

Bharat Dynamics

Estimate change	⬇️
TP change	⬇️
Rating change	↔️

Bloomberg	BDL IN
Equity Shares (m)	367
M.Cap.(INRb)/(USDb)	563.8 / 6.1
52-Week Range (INR)	2097 / 907
1, 6, 12 Rel. Per (%)	8/-/12
12M Avg Val (INR M)	3659

Financials Snapshot (INR b)(INR b)			
Y/E March	2026E	2027E	2028E
Sales	44.0	61.4	81.7
EBITDA	8.0	12.1	17.6
Adj. PAT	8.2	11.5	16.4
Adj. EPS (INR)	22.3	31.4	44.9
EPS Gr. (%)	48.5	41.1	42.8
BV/Sh.(INR)	125.6	150.1	186.9
Ratios			
RoE (%)	17.7	20.9	24.0
RoCE (%)	18.3	21.5	24.5
Payout (%)	27.1	22.1	17.8
Valuations			
P/E (x)	69.1	48.9	34.3
P/BV (x)	12.2	10.2	8.2
EV/EBITDA (x)	63.3	40.5	26.7
Div. Yield (%)	0.4	0.5	0.5

Shareholding pattern (%)			
As On	Dec-25	Sep-25	Dec-24
Promoter (%)	74.9	74.9	74.9
DII (%)	11.0	11.3	8.7
FII (%)	2.3	2.4	3.1
Others (%)	11.8	11.3	13.3

FII Includes depository receipts

CMP: INR1,538 TP: INR1,800 (+17%) Buy

Weak performance

Bharat Dynamics (BDL)'s 3QFY26 performance was weaker than our expectations. Execution was impacted due to delays in component integration from other vendors, while margin was hit by lower revenue and a higher share of bought-out components for Akash and Astra Mk-1. However, order inflows remained healthy for BDL during 9MFY26 at ~INR54b and the company is expecting additional INR40b-50b worth of orders in 4QFY26. Further, the near-to-medium-term prospects also remains strong. We believe that the higher share of bought-out components will continue to weigh on its overall margins. Hence, we cut our estimates by 21%/17%/14% for FY26/FY27/FY28. We thus expect a revenue/EBITDA/PAT CAGR of 35%/55%/44% over FY25-28 and arrive at a revised TP of INR1,800 (vs. INR2,000 earlier), based on 42x two-year forward earnings. Maintain BUY.

Weak set of results

BDL's results were weaker than our expectations, as some portion of revenue was front-ended in 2QFY26. Defense PSUs' quarterly performance is generally lumpy during the first three quarters. Revenue declined 32% YoY to INR5.7b in 3QFY26. Gross margin continued to remain impacted during the quarter, contracting 1,410bp YoY to 41.5% in 3QFY26. Absolute EBITDA declined 80% YoY to INR260m. Lower gross margin led to a dip in EBITDA margin to 4.6%. Slower execution and margin contraction led to PAT declining 50% YoY to INR729m. For 9MFY26, revenue/PAT increased 25%/11% YoY to INR19.6b/INR3.1b. However, EBITDA declined 3% YoY to INR1.7b, while margins contracted 250bp YoY to 8.6%. The company has assessed the financial impact of changes in labor law, which has resulted in an additional liability of ~INR45m.

Performance hit by higher bought-out components

BDL received orders worth INR54b during 3QFY26, primarily related to ATGMs and SAMs, taking the total order book to ~INR255b as of 31 Dec'25. During 3QFY26, revenues were impacted by delays in component integration from external vendors. Management indicated that approvals are being sought to enable booking of BDL's share of revenue, which could result in bunching of revenue in 4QFY26. Margins during the quarter were lower due to 1) subdued execution and 2) higher bought-out components for Astra Mk-1 and Akash ground support systems, which weighed on gross and EBITDA margins. Projects such as Konkur, ATGMs, and non-ground support elements of Astra and Akash carry relatively higher margins. Hence, the medium-term margin trajectory will remain dependent on the evolving project mix.

Defense sector tailwinds

Over the past one year, MoD has approved acquisition proposals worth INR3.8t, with INR1.8t worth of contracts already signed for the modernization of the Armed Forces. Of this, ~INR1.2t worth of contracts were signed in FY26, indicating ~80% of defense budget utilization as of Dec'25-end. Some notable AoNs where BDL is a potential beneficiary include QRSAM, IADWS, Ballistic Missile System, Long Range Air to Surface Supersonic Cruise Missile (LRASSCM), Astra Mk-II, ATGM NAG Mk-2, Advanced Lightweight Torpedo, and Processor-based Moored Mine – next generation (PBMM NG).

