CNX Nifty: 24,625

ICICI Securities

ICICI Securities Limited is the author and distributor of this report

06 August 2026

India | Equity Research | Sector Update

# Defence

## INR 520bn AoN approved; ordering cycle expected to pick up

July'26 – key developments: 1) DAC has cleared procurement proposals worth INR 520bn. 2) India's defence exports have surged to USD 20.5bn in FY26. 3) India's private defence sector accounts for ~23% of total production. 4) GE has delivered the seventh F404 engine to HAL. 5) HAL has issued a new tender to outsource Tejas Mk1A substructures. 6) HAL and Safran have an agreement for the manufacturing of alloy turbine ring forgings for LEAP engines. 7) BEL has received a cumulative orders worth ~INR 14bn. 8) India and Indonesia have undertaken an agreement for various defence deals including BrahMos and Astra MK1. 9) ASTM has received orders for Uttam radar components from HAL. 10) Indian Navy has commissioned INS Nipun and INS Malvan. We maintain **BUY** on Solar and HAL.

## July'26: Key developments

- India's private defence sector has captured ~23% of India's total defence production. (Link)
- HAL has signed ToT agreement with Research Centre Imarat, Hyderabad, for the manufacturing of servo valves, a step towards indigenisation. (Link)
- Merlin Hawk Aerospace, in partnership with Italy's Viva Composites, has inaugurated Merlin Hawk Composites and Engineering Private Limited in the Tamil Nadu Defence Industrial Corridor. (Link)
- Paras Defence has signed an agreement with US-based Tandem Defence to locally manufacture Guardian 1 interceptors in India. (Link)
- Rolls-Royce has announced plans to increase its sourcing from India to USD 1bn within the next five years. (Link)
- India and Japan have formalised an agreement to co-develop and co-produce the advanced Unicorn mast for Indian Navy warships. (Link)
- Hughes Precision has announced that it is expanding its ammunition manufacturing capacity from 80mn to 220mn rounds per year. (Link)
- HAL has issued a new tender to outsource Tejas Mk 1A substructures for accelerating production. (Link)
- Indian Army has approved +INR 750bn five-year restoration and modernisation orders for its T-72, T-90 tanks, as well as BMP-2 and armoured recovery vehicles. (Link)
- Garuda Aerospace has signed an MoU with Micron Instruments to jointly develop and manufacture indigenous loitering munitions, UAVs, and EW resistant unmanned systems. (Link)
- GE has delivered the seventh F404 engine to HAL for Tejas Mk1A. (Link)
- India and Indonesia have signed a major defence contract for the BrahMos supersonic cruise missile system. (Link)
- Indonesia has also agreed to procure 150 nos. Astra Mk1 missiles for its Su-30 fighter jets from India. (Link)

**Vikash Singh**
singh.vikash@icicisecurities.com
+91 22 6807 7289
**Pritish Urumkar**
Pritish.urumkar@icicisecurities.com
**Jyoti Singh**
jyoti.singh@icicisecurities.com

