September 17, 2026

To,
National Stock Exchange of India Limited
Exchange Plaza, Bandra Kurla Complex
Bandra (E)
Mumbai - 400 051
**Trading Symbol: "SOLARINDS"**
**Through NEAPS**

To,
BSE Limited
Floor no. 25, PJ Towers
Dalal Street
Mumbai – 400 001
**Scrip Code: 532725**
**Through BSE Listing Center**

**Subject: Transcription of Conference Call with reference to the proposed acquisition of Omnia Holdings Limited by Solar SA Investments Proprietary Limited.**

Dear Sir/Madam,

Further to our letter dated September 14, 2026, we are forwarding herewith a copy of Transcription of Conference Call hosted by **ICICI Securities Limited** on **Tuesday, September 15, 2026**, at **10.30 a.m. IST** to discuss the proposed acquisition of Omnia Holdings Limited by Solar SA Investments Proprietary Limited with the Management of the Company.

Kindly take the same on record and acknowledge.

Thanking you

Yours truly,

**For Solar Industries India Limited**

Khushboo Anish Pasari

Digitally signed by Khushboo Anish Pasari
Date: 2026.09.17 14:41:52 +05'30'

**Khushboo Pasari**
**Company Secretary &**
**Compliance Officer**

Power to Propel

**Solar Industries India Limited**
Regd. Office : "Solar" House, 14, Kachimet, Amravati Road, Nagpur - 440023, Maharashtra, INDIA
CIN : L74999MH1995PLC085878
solar@solargroup.com
www.solargroup.com
+91 712 663 4567
+91 712 663 4578

# "Solar Industries India Limited
# Business Update Call"
# September 15, 2026

| | |
|---|---|
| **MANAGEMENT:** | **MR. MANISH NUWAL – CHIEF EXECUTIVE OFFICER AND MANAGING DIRECTOR – SOLAR INDUSTRIES INDIA LIMITED**<br>**MR. SURESH MENON – EXECUTIVE DIRECTOR – SOLAR INDUSTRIES INDIA LIMITED**<br>**MR. MILIND DESHMUKH – EXECUTIVE DIRECTOR – SOLAR INDUSTRIES INDIA LIMITED**<br>**MR. MONEESH AGRAWAL – JOINT CHIEF FINANCIAL OFFICER – SOLAR INDUSTRIES INDIA LIMITED**<br>**MRS. SHALINEE MANDHANA – JOINT CHIEF FINANCIAL OFFICER – SOLAR INDUSTRIES INDIA LIMITED** |
| **MODERATOR:** | **MR. VIKASH SINGH – ICICI SECURITIES** |

**Moderator:** Ladies and gentlemen, good day and welcome to the Solar Industries Business Update Call. As a reminder, all participant lines will be in the listen-only mode. There will be an opportunity for you to ask questions after the presentation concludes. Should you need assistance during the conference call, please signal an operator by pressing star then zero on your touch-tone phone. Please note that this conference is being recorded. I now hand the conference over to Mr. Vikash Singh from ICICI Securities. Thank you, and over to you, sir.

**Vikash Singh:** Thank you, Steve. Good morning, everyone. A warm welcome to Solar Industries' con-call. We would like to thank the management to give us the opportunity to host them. From the management side, we have with us Mr. Manish Nuwal, Managing Director and CEO; Mr. Suresh Menon, Executive Director; Mr. Milind Deshmukh, Executive Director; Mr. Moneesh Agrawal, Joint CFO; and Mrs. Shalinee Mandhana, Joint CFO. Without taking any much time, I'll hand over to Manish ji for his opening remarks. Over to you, sir.

**Shalinee Mandhana:** Good morning, everyone, and thank you for joining us today. On behalf of Solar Group, I, Shalinee Mandhana, would like to extend a warm welcome to all our investors, analysts, shareholders, and stakeholders participating in this call.

Today marks a significant milestone in Solar Group's growth journey. We are pleased to announce that Solar Overseas Investments Proprietary Limited, our wholly owned step-down subsidiary, has signed definitive agreements for the proposed acquisition of Omnia Holdings Limited, a leading diversified mining and agritech company headquartered in South Africa.