Successful user trials strengthen BDL's prospects

BDL has a strong order pipeline of ~INR500b for the next five years. The company is targeting ~INR200b worth of orders to come in within the next 18 months of which ~INR40b-50b is expected in 4QFY26. User evaluation trials for several systems where BDL can be a key participant have either been completed or are in the final stages. These include the Surface-to-Surface Missile 'Pralay', the Surface-to-Air Missile Akash NG, the Advanced Lightweight Torpedo, the Extended Range Anti-Submarine Rocket (ER-ASR), the Man Portable Anti-tank Guided Missile (MPATGM), the Very Short-Range Air Defence System (VSHORADS), the Vertical Launch Short Range Surface-to-Air Missile, the Long Range Land Attack Cruise Missile, the UAV Launched Precision Guided Missile (ULPGM)-V3, etc. Successful user trials enhance order visibility and reduce execution risk, supporting a stronger revenue ramp-up once contracts are awarded.

Capacity readiness for execution of future inflows

BDL's order book spans a diversified portfolio of weapon systems, including anti-tank, surface-to-air, and air-to-air missiles, Akash systems, torpedoes, and other platforms, providing execution visibility across multiple programs. BDL's current capacity utilization is ~60%, which indicates sufficient headroom to absorb any incremental orders without constraints. To support the medium-term growth, the company is in the process of commissioning two new manufacturing facilities at Jhansi and near Hyderabad by mid-FY27, while also evaluating additional land acquisition for longer-term expansion. Management has guided for a cumulative capex of ~INR25b-30b over the next three to five years, primarily towards infrastructure and capacity augmentation.

Financial outlook

We believe the share of Akash and Astra Mk-1 in overall execution will remain elevated over the next few months, which implies continued higher reliance on bought-out components. This is likely to exert pressure on overall EBITDA margins in the near to medium term. Accordingly, we have reduced our margin estimates and thus expect a revenue/EBITDA/PAT CAGR of 35%/55%/44% over FY25-28.

Valuation and view

The stock currently trades at 69.1x/48.9x/34.3x P/E on FY26/FY27/FY28 estimates. **We maintain our BUY rating on the stock with a revised TP to INR1,800 (INR2,000 earlier), based on 42x two-year forward earnings.**

Key risks and concerns

Key risks for the company include a decline or reprioritization of the Indian defense budget, termination of existing contracts or failure to succeed in tendering projects, changes in procurement rules and regulations of the MoD and the government, and supply-chain-related issues.

Standalone - Quarterly Snapshot

Income Statement	(INR m)								Var.			
	FY25				FY26E							
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4QE				
Y/E March									Var. Vs Est			
Net revenue	1,912	5,448	8,321	17,770	2,479	11,470	5,666	24,355	33,451	43,971	11,453	-51
Change (%)	-35.8	-11.5	38.3	108.0	29.7	110.6	-31.9	37.1	41.2	31.4	37.6	
Expenses	2,435	4,459	7,053	14,780	2,933	9,595	5,406	18,014	28,727	35,949	9,391	
EBITDA	-523	988	1,269	2,990	-454	1,875	260	6,341	4,724	8,022	2,062	-87
Change (%)	NA	-26.3	6.8	-5.5	NA	89.7	-79.5	112.1	-12.0	69.8	62.5	
As of % Sales	-27.4	18.1	15.2	16.8	-18.3	16.3	4.6	26.0	14.1	18.2	18.0	
Depreciation	157	177	177	197	177	191	193	216	707	776	195	-1
Interest	12	7	7	7	7	13	7	6	33	33	8	-17
Other Income	804	860	844	996	869	1,206	972	861	3,504	3,907	933	4
PBT	112	1,665	1,929	3,782	231	2,876	1,032	6,980	7,488	11,120	2,792	-63
Tax	40	439	458	1,054	48	717	303	1,889	1,991	2,957	726	
Effective Tax Rate (%)	35.8	26.4	23.7	27.9	20.7	24.9	29.3	27.1	26.6	26.6	26.0	
Extra-ordinary Items	0	0	0	0	0	0	0	0	0	0	0	
Reported PAT	72	1,225	1,471	2,728	183	2,159	729	5,091	5,496	8,163	2,066	-65
Adj PAT	72	1,225	1,471	2,728	183	2,159	729	5,091	5,496	8,163	2,066	-65
Change (%)	-82.7	-16.7	9.0	-5.5	154.3	76.2	-50.4	86.6	-10.3	48.5	40.4	
As of % Sales	3.8	22.5	17.7	15.4	7.4	18.8	12.9	20.9	16.4	18.6	18.0	