**Hindustan Aeronautics (BUY)**

**Solar Industries (BUY)**

**Bharat Electronics (ADD)**

**Astra Microwave (BUY)**

**MIDHANI (BUY)**

**Azad Engineering (ADD)**

**Bharat Dynamics (ADD)**

**Zen Technologies (HOLD)**

**Dynamatic Technologies (SELL)**

## July'26: Key developments (cont.)

- Indonesia has announced an air-to-air missile cooperation involving BDL and Indonesia's Republikorp. (Link)
- Indian Navy has issued an RFI for tactical multi-copter surveillance drones for base surveillance and security at naval establishments. (Link)
- Vector Technics (subsidiary of Zen Technologies) has expanded its manufacturing capacity to 300,000nos. drone propulsion annually. (Link)
- Indian Navy has commissioned INS Mahendragiri, the sixth P17A stealth guided missile frigate. (Link)
- Lockheed Martin has delivered the 22nd MH-60R Seahawk multi-role naval helicopter to the Indian Navy. (Link)
- Lockheed Martin has recently delivered the Indian Navy's 22nd MH-60R Seahawk helicopter at Kochi out of 24nos. order. (Link)
- India's defence exports have surged to USD 20.5bn in FY26, up from just USD 4.5bn in FY14. (Link)
- HAL and Safran Aircraft Engines have signed a multi-year agreement to manufacture and supply superalloy turbine ring forgings for LEAP engines in Bengaluru. (Link)
- MoD has issued an RFI to procure 10 nos. medium-altitude long-endurance drones for the Indian Coast Guard's Aviation Wing worth ~INR 20bn. (Link)
- Indian Navy has commissioned INS Malvan anti-submarine warfare shallow water craft built by Cochin Shipyard Ltd. (Link)
- Raghu Vamsi Aerospace to invest INR 6bn to establish a 50-acre integrated superalloy manufacturing facility in Telangana for jet engines, gas turbines, and missiles. (Link)
- DRDO's Defence Metallurgical Research Laboratory has transferred three advanced steel manufacturing technologies to SAIL for indigenous production of specialised materials used in warships and submarines. (Link)
- Goodluck Defence has secured a Directorate General of Quality Assurance certificate from the Ministry of Defence for the production of 155 mm M-107 ready-to-fill artillery shells. (Link)
- Cochin Shipyard Ltd has launched the seventh of eight Mahe-class anti-submarine warfare shallow watercraft for the Indian Navy. (Link)
- Hindustan Shipyard Ltd has delivered INS Nipun, the second and final diving support vessel to the Indian Navy. (Link)

## July'26: Orders/AoNs

- Lekha Wireless Solutions has secured an Indian Navy contract to supply long-range communication system, for naval helicopters. (Link)
- DAC has approved capital acquisition proposals worth INR 520bn. (Link)
- DAC has cleared procurement of MR-SAM systems to strengthen the Indian Army's air defence. (Link)
- Tata Advanced Systems Ltd has emerged as the lowest bidder in the Army's INR 16bn fast-track procurement of 850 nos. loitering munitions designed to strike enemy artillery positions deep across the border. (Link)
- Dvipa Defence has secured a Ministry of Home Affairs contract to supply 200 nos. Ugram U51 rifles for induction into the Central Armed Police Forces. (Link)
- Indian government has sanctioned INR 1.5bn to IdeaForge Technology for Project Yeti, an indigenous heavy-lift long-range autonomous logistics drone. (Link)
- Lokesh Machines has secured INR 580mn contract from the Indian Army to supply modification kits for FN MAG 7.62 × 51 mm general-purpose machine guns. (Link)
- PTC Industries has secured a two-year contract from BrahMos Aerospace to develop, integrate, and supply mission-critical metallic airframe assembly for the BrahMos supersonic cruise missile. (Link)
- MoD has signed INR 4.25bn contract with Bharat Forge Ltd to supply 12 indigenous 1.25 MW marine gas turbine generators for the Indian Navy's Kolkata-class destroyers. (Link)
- Data Patterns has emerged as the L1 bidder for contract worth INR 13bn from HAL to supply buffer amplifier and built-in test equipment modules for military aircraft. (Link)
- Merlin Hawk Aerospace has signed an agreement with Boeing India Defence to provide MRO and life-cycle support for advanced electro-optical systems of P-8I maritime patrol aircraft. (Link)
- BEL has secured a contract worth ~INR 5.7bn for supply of avionics, encryptors, tank sub systems, EVM, batteries etc. (Link)
- Apollo Micro Systems has received a Make-II prototype sanction order from the Indian Navy to develop semi-submersible autonomous vessels. (Link)
- PTC Industries has received design and development order from the DRDO to develop a titanium cradle for the 105 mm Zorawar light tank. (Link)
- Zen Technologies has secured a INR 1.8bn MoD contract to upgrade the Indian Army's tank simulators. (Link)
- Sigma Advanced Systems has secured INR 1bn export order for manufacture and supply of 147,000units of 155mm artillery shell bodies. (Link)
- HAL has placed an order worth INR 22bn with Astra Microwave (ASTM) for 122 active antenna array units and 121 interface frames for the indigenous Uttam radar for the Tejas Mk1A. (Link)
- BEL has secured a contract worth ~INR 8.5bn for supply of electro optics, security operation Centre, seekers etc. (Link)