Before we begin, I would like to remind everyone that certain statements made during this call may be forward-looking in nature. These statements are based on current expectations, assumptions, estimates, and projections. Actual outcomes may differ from these expressed or implied by such forward-looking statements.

I would also like to highlight that the proposed transaction remains subject to customary regulatory, shareholder, and other closing approvals and conditions. Until completion of the transaction, Solar and Omnia will continue to operate as independent businesses. Consequently, there may be certain matters relating to funding, integration, synergies, future financial performance, and other transaction-related aspects on which we may not be able to provide detailed commentary at this stage. We look forward to sharing more comprehensive insights as the transaction progresses.

Further, I would like to clarify that today's call is being conducted specifically to discuss the proposed acquisition of Omnia. Accordingly, we will not be taking questions related to Solar Group's current business operations outside the scope of this transaction.

With that, I would now like to invite our Managing Director and CEO, Mr. Manish Nuwal, to take you through the strategic rationale and highlights of this proposed transaction. Over to you, sir.

**Manish Nuwal:** A very good morning to all of our beloved shareholders and stakeholders. The strategic rationale for this proposed acquisition of South Africa's Omnia Holdings Limited is to create a most integrated global platform for commercial explosives and blasting solutions.

Over the past three decades, Solar has built a strong position in the global explosives industry through its focus on innovation, reliability, and manufacturing excellence and customer-centric solutions. The Solar Group has steadily expanded its footprint across Africa, building customer relationships, operational capability, and market access across key mining jurisdictions.

Solar first entered the SADC region in 2010 with the establishment of its first overseas manufacturing entity in Zambia. It expanded its operation in South Africa in 2015 through a distribution platform, followed by the commissioning of its manufacturing facility in South Africa in 2017. These investments have enabled Solar to establish a strong operational foundation and become a trusted partner to the region's mining industry.

In 2024, Solar strengthened its South African presence through the acquisition of Problast, a local South African company specializing in opencast mining, drilling, and blasting operations. Building on this foundation, the proposed acquisition of Omnia by Solar South Africa represents the next strategic step in Solar Group's SADC journey, significantly expanding its operations, manufacturing, and distribution capabilities across the world.

The proposed transaction marks a transformational milestone in Solar Group's strategic ambition to become a leading global explosives and mining solutions provider by enhancing its scale, market access, and competitive positioning across Africa and other international markets. Omnia's mining business, operating under the well-established BME brand, brings significant expertise in opencast mining, bulk explosives, electronic detonation systems, digital blasting solutions, and mining chemicals, alongside a strong presence across Africa and international markets. The combination will serve [inaudible 0:06:20]

**Moderator:** Hello?

**Manish Nuwal:** Okay, sir. Omnia's agriculture segment provides a compelling platform that promotes sustainable agriculture and biological solutions. Leveraging its proprietary Nutriology model and AgriBio solutions, the business delivers science-based crop nutrition products and services to customers across multiple geographies.

A key strategic attraction of the transaction is Omnia's integrated manufacturing infrastructure. The agriculture segment operates nitric acid and ammonium nitrate production facilities, which is the largest, most reliable, and sustainable in the region. In addition, Omnia has recently expanded its ammonium nitrate storage infrastructure through a new 5,000-ton storage tank, which has doubled its storage capacities.

These capabilities are expected to significantly strengthen the vertical integration, enhance security of supply, improve raw material availability, increase operational flexibility, and reinforce Solar Group's long-term cost competitiveness across the explosives value chain.

Together, Omnia's mining and agriculture business, supported by a strong integrated manufacturing and supply chain platform, provides a robust industrial base to support the combined Solar Group's long-term growth ambitions. Omnia is also led by an experienced management team with deep operational, financial, and sector expertise, with a proven track record of executing its growth strategy.

The proposed acquisition is expected to drive commercial growth and operational efficiencies through technology innovation, broader customer coverage, enhanced supply chain resilience, greater product and service integration, and accelerated development of advanced blasting solutions. The combination will serve as a significant catalyst for Solar Group's next phase of growth.

The transaction would create one of the largest and most integrated explosives and blasting solution platform globally, with expanded manufacturing capabilities, enhanced market reach, and to access strategically important mining jurisdictions. The benefit of this expanded footprint, strengthened industrial base, and broader customer access are expected to become increasingly visible from FY '28 itself. It increase Solar Group's revenue in the Africa's mining market by multifold growth.