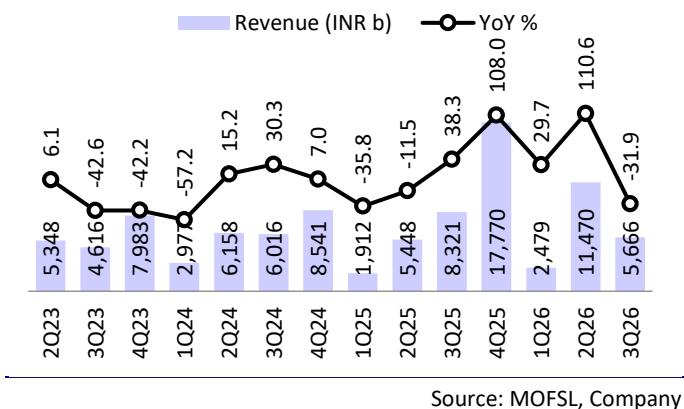
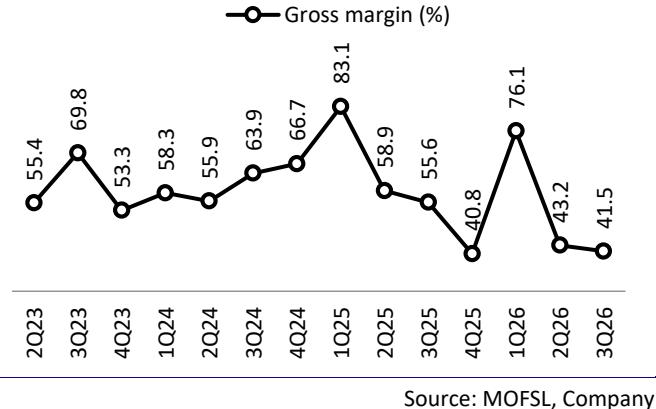
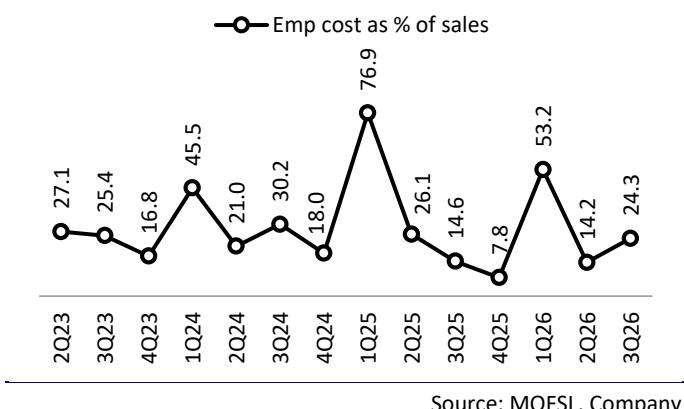
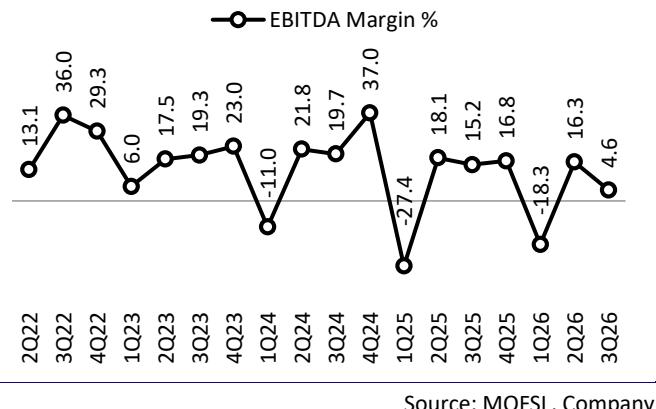
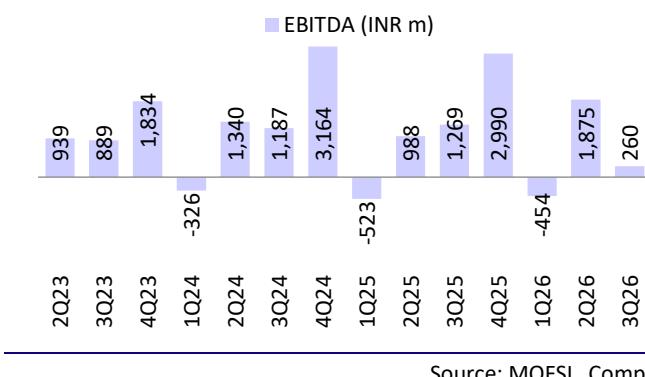
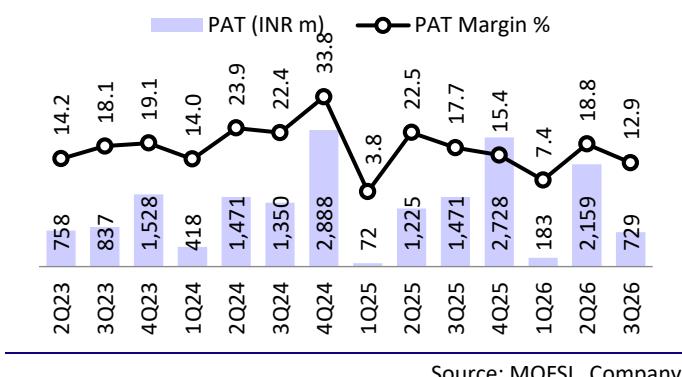
Key Exhibits
Exhibit 1: Revenue declined 32% YoY