## Outlook

We maintain our structurally positive stance on the Indian defence sector. Government policies remain firmly supportive, evidenced by the MoD's INR 3trn annual capital outlay target by CY29. This support implies a sustained double-digit CAGR in defence capex; further, with the recent Defence Procurement Manual 2025, acquisition timelines are expected to be significantly compressed. Given that DAC approvals were at an all-time high in FY26 and continued in Q1FY27 (INR 520bn AoN approved), we expect the order awarding momentum to pick up in FY27/28, especially in aerospace, missiles, electronic warfare and drone defence/offence side as the fabric of warfare has changed in the past couple of years. Navy may receive the long-awaited INR 700bn submarine orders soon. The geopolitical backdrop continues to provide a structural tailwind, as the conflict in the Middle East has reinforced defence budget urgency across GCCs. Indian OEMs with established export track records or MoUs are likely to benefit disproportionality, especially in the areas of missiles, drones, aerospace, defence electronics and radars.

**Preferred stocks**: HAL and Solar each rated **BUY**.

### Exhibit 1: Defence valuation snapshot

| | CMP (INR) | Rating | Adj EPS (INR) | | PER (x) | | EV/EBITDA (x) | | P/BV (x) | | RoE (%) | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | FY27E | FY28E | FY27E | FY28E | FY27E | FY28E | FY27E | FY28E | FY27E | FY28E |
| **PSUs** | | | | | | | | | | | | |
| Bharat Dynamics | 1,240 | ADD | 24.8 | 34.0 | 49.9 | 36.4 | 53.7 | 37.0 | 8.8 | 7.1 | 19.4 | 21.6 |
| Bharat Electronics | 390 | ADD | 9.7 | 11.4 | 40.1 | 34.0 | 29.6 | 25.1 | 9.2 | 7.2 | 25.8 | 23.7 |
| Hindustan Aeronautics | 4,645 | BUY | 135.4 | 150.7 | 34.1 | 30.7 | 27.3 | 22.7 | 6.7 | 6.0 | 20.8 | 20.6 |
| MIDHANI | 416 | BUY | 10.4 | 13.6 | 39.9 | 30.5 | 24.6 | 19.9 | 4.5 | 3.9 | 12.0 | 13.8 |
| **Private** | | | | | | | | | | | | |
| Astra Microwave | 1,809 | BUY | 23.2 | 34.7 | 75.3 | 50.7 | 45.2 | 32.4 | 11.1 | 9.1 | 14.3 | 17.5 |
| Azad Engineering | 2,229 | ADD | 26.9 | 38.3 | 83.0 | 58.1 | 50.9 | 37.3 | 8.5 | 7.4 | 10.7 | 13.6 |
| Dynamatic Technologies | 10,993 | SELL | 133.6 | 187.6 | 82.3 | 58.6 | 33.1 | 26.1 | 8.5 | 7.5 | 10.9 | 13.6 |
| Solar Industries | 18,400 | BUY | 287.6 | 374.6 | 64.0 | 49.1 | 29.1 | 22.5 | 19.0 | 13.7 | 34.6 | 32.4 |
| Zen Technologies | 1,675 | HOLD | 38.5 | 47.8 | 46.5 | 36.8 | 35.2 | 27.4 | 6.6 | 5.5 | 15.3 | 16.3 |