The acquisition is therefore expected to be highly complementary to Solar Group's long-term vision of becoming a leading global explosives, blasting solution, and industrial chemical enterprise. Thank you very much.

**Shalinee Mandhana:** Now open to question-and-answer session.

**Moderator:** Thank you. We will now begin the question-and-answer session. Our first question comes from the line of Amit Dixit with Goldman Sachs. Please go ahead.

**Amit Dixit:** Yes, hi. Good morning, everyone, and thanks for the opportunity. First of all, congratulations for this acquisition, a big step in the Solar's growth journey. Two questions from my side. The first one is essentially just wanted to understand a bit more on the value chain integration that we are planning to achieve in SADC region.

We have our facilities like ProBlast and existing facility in South Africa. Omnia, of course, have got its own upstream operations. So if you could throw some more light on how we are going to integrate this entire value chain and the benefits that it will serve to us? That is the first question.

**Manish Nuwal:** Good morning, Amit, and thanks for your compliment. If you look at the overall positioning of Solar and Omnia together, definitely it creates a lot of synergy benefits for both the companies. If you look at Omnia's current strength, they have a large, state-of-the-art facilities for manufacturing ammonium nitrate. They also have a large capacities to handle explosives, which Solar also have.

Apart from that, Solar's initiating system business will also fill up the vacuum which Omnia have at this moment. And if you integrate all these three basic business value sections, along with the down-the-hole services through ProBlast, definitely this will add lots of value for Solar in the future.

**Amit Dixit:** Okay. The second question is essentially on the funding part. Now, we have like, you know, it's an all-cash deal, I understand. And maybe we would be required to take some debt to kind of, you know, fund this deal. Just wanted to understand any peak net debt to EBITDA number that you might have in mind?

I know that the balance sheet is very robust to support such an acquisition, but just wanted to understand your thoughts on it. You know that in case we leverage our balance sheet, how soon we are going to, I mean, get rid of this additional debt on the books?

**Manish Nuwal:** Yes, since the question is related to what will be the leverage position of Solar as a whole after the acquisition gets over, definitely, we cannot just answer by saying that what will be the multiple. Before that, we need to understand the basic fact that what Omnia is doing at present, what Solar is doing, and what they are going to do in next two years.

If you look at Omnia's current cash generation in the business, if you take the profit after tax and depreciation, it's around $110 million based on FY26 results. And going forward, based on our internal estimation, without taking any synergy benefits, they should be reaching around or they will be doing around $180 million of EBITDA.

If you take this figure and if you take the Solar's current year's projection of around INR14,000 crores of top line with a EBITDA of say around 28%, 29%, and if you just add around 17% to 20% growth for the FY28, so Solar will reach to, say, around INR16,500 crores.

And if you multiply that revenue with the 29% margin, that EBITDA, along with the Omnia's EBITDA of around 180 million without synergy, will reach us to around INR6,600 crores, INR6,700 crores. And if you add the synergy benefits and operational efficiencies together, so definitely, we should be able to reach around IINR7,000 crores on EBITDA level.

Based on this EBITDA [division 0:14:30] which we are trying to achieve, and if you factor in the acquisition debt plus the regular debt which we have, should be around INR10,000 crores to INR11,000 crores by FY28. So in any situation, the EBITDA, if you take the EBITDA and debt position, it will always be lower than two. That is the current estimation based on our working, what we have done as of now.

**Amit Dixit:** Wonderful, sir. Very clear. Thank you so much, and all the best.

**Manish Nuwal:** Thank you.

**Moderator:** Thank you. The next question comes from the line of Subhadip Mitta with Nuvama. Please go ahead.

**Subhadip Mitta:** Good morning, and thank you for the opportunity. I hope I'm audible.

**Manish Nuwal:** Yes, yes, you're audible. Please go ahead.

**Subhadip Mitta:** Perfect, sir. So just wanted to, you know, dive a little deeper that with regard to the synergies that you're mentioning, which will benefit I think the consolidated entity post the acquisition. How are you seeing these synergies pan out? Any potential range of EBITDA margin for the consolidated entity? And could you see, you know, some higher benefits on the export piece, whether it's on the margin front or on top line?