Exhibit 2: Gross margin contracted in 3QFY26

Exhibit 3: Employee costs as % of sales increased YoY

Exhibit 4: EBITDA margin contracted during the quarter


Exhibit 5: EBITDA decreased 80% YoY


Source: MOFSL, Company

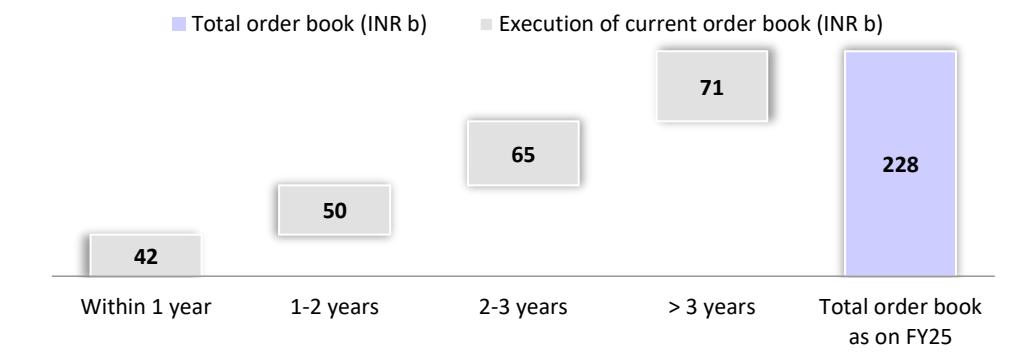
Exhibit 6: PAT declined 50% YoY


Source: MOFSL, Company

Exhibit 7: We expect an addressable market of ~INR500b for BDL over the next few years

Future programs expected	Category	Amount (INR b)	Expected year of order	Comments
In association with DRDO				
Base orders	Base orders	120	FY2026-29	❖ Run rate of INR30b every year for the next 3-4 years
MRSAM	surface-to-air	30	FY2024-25	❖ Order received in Jan'25
Astra Mk1	air-to-air	29		❖ Production clearance for 200 missiles to BDL has been given by the IAF
QRSAM	surface-to-air	113	FY2025-26	❖ Expected by 4QFY25 or 1QFY27
Akash NG SAM	surface-to-air		FY 2026-27	❖ User evaluation trials completed on 23 Dec'25
Long Range Land Attack Cruise Missile (LRLACM)	surface-to-surface	140	FY 2027-28	❖ Flight test done on 12th Nov'24. IAF/IA to procure missiles worth INR100b/40b once developed
VSHORAD	Very short-range air defense system	19	FY 2025-26	❖ In Jan'23, DAC gave the green light for the procurement of VSHORADS systems. Three consecutive flight trials done on 1 Feb'25
VLSRSAM	surface-to-air		FY 2026-27	❖ Testing done on 26th Mar'25
Dhruvastra/Helina ATGM	air-to-surface	43	FY 2025-26	
NAG ATGM	surface-to-air	18	FY 2025-26	
Torpedoes			FY2026-28	❖ In Mar'25, for the Navy, the DAC accorded AoN for the procurement of Varunastra Torpedoes (Combat), while the cost is not disclosed
Overall TAM		511		

Source: Company, Industry, MOFSL

Exhibit 8: Execution timeline of FY25 order book of INR228b (INR b)


Source: Company, MOFSL

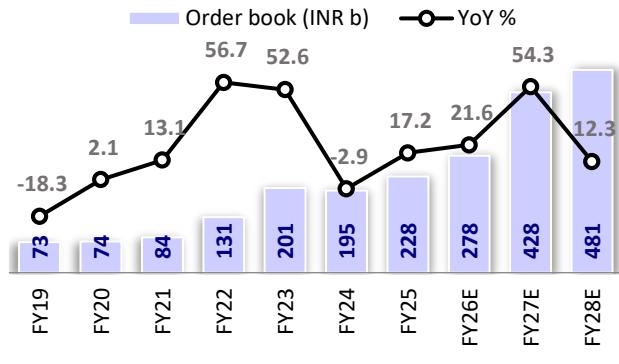
Exhibit 9: We cut our estimates to factor in lower margins

(INR m)	FY26E			FY27E			FY28E		
	Rev	Old	Chg (%)	Rev	Old	Chg (%)	Rev	Old	Chg (%)
Net Sales	43,971	45,812	-4.0	61,365	61,071	0.5	81,740	81,484	0.3
EBITDA	8,022	10,897	-26.4	12,120	15,079	-19.6	17,599	20,773	-15.3
EBITDA (%)	18.2	23.8	-560 bp	19.8	24.7	-490 bp	21.5	25.5	-400 bp
Adj. PAT	8,163	10,366	-21.3	11,517	13,884	-17.0	16,441	19,066	-13.8
EPS (INR)	22.3	28.3	-21.3	31.4	37.9	-17.0	44.9	52.0	-13.8