Source: I-Sec research

### Exhibit 2: Potential order inflow (OI)

| Company | Potential orders |
|---|---|
| Astra Microwave | Order pipeline/opportunity: 1) QR-SAM (Radar); 2) Man-Portable SDRs; 3) Uttam AESA Radar; 4) Su-30 Mk1 EW Suite; 5) Virupaksha AESA Radar; and 6) Astra-Rafael ComSys (SDRs & EW suites) |
| Bharat Dynamics | Order pipeline/opportunity: 1) ATGMs; 2) SAMs; 3) underwater weapons; and 4) some export orders. |
| Bharat Electronics | Order pipeline/opportunity: 1) QR-SAM; 2) NG Corvettes programme; 3) EW suite for LCA; 4) spares for LRSAM, Atulya Radar, Shakti, GBMEF, ADFCR and others; 5) Project Kusha; and 6) export orders from Re-Arm EU. |
| Hindustan Aeronautics | Order pipeline/opportunity: 1) 145 – LUH; 2) Su-30 upgrade order worth INR 620bn; 3) 40 – Do228 upgrades; 4) RD33 engine; and 5) RoH orders worth INR 200bn. |
| Solar Industries | Order pipeline/opportunity: 1) Nagastra; 2) Bhargavastra; 3) additional order of Pinaka; 4) export orders; and 5) industrial explosive orders from Coal India and subsidiaries. |
| Zen Technologies | Order pipeline/opportunity: 1) Naval Simulators. 2) An additional order for military training simulators. 3) Likely to get some ADS orders. |
| MDSL | Order pipeline/opportunity: 1) Six submarines P 75 (I); 2) extension of P75 order for three additional submarines; 3) next-gen destroyers (four for MDSL); and 4) eight next-gen frigates. Besides, there may be a steady inflow of MRLC orders. |
| GRSE | Order pipeline/opportunity: 1) Coastal research vessel; 2) NG Corvette (already declared as L-1 for five ships); 3) NG survey vessels large; 4) NG fast patrol vessels; 5) NG ocean going patrol vessels; 6) multi-purpose vessels; 7) fast interceptor vessels; 8) water jet FAC; 9) P17B; 10) mine counter measure vessels; 11) LPD; and 12) NG destroyer. |

Source: Company data, I-Sec research

## Exhibit 3: AoNs cleared by MoD in CY26

| Date | | DAC clearance for procurement | Worth (INR bn) |
|---|---|---|---|
| Jul'26 | i) | Anti-Unmanned Aerial Vehicles (UAV) | 520 |
| | ii) | Electronic Warfare System – Akash Tarang | |
| | iii) | Man Portable Anti-Tank Guided Missile (MPATGM) | |
| | iv) | Medium Range Surface-to-Air Missile (MRSAM) Weapon System | |
| | v) | Runway Independent Aerial Surveillance System | |
| | vi) | Very Short-Range Air Defence System (V-SHORADS) | |
| | vii) | Active Protection System for Tanks | |
| | viii) | Jet Based Kamikaze Drone System | |
| | ix) | Multi Influence Ground Mine (MIGM) | |
| | x) | Naval Shipborne Unmanned Aerial System (NSUA | |
| | xi) | Land Based Testing Facility (LBTF) for Electric Propulsion System | |
| | xii) | Fixed-Wing Based High Altitude Pseudo Satellite (FW-HAPS) | |
| | | | |
| Mar'26 | ix) | Overhaul of Su-30 Aero engines | 2,380 |
| | x) | Heavy Duty Air Cushion vehicles | |
| | iii) | High-capacity Radio Relay | |
| | iv) | Dhanush Gun System | |
| | v) | Runway Independent Aerial Surveillance System | |
| | vi) | Medium Transport Aircraft | |
| | vii) | S-400 LR SAM | |
| | viii) | Remotely Piloted Strike Aircraft | |
| | ix) | Overhaul of Su-30 Aero engines | |
| | x) | Heavy Duty Air Cushion vehicles | |
| | | | |
| Feb'26 | i) | Multi Role Fighter Aircraft (MRFA) - Rafale | 3,600 |
| | ii) | Combat Missiles | |
| | iii) | Air-ship based High Altitude Pseudo Satellite (AS-HAPS) | |
| | iv) | Anti-Tank Mines (Vibhav) | |
| | v) | Overhaul of Armoured Recovery Vehicles (ARVs), T-72 Tanks & Infantry Combat Vehicles (BMP-2) | |
| | vi) | Marine Gas Turbine (4MW) based Electric Power Generator | |
| | vii) | Infantry Combat Vehicles (BMP-2) | |
| | viii) | P8I Long Range Maritime Reconnaissance Aircraft | |
| | ix) | Electro-Optical/Infra-Red system for Dornier aircraft | |

