oswal Financial Services Ltd. is a distributor of Mutual Funds, PMS, Fixed Deposit, Insurance, Bond, NCDs and IPO products.

Customer having any query/feedback/ clarification may write to query@motilaloswal.com. In case of grievances for any of the services rendered by Motilal Oswal Financial Services Limited (MOFSL) write to grievances@motilaloswal.com, for DP to dpgrievances@motilaloswal.com.