Source: MOFSL

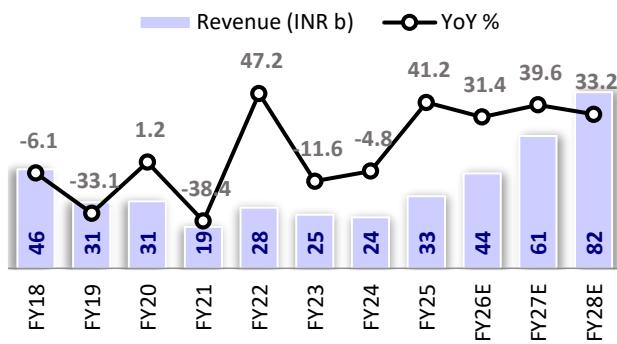
Financial outlook

Exhibit 10: We expect a CAGR of 28% in the order book over FY25-28E



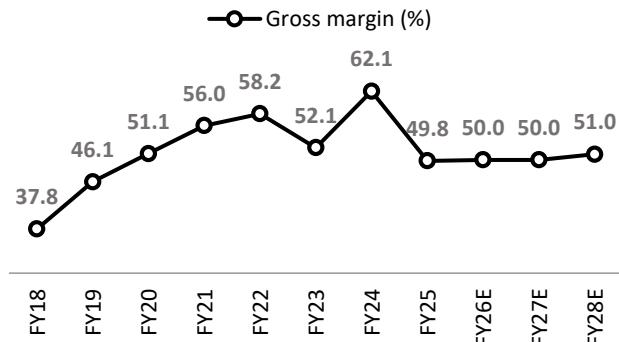
Source: Company, MOFSL

Exhibit 11: We expect revenue to clock a CAGR of 35% over FY25-28E



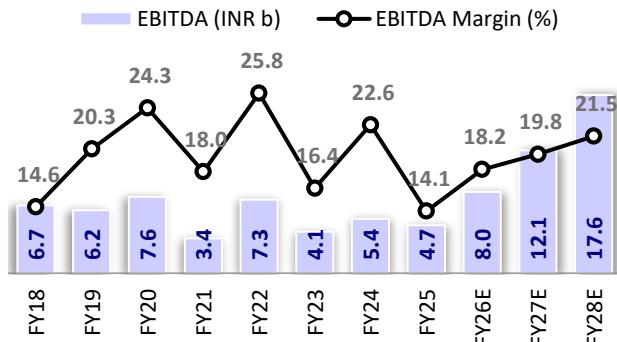
Source: Company, MOFSL

Exhibit 12: We expect a gross margin of around 50%



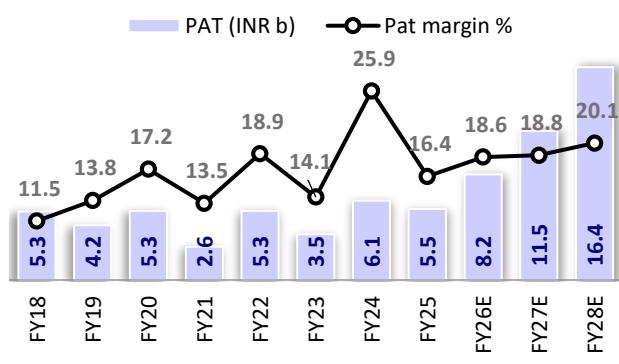
Source: Company, MOFSL

Exhibit 13: EBITDA margin is expected to be about 18-22%



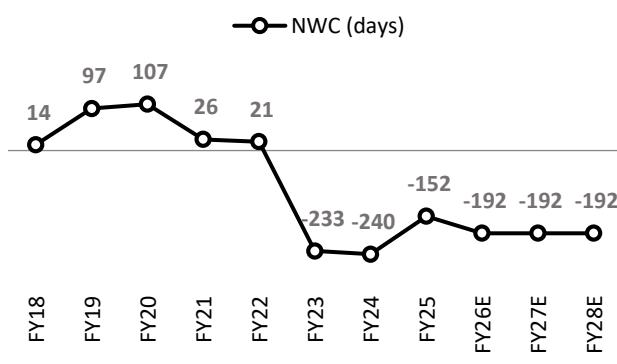
Source: Company, MOFSL

Exhibit 14: PAT to clock 44% CAGR over FY25-28E



Source: MOFSL, Company

Exhibit 15: NWC at comfortable levels



Source: MOFSL, Company

Exhibit 16: BDL's gross asset turnover is likely to improve due to improved execution