Source: I-Sec research

## Exhibit 4: Orders by MoD in FY27-YTD

| Date | Order | Awarded to | Worth (INR mn) |
|---|---|---|---|
| 19-Jun-26 | Marine Gas Turbine Generators for Indian Navy | Bharat Forge | 4,250 |
| 10-Jun-26 | Enhanced Capability Global Navigation Satellite System (ECGNSS) Jammers | Accord | 4,490 |
| 5-May-26 | Ground-based mobile electronic system - 5units | Bharat Electronics | 14,760 |
| 21-Apr-26 | TRAWL Assembly for T-72/T-90 Tanks | Bharat Earth Movers | 9,750 |
| 31-Mar-26 | Mountain Radar - 2 units | Bharat Electronics | 19,500 |
| 27-Mar-26 | MRO from P8I Long-Range Maritime Reconnaissance Aircraft | Boeing | 4,130 |
| 27-Mar-26 | Tunguska Air Defence Missile System | JSC Rosoboronexport | 4,450 |
| 3-Mar-26 | Shtil Missiles - SAM vertical launch | JSC Rosoboronexport | 21,820 |
| 3-Mar-26 | ALH Mk2 - 6 units | Hindustan Aeronautics | 29,010 |

Source: I-Sec research

## Exhibit 5: OI for Astra Microwave in FY27-YTD

| Date | Order | Worth (INR mn) |
|---|---|---|
| 30-Jul-26 | 122 AAAU and 121 Interface Frames for the Uttam Radar | 22,052 |

Source: I-Sec research

## Exhibit 6: OI for PTCIL in FY27-YTD

| Date | Order | Worth (INR mn) |
|---|---|---|
| 24-Jul-26 | Development order for Artillery Gun Components | |

Source: I-Sec research, Company data

### Exhibit 7: OI for Azad Engineering in FY27-YTD

| Date | Order | Worth (INR mn) |
|---|---|---|
| 23-Apr-26 | Supply of turbo-machinery of power generator for Baker Hughes | - |
| 26-Mar-26 | Supply of nozzle vanes of gas turbines for Mitsubishi | |

Source: I-Sec research, Company data

### Exhibit 8: OI for BDL in CY26

| Date | Order | Worth (INR mn) |
|---|---|---|
| 24-Jun-26 | Helina launchers and CMDS LRUs | 13,477 |
| 30-Jan-26 | Supply of Defence Products for International clients | 8,300 |
| 30-Jan-26 | Supply of Defence Products for International clients | 5,890 |

Source: I-Sec research, Company data

### Exhibit 9: OI for BEL in the CY26

| Date | Order | Worth (INR mn) |
|---|---|---|
| 31-Jul-26 | Supply of electro optics, security operation Centre, seekers etc. | 8,470 |
| 13-Jul-26 | Supply of avionics, encryptors, tank sub systems, EVM, batteries etc. | 5,720 |
| 22-Jun-26 | Supply of comms equipment, radars, CBRN protection system etc | 10,810 |
| 25-May-26 | Supply of coastal surveillance radar system, tank sub systems, laser-based fuses, etc | 6,080 |
| 5-May-26 | Ground Based Mobile ELINT System (GBMES) to Indian Army | 14,760 |
| 22-Apr-26 | Supply of avionics, EW system, high energy laser, etc | 5,690 |
| 31-Mar-26 | Avionics package for LCA | 67,950 |
| 30-Mar-26 | Supply of satellite comms. network, EW Suite, EVM, avionics etc | 16,600 |
| 17-Mar-26 | Supply of radar warning and jamming system; fire control sys; warning sys. for fighter jets etc. | 10,110 |
| 25-Feb-26 | Supply of TR modules, communication equipment, encryptors, Radars Etc. | 7,330 |
| 6-Feb-26 | Supply of Radar warning receivers, Tank sub-sys., Radar, Software solutions, Comms. Etc. | 5,810 |
| 23-Jan-26 | Supply of comms, medical electronics, thermal imagers, jammers etc. | 6,100 |
| 8-Jan-26 | Supply of drone detection and jamming system, mobile communication terminal etc. | 5,960 |
| 1-Jan-16 | Supply of comms., medical electronics, instant fire detection & suppression sys. | 5,690 |

Source: I-Sec research

### Exhibit 10: OI for HAL in CY26

| Date | Order | Worth (INR mn) |
|---|---|---|
| 3-Mar-26 | ALH MK2 - 6units | 29,010 |
| 12-Feb-26 | Do-288 - 8unitrs | 23,120 |