**Manish Nuwal:** So if you look at just what I answered just now, basically, the revenue of Solar and Omnia together in FY28 could be plus INR30,000 crores. And if you take EBITDA of INR6,800 crores to, say, INR7,000 crores, which we are targeting, so that will give you a range of 22% to 23% on EBITDA margin percentage.

But if you look on the real incremental advantage of this acquisition, last year, the EBITDA of Solar was, say, around INR2,700 crores, which is precisely INR2,750 crores. And if you look at INR7,000 crores in FY28, in just two years, the EBITDA is increasing from almost INR2,750 crores to almost INR6,800 crores to INR7,000 crores. It's a big jump as far as EBITDA numbers are concerned.

And even if you look at EBIT numbers, in '25-'26, Solar was around INR2,500 crores, and if you just do the math of combining the Omnia with Solar, EBIT level will be around INR6,000 crores plus. So those are the margins that will achieved by Solar and Omnia combined entity, and that gives a trajectory that how Solar is moving towards.

**Subhadip Mitta:** Perfect. This is amply clear. Is there any additional, let's say, lever on margins or on exports, which can happen, which is, let's say, is not built into the current projections?

**Manish Nuwal:** Yes, basically, like I said, if you look at the overall strategic assets which we are building in the system, which creates top-class, state-of-the-art ammonium nitrate manufacturing facility, on top of that, the kind of agrobio stimulants and agritech platform which the company have, if we combine this together, along with the kind of knowledge and expertise which is available within the Omnia, is quite significant.

And if you add the Omnia's and the BME's current distribution network, and if you add the Solar distribution network on top of that, so our distribution presence will increase to more than 100 countries. And manufacturing presence, which we have as of now is in 11 countries, so that will expand to 25 countries.

So we have been saying from so many years that this kind of geographical diversity and presence across the globe is helping our company. And that is the belief we have as of now, and the same reason was there to have this kind of acquisition opportunity.

And with the kind of scale facilities they possess definitely gives a strategic advantage for Solar as a group to position itself as a one of the most strongest player in that region. So that is the basic rationale, and that is going to help us in even increasing exports from India to that region and even other portions of the global markets.

**Subhadip Mitta:** Understood, sir. Thank you so much. This amply answers my question.

**Manish Nuwal:** Yes, thank you very much.

**Moderator:** Thank you. The next question comes from the line of Sanjaya Satapathy with Ampersand Capital. Please go ahead.

**Sanjaya Satapathy:** Yes. Hi, sir. Thanks a lot for the opportunity. Sir, my question is relating to one part of the business, that is the agriculture, which is going to be a little bit unrelated to your current operation. Can you just help us think about that part?

**Manish Nuwal:** Yes. So basically, definitely, it's a perception that Omnia has an agri business. Yes, there is no doubt about that. But we are looking at this business vertical as an additional complementary business vertical, which is a technology-driven, integrated crop nutrition, biological, and biostimulants products and services which they provide. And if you look at the advantage which they have in the form of the knowledge of the soil studies which they do from last so many years adds lot of benefit to that.

So definitely, it's a new vertical for us, but definitely it's add complementary support for the Solar ambition of becoming a global explosive company. Definitely, it's a complementary business vertical, and if you add the technology strength of Solar with the Omnia, definitely we will see lot of improvement in the business as a whole.

**Sanjaya Satapathy:** Understood, sir. If I can just ask two questions quickly. One is that is there any possibility of you funding it by equity issuance? And the second one is that does it anyway dilute your focus on the new growth vertical that is defense?

**Manish Nuwal:** Basically, as far as dilution is concerned, definitely no, because we have been spending into the defense when nobody was looking into this sector. And over last 15 years, we have created one of the most integrated defense facilities across the world. And going forward, we have announced a capex program of around INR12,000 crores two years back, and we are working on that program quite aggressively.

And if you look at the product portfolio which we have lined up till now and the products which are which are likely to come up in next couple of years, is quite significant. Definitely, our focus and our capital allocation for defense will not go down. Rather, as we move forward, it is going to go up and up.