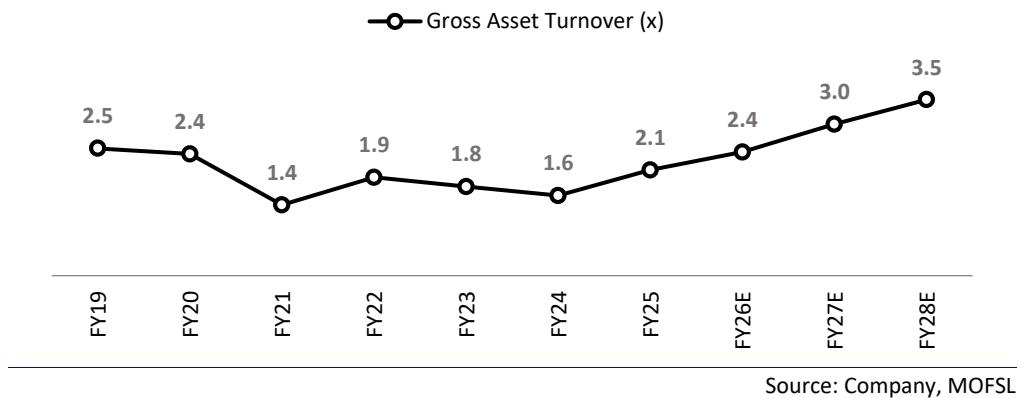


Exhibit 17: OCF and FCF to improve going forward

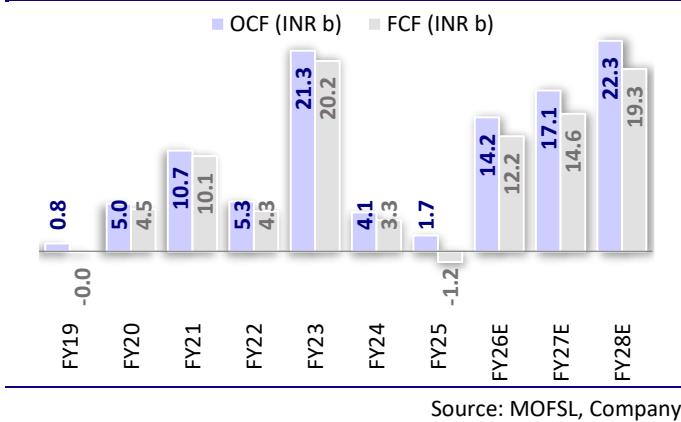
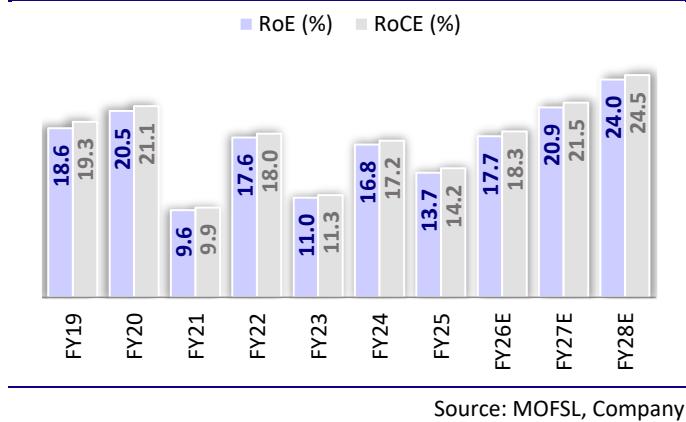


Exhibit 18: RoE and RoCE to remain comfortable at 17-24%



Financials and valuation

Income Statement (Standalone)									(INR m)
Y/E March	2020	2021	2022	2023	2024	2025	2026E	2027E	2028E
Net Sales	31,049	19,138	28,174	24,894	23,693	33,451	43,971	61,365	81,740
Change (%)	1.2	-38.4	47.2	-11.6	-4.8	41.2	31.4	39.6	33.2
Raw Materials	15,178	8,412	11,790	11,913	8,973	16,779	21,985	30,683	40,052
Staff Cost	5,340	5,011	5,707	5,325	6,000	5,488	5,935	7,665	9,900
Other Expenses	2,976	2,268	3,417	3,574	3,354	6,460	8,028	10,897	14,188
EBITDA	7,555	3,447	7,261	4,082	5,366	4,724	8,022	12,120	17,599
Margin %	24.3	18.0	25.8	16.4	22.6	14.1	18.2	19.8	21.5
Depreciation	964	945	904	773	670	707	776	879	1,005
Interest	47	39	34	45	31	33	33	33	33
Other Income	881	946	1,112	1,554	3,618	3,504	3,907	4,481	5,836
PBT	7,425	3,409	7,435	4,818	8,282	7,488	11,120	15,689	22,397
Tax	2,076	831	2,100	1,296	2,155	1,991	2,957	4,172	5,956
Tax Rate (%)	28.0	24.4	28.2	26.9	26.0	26.6	26.6	26.6	26.6
Extra-ordinary Inc.(net)	0	0	-336	0	0	0	0	0	0
Reported PAT	5,349	2,578	4,999	3,522	6,127	5,496	8,163	11,517	16,441
Change (%)	26.6	-51.8	93.9	-29.6	74.0	-10.3	48.5	41.1	42.8
Adjusted PAT	5,349	2,578	5,335	3,522	6,127	5,496	8,163	11,517	16,441
Change (%)	26.6	-51.8	107.0	-34.0	74.0	-10.3	48.5	41.1	42.8
Margin %	17.2	13.5	18.9	14.1	25.9	16.4	18.6	18.8	20.1