Source: I-Sec research, Company data

### Exhibit 11: OI for SOIL in CY26

| Date | Order | Worth (INR mn) |
|---|---|---|
| 29-May-26 | Supply of Defence Products for International clients | 10,760 |
| 30-Jan-26 | Supply of defence products for international clients | 5,890 |
| 30-Jan-26 | Supply of defence products for international clients | 8,300 |

Source: I-Sec research, Company data

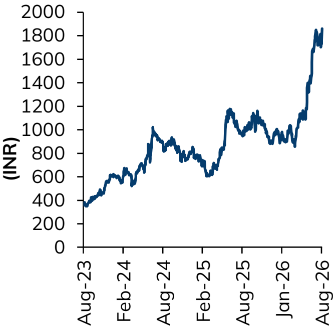
### Exhibit 12: OI for Zen in CY26

| Date | Order | Worth (INR mn) |
|---|---|---|
| 21-Jul-26 | Upgradation and integration of Tank and Crew Gunnery Simulators | 1,775 |
| 15-Jan-26 | Supply of Anti-Drone Sys., C-UAS and Training Sim. | 4,040 |

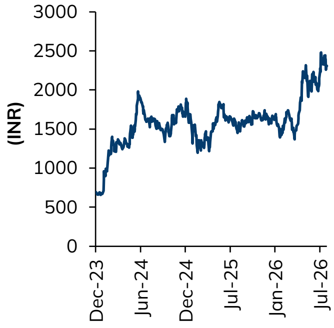
Source: I-Sec research, Company data

## Price charts

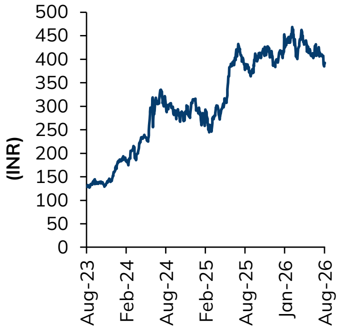
**Astra Microwave**



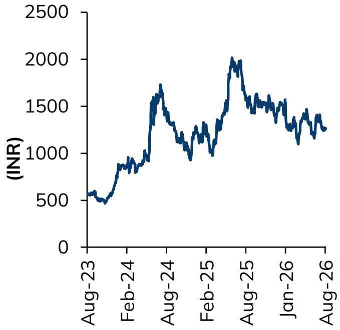

**Azad Engineering**



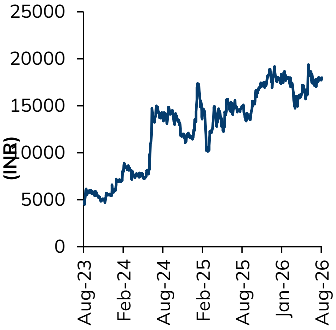

**Bharat Electronics**



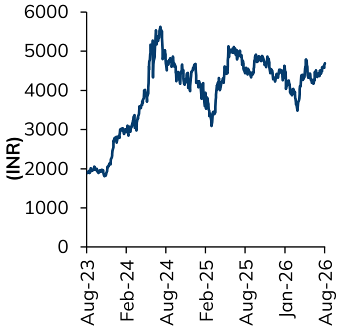

**Bharat Dynamics**



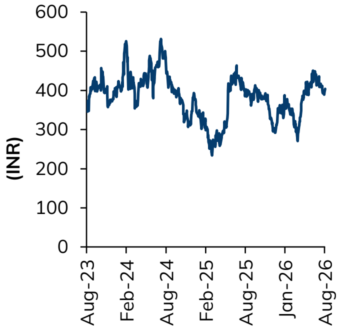

**PTCL**



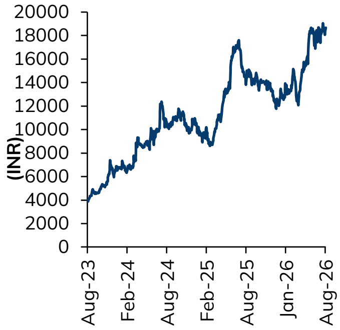

**Hindustan Aeronautics**



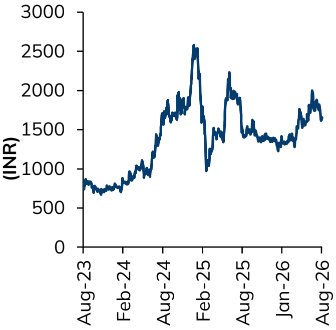

**MIDHANI**



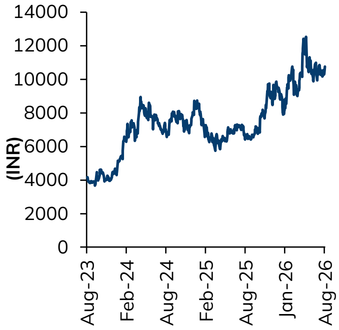

**Solar Industries**




**Zen Technologies**




**Dynamatic Tech**




Source: Bloomberg

*"In case of industry/sector reports or a report containing multiple stocks, the rating/recommendation for a particular stock may be based on the last released stock specific report for that company."*

*This report may be distributed in Singapore by ICICI Securities, Inc. (Singapore branch). Any recipients of this report in Singapore should contact ICICI Securities, Inc. (Singapore branch) in respect of any matters arising from, or in connection with, this report. The contact details of ICICI Securities, Inc. (Singapore branch) are as follows: Address: 10 Collyer Quay, #40-92 Ocean Financial Tower, Singapore - 049315, Tel: +65 6232 2451 and email: navneet_babbar@icicisecuritiesinc.com, Rishi_agrawal@icicisecuritiesinc.com and Kadambari_balachandran@icicisecuritiesinc.com.*

*"In case of eligible investors based in Japan, charges for brokerage services on execution of transactions do not in substance constitute charge for research reports and no charges are levied for providing research reports to such investors."*

*New I-Sec investment ratings (all ratings based on absolute return; All ratings and target price refers to 12-month performance horizon, unless mentioned otherwise)*