Balance Sheet (Standalone)									(INR m)
Y/E March	2020	2021	2022	2023	2024	2025	2026E	2027E	2028E
Share Capital	1,833	1,833	1,833	1,833	1,833	1,833	1,833	1,833	1,833
Reserves	24,235	25,015	28,473	30,282	34,535	38,257	44,203	53,172	66,683
Net Worth	26,068	26,847	30,306	32,115	36,368	40,090	46,036	55,005	68,515
Loans	22	0	0	0	0	0	0	0	0
Deferred Tax Liability	-542	-477	-571	-564	-707	-1,227	-1,227	-1,227	-1,227
Capital Employed	25,547	26,370	29,735	31,551	35,661	38,862	44,809	53,777	67,288
Gross Fixed Assets	12,914	13,685	14,511	14,157	14,965	16,007	18,007	20,507	23,507
Less: Depreciation	3,590	4,535	5,772	6,071	6,729	7,436	8,212	9,092	10,096
Net Fixed Assets	9,324	9,150	8,738	8,085	8,236	8,571	9,794	11,415	13,411
Capital WIP	421	215	407	743	729	2,303	2,303	2,303	2,303
Investments	39	45	0	0	0	39	39	39	39
Curr. Assets	46,527	49,730	55,922	77,331	93,728	1,05,284	1,34,433	1,82,037	2,40,705
Inventory	8,565	13,970	16,545	18,224	19,825	26,451	30,117	42,031	55,986
Debtors	3,384	3,227	3,042	1,846	3,104	8,264	10,862	15,160	20,193
Cash & Bank Balance	6,635	15,610	18,995	38,589	42,285	41,904	55,773	72,259	94,478
Loans & Advances	54	45	39	38	37	57	75	104	139
Other Current Assets	27,889	16,879	17,302	18,635	28,477	28,609	37,607	52,484	69,910
Current Liab. & Prov.	30,763	32,770	35,333	54,609	67,032	77,335	1,01,761	1,42,018	1,89,170
Creditors	3,455	7,426	5,525	4,644	7,984	15,056	19,791	27,620	36,790
Other Liabilities	24,042	22,754	26,269	46,445	55,045	57,199	75,292	1,05,077	1,39,965
Provisions	3,265	2,590	3,540	3,521	4,003	5,081	6,679	9,321	12,415
Net Current Assets	15,764	16,960	20,589	22,722	26,696	27,949	32,672	40,020	51,535
Application of Funds	25,547	26,370	29,735	31,551	35,661	38,862	44,809	53,777	67,288

Financials and valuation

Ratios

Y/E March	2020	2021	2022	2023	2024	2025	2026E	2027E	2028E
Basic (INR)	14.6	7.0	13.6	9.6	16.7	15.0	22.3	31.4	44.9
Adjusted EPS	14.6	7.0	14.6	9.6	16.7	15.0	22.3	31.4	44.9
Growth (%)	26.6	-51.8	107.0	-34.0	74.0	-10.3	48.5	41.1	42.8
Cash EPS	17.2	9.6	17.0	11.7	18.5	16.9	24.4	33.8	47.6
Book Value	71.1	73.2	82.7	87.6	99.2	109.4	125.6	150.1	186.9
DPS	4.2	4.6	4.0	4.6	4.0	5.9	6.0	7.0	8.0
Payout (incl. Div. Tax.)	34.9	65.6	27.2	47.4	23.7	39.4	27.1	22.1	17.8
Valuation (x)									
P/Sales	18.2	29.5	20.0	22.6	23.8	16.8	12.8	9.2	6.9
P/E (standalone)	105.4	218.7	105.6	160.0	92.0	102.5	69.1	48.9	34.3
Cash P/E	89.3	160.0	90.3	131.2	82.9	90.9	63.1	45.5	32.3
EV/EBITDA	73.7	159.0	75.0	128.6	97.2	110.4	63.3	40.5	26.7
EV/Sales	17.9	28.6	19.3	21.1	22.0	15.6	11.5	8.0	5.7
Price/Book Value	21.6	21.0	18.6	17.6	15.5	14.1	12.2	10.2	8.2
Dividend Yield (%)	0.3	0.3	0.3	0.3	0.3	0.4	0.4	0.5	0.5
Profitability Ratios (%)									
RoE	20.5	9.6	17.6	11.0	16.8	13.7	17.7	20.9	24.0
RoCE	21.1	9.9	18.0	11.3	17.2	14.2	18.3	21.5	24.5
RoIC	25.2	17.7	42.5	-34.4	-52.4	-95.7	-48.3	-44.6	-44.7
Turnover Ratios									
Debtors (Days)	40	62	39	27	48	90	90	90	90
Inventory (Days)	101	266	214	267	305	289	250	250	250
Creditors. (Days)	41	142	72	68	123	164	164	164	164
Asset Turnover (x)	1.2	0.7	0.9	0.8	0.7	0.9	1.0	1.1	1.2
Gross Asset Turnover (x)	2.4	1.4	1.9	1.8	1.6	2.1	2.4	3.0	3.5
Leverage Ratio									
Net Debt/Equity (x)	-0.3	-0.6	-0.6	-1.2	-1.2	-1.0	-1.2	-1.3	-1.4