**BUY: >15% return; ADD: 5% to 15% return; HOLD: Negative 5% to Positive 5% return; REDUCE: Negative 5% to Negative 15% return; SELL: < negative 15% return**

**ANALYST CERTIFICATION**
I/We, Vikash Singh, MBA; Pritish Urumkar, MBATech (Finance); Jyoti Singh, MBA; authors and the names subscribed to this report, hereby certify that all of the views expressed in this research report accurately reflect our views about the subject issuer(s) or securities. We also certify that no part of our compensation was, is, or will be directly or indirectly related to the specific recommendation(s) or view(s) in this report. Analysts are not registered as research analysts by FINRA and are not associated persons of the ICICI Securities Inc. It is also confirmed that above mentioned Analysts of this report have not received any compensation from the companies mentioned in the report in the preceding twelve months and do not serve as an officer, director or employee of the companies mentioned in the report.

**Terms & conditions and other disclosures:**
ICICI Securities Limited (ICICI Securities) is a full-service, integrated investment banking and is, inter alia, engaged in the business of stock brokering and distribution of financial products. Registered Office Address: ICICI Venture House, Appasaheb Marathe Marg, Prabhadevi, Mumbai - 400 025. CIN: L67120MH1995PLC086241, Tel: (91 22) 6807 7100. ICICI Securities is Sebi registered stock broker, merchant banker, investment adviser, portfolio manager, Research Analyst and Alternative Investment Fund. ICICI Securities is registered with Insurance Regulatory Development Authority of India Limited (IRDAI) as a composite corporate agent and with PFRDA as a Point of Presence. ICICI Securities Limited Research Analyst SEBI Registration Number – INH000000990. ICICI Securities Limited SEBI Registration is INZ000183631 for stock broker. ICICI Securities AIF Trust's SEBI Registration number is IN/AIF3/23-24/1292 ICICI Securities is a subsidiary of ICICI Bank which is India's largest private sector bank and has its various subsidiaries engaged in businesses of housing finance, asset management, life insurance, general insurance, venture capital fund management, etc. ("associates"), the details in respect of which are available on www.icicibank.com.

ICICI Securities is one of the leading merchant bankers/ underwriters of securities and participate in virtually all securities trading markets in India. We and our associates might have investment banking and other business relationship with a significant percentage of companies covered by our Investment Research Department. ICICI Securities and its analysts, persons reporting to analysts and their relatives are generally prohibited from maintaining a financial interest in the securities or derivatives of any companies that the analysts cover.