Cash Flow Statement (Standalone) (INR m)									
Y/E March	2020	2021	2022	2023	2024	2025	2026E	2027E	2028E
PBT before EO Items	7,425	3,409	7,435	4,818	8,282	7,488	11,120	15,689	22,397
Add : Depreciation	964	945	904	773	670	707	776	879	1,005
Interest	47	39	34	45	31	33	33	33	33
Less : Direct Taxes Paid	1,736	778	2,034	2,181	1,560	2,031	2,957	4,172	5,956
(Inc)/Dec in WC	1,096	-7,756	983	-18,915	274	3,701	-9,146	-9,139	-10,704
Others	-560	-691	-59	-1,068	-3,033	-821	-3,907	-4,481	-5,836
CF from Operations	5,042	10,680	5,297	21,303	4,117	1,674	14,211	17,086	22,347
(Inc)/Dec in FA	-569	-565	-1,020	-1,081	-807	-2,827	-2,000	-2,500	-3,000
Free Cash Flow	4,473	10,115	4,276	20,222	3,310	-1,153	12,211	14,586	19,347
(Pur)/Sale of Investments	-117	-7,380	-5,305	-11,715	-8,287	-4,258	0	0	0
Others	354	608	595	1,085	1,870	3,014	3,907	4,481	5,836
CF from Investments	-332	-7,338	-5,730	-11,710	-7,224	-4,071	1,907	1,981	2,836
(Inc)/Dec in Net Worth	0	-11	-12	-13	-15	-16	0	0	0
(Inc)/Dec in Debt	0	0	0	0	0	0	0	0	0
Less : Interest Paid	33	25	20	31	17	19	33	33	33
Dividend Paid	1,867	1,691	1,453	1,669	1,452	2,167	2,216	2,548	2,930
Others	-9	0	0	0	0	0	0	0	0
CF from Fin. Activity	-1,909	-1,726	-1,485	-1,714	-1,484	-2,202	-2,249	-2,581	-2,964
Inc/Dec of Cash	2,802	1,616	-1,919	7,878	-4,590	-4,600	13,869	16,486	22,219
Add: Beginning Balance	3,833	13,994	20,914	30,710	46,875	46,504	41,904	55,773	72,259
Closing Balance	6,635	15,610	18,995	38,589	42,285	41,904	55,773	72,259	94,478

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%
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 be 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. 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 (erstwhile Motilal Oswal Securities Limited - MOSL) 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. Details of associate entities of Motilal Oswal Financial Services Limited are available on the website at <http://onlinereports.motilaloswal.com/Domestic/documents/List%20of%20Associate%20Companies.pdf>

MOFSL and its associate company(ies), their directors and Research Analyst and their relatives may: (a) from time to time, have 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.

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. Compensation of Research Analysts is not based on any specific merchant banking, investment banking or brokerage service transactions. Details of pending Enquiry Proceedings of Motilal Oswal Financial Services Limited are available on the website at <https://galaxy.motilaloswal.com/ResearchAnalyst/PublishViewLitigation.aspx>

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. Proprietary trading desk of MOFSL or its associates maintains arm's length distance with Research Team as all the activities are segregated from MOFSL research activity and therefore it can have an independent view with regards to Subject Company for which Research Team have expressed their 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 Securities (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

Specific Disclosures

1. Research Analyst and/or his/her relatives do not have a financial interest in the subject company(ies), as they do not have equity holdings in the subject company(ies).
MOFSL has financial interest in the subject company(ies) at the end of the week immediately preceding the date of publication of the Research Report: No.
Nature of Financial interest is holding equity shares or derivatives of the subject company
2. Research Analyst and/or his/her relatives do not have actual/beneficial ownership of 1% or more securities in the subject company(ies) at the end of the month immediately preceding the date of publication of Research Report: No
MOFSL has actual/beneficial ownership of 1% or more securities of the subject company(ies) at the end of the month immediately preceding the date of publication of Research Report: No
3. Research Analyst and/or his/her relatives have not received compensation/other benefits from the subject company(ies) in the past 12 months.
MOFSL may have received compensation from the subject company(ies) in the past 12 months.
4. Research Analyst and/or his/her relatives do not have material conflict of interest in the subject company at the time of publication of research report.
MOFSL does not have material conflict of interest in the subject company at the time of publication of research report.
5. Research Analyst has not served as an officer, director or employee of subject company(ies).
6. MOFSL has not acted as a manager or co-manager of public offering of securities of the subject company in past 12 months.
7. MOFSL has not received compensation for investment banking /merchant banking/brokerage services from the subject company(ies) in the past 12 months.
8. MOFSL may have received any compensation for products or services other than investment banking or merchant banking or brokerage services from the subject company(ies) in the past 12 months.
9. MOFSL may have received compensation or other benefits from the subject company(ies) or third party in connection with the research report.
10. MOFSL has not engaged in market making activity for the subject company.

The associates of MOFSL may have:

- financial interest in the subject company
- 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.

- received compensation/other benefits from the subject company in the past 12 months
- 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.
- acted as a manager or co-manager of public offering of securities of the subject company in past 12 months
- 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)
- received compensation from the subject company in the past 12 months for investment banking / merchant banking / brokerage services or from other than said services.
- Served subject company as its clients during twelve months preceding the date of distribution of the research report.

The associates of MOFSL has not received any compensation or other benefits from third party in connection with 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.

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.

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.

Disclaimer:

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 products 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 alterations 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, nor 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 profit 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 market are subject to market risks. Read all the related documents carefully before investing.

Registration granted by SEBI 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	lam@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 . AMFI: ARN : 146822. IRDA Corporate Agent – CA0579. 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 dpgrivances@motilaloswal.com.