Recommendation in reports based on technical and derivative analysis centre on studying charts of a stock's price movement, outstanding positions, trading volume etc as opposed to focusing on a company's fundamentals and, as such, may not match with the recommendation in fundamental reports. Investors may visit icicidirect.com to view the Fundamental and Technical Research Reports.

Our proprietary trading and investment businesses may make investment decisions that are inconsistent with the recommendations expressed herein.

ICICI Securities Limited has two independent equity research groups: Institutional Research and Retail Research. This report has been prepared by the Institutional Research. The views and opinions expressed in this document may or may not match or may be contrary with the views, estimates, rating, and target price of the Retail Research.

The information and opinions in this report have been prepared by ICICI Securities and are subject to change without any notice. 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 of ICICI Securities. While we would endeavour to update the information herein on a reasonable basis, ICICI Securities is under no obligation to update or keep the information current. Also, there may be regulatory, compliance or other reasons that may prevent ICICI Securities from doing so. Non-rated securities indicate that rating on a particular security has been suspended temporarily and such suspension is in compliance with applicable regulations and/or ICICI Securities policies, in circumstances where ICICI Securities might be acting in an advisory capacity to this company, or in certain other circumstances.

This report is based on information obtained from public sources and sources believed to be reliable, but no independent verification has been made nor is its accuracy or completeness guaranteed. This report and information herein is solely for informational purpose and shall 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. Though disseminated to all the customers simultaneously, not all customers may receive this report at the same time. ICICI Securities will not treat recipients as customers by virtue of their receiving this report. 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. The recipient should independently evaluate the investment risks. The value and return on investment may vary because of changes in interest rates, foreign exchange rates or any other reason. ICICI Securities accepts no liabilities whatsoever for any loss or damage of any kind arising out of the use of this report. Past performance is not necessarily a guide to future performance. Investors are advised to see Risk Disclosure Document to understand the risks associated before investing in the securities markets. Actual results may differ materially from those set forth in projections. Forward-looking statements are not predictions and may be subject to change without notice.

ICICI Securities or its associates might have managed or co-managed public offering of securities for the subject company or might have been mandated by the subject company for any other assignment in the past twelve months.

ICICI Securities or its associates might have received any compensation from the companies mentioned in the report during the period preceding twelve months from the date of this report for services in respect of managing or co-managing public offerings, corporate finance, investment banking or merchant banking, brokerage services or other advisory service in a merger or specific transaction.

ICICI Securities or its associates might have received any compensation for products or services other than investment banking or merchant banking or brokerage services from the companies mentioned in the report in the past twelve months.

ICICI Securities encourages independence in research report preparation and strives to minimize conflict in preparation of research report. ICICI Securities or its associates or its analysts did not receive any compensation or other benefits from the companies mentioned in the report or third party in connection with preparation of the research report. Accordingly, neither ICICI Securities nor Research Analysts and their relatives have any material conflict of interest at the time of publication of this report.

Compensation of our Research Analysts is not based on any specific merchant banking, investment banking or brokerage service transactions.

ICICI Securities or its subsidiaries collectively or Research Analysts or their relatives do not own 1% or more of the equity securities of the Company mentioned in the report as of the last day of the month preceding the publication of the research report.

Since associates of ICICI Securities and ICICI Securities as a entity are engaged in various financial service businesses, they might have financial interests or actual/ beneficial ownership of one percent or more or other material conflict of interest in various companies including the subject company/companies mentioned in this report.

ICICI Securities may have issued other reports that are inconsistent with and reach different conclusion from the information presented in this report.

Neither the Research Analysts nor ICICI Securities have been engaged in market making activity for the companies mentioned in the report.

We submit that no material disciplinary action has been taken on ICICI Securities by any Regulatory Authority impacting Equity Research Analysis activities.

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 ICICI Securities and affiliates 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.

This report has not been prepared by ICICI Securities, Inc. However, ICICI Securities, Inc. has reviewed the report and, in so far as it includes current or historical information, it is believed to be reliable, although its accuracy and completeness cannot be guaranteed.