**Sanjaya Satapathy:** Understood, sir. And is there any possibility of equity issuance by Solar to fund this acquisition?

**Manish Nuwal:** We are not planning to raise any equity through any kind of dilution in any of the parent company or subsidiary. We are quite comfortable to manage this acquisition through our internal accrual and debt, which can be available to Solar.

**Sanjaya Satapathy:** Thanks, sir. Thanks a lot, sir, and all the very best.

**Manish Nuwal:** Thank you.

**Moderator:** Thank you. The next question comes from the line of Pinakin Parekh with HSBC. Please go ahead.

**Pinakin Parekh:** Thank you very much, sir. Sir, you clarified that the agriculture segment is a new segment that you are effectively entering driven by the acquisition of Omnia. Would that segment remain only in South Africa or are you looking to expand in the agriculture fertilizer business across India as well?

**Manish Nuwal:** It is too early to comment on this question, but like I said that the kind of business which Omnia do is in agriculture, but that is not a purely agriculture play. It's the technology-driven products which they have started rolling over in last couple of years, and the kind of growth they have seen in one of their product is quite promising. And we would like to utilize these knowledge-based products across the world. Wherever we are present, we would like to utilize this strength which Omnia possess, but we have no intention as of now to expand agriculture business into the Indian market.

**Pinakin Parekh:** Got it, sir. Sir, my second question is that this acquisition value of 1.35 billion, that number, all-cash transaction, would there be a leverage at the acquired entity? Because at $180 million EBITDA without synergy, with synergy, it can also support a debt. Or would effectively that entire debt -- cash outflow come at the Solar standalone entity?

**Manish Nuwal:** As of now, what we have planned is basically that we have to utilize the strength of Omnia's balance sheet, which has a cash surplus position in the account. And on top of that, we will definitely take debt on Omnia's books. And wherever there will be any shortfall, that will be arranged through our -- the company which is acquiring the Omnia Holdings. So it will be a structure which we will definitely finalize as we move forward, and we will be waiting for the approval from shareholders and statutory bodies before we give a concrete structuring program.

**Pinakin Parekh:** Got it, sir. And lastly, sir, do you have any target net-debt-to-EBITDA number in mind which you which you would not want Solar to cross over the next two years?

**Manish Nuwal:** Like I said, by the end of FY28, the EBITDA should be in the range of INR6,800 crores to INR7,000 crores, and the kind of cash generation in next two years will definitely help us to acquire Omnia Holdings plus continue our defense capex program. So we believe that in any situation, the debt will not cross the two times of EBITDA generation.

**Pinakin Parekh:** Got it. Thank you very much, sir.

**Manish Nuwal:** Yes, thank you.

**Moderator:** The next question comes from the line of Bharat Shah with BCS Capital Ideas. Please go ahead.

**Bharat Shah:** Hi, Manish. Hearty congratulations, and I'm glad that you have chosen to fund it by borrowing rather than by what may sound an easier option of raising equity. But I think funding it by borrowing shows skin in the game and the confidence about making it work. So I'm really glad that you have chosen to fund it by borrowing rather than by raising equity.

Just a couple of things. You mentioned that FY28, our consolidated turnover will be over INR30,000. But I would have thought it should safely be INR34,000, INR35,000, if I'm based on whatever are the Omnia numbers and kind of guidance available for the future.

**Manish Nuwal:** Good morning, Bharat ji. Thank you for the compliments, sir. And like I said and that the whole acquisition will be through the debt at the level of the company, Omnia, and balance with within the Solar Group companies. So it's a total debt funding program with internal accruals helping on this acquisition. As far as top line is concerned, like we have said, in this year, the Solar should be able to reach around INR14,000 crores. And even if I add 17%to, say, around 20% growth rate in the '27-'28, we should be doing INR16,500 crores. And as far as Omnia is concerned, last year, they have INR13,300 crores of top line, and we are factoring that in '27-'28, at least they should do INR15,000 crores plus. So combined together will be around INR31,000 crores, INR32,000 crores rather than INR33,000 crores, INR34,000 crores.

**Bharat Shah:** Okay. And you also mentioned that INR7,000-odd crores of EBITDA and over INR6,000 crores of EBIT. But I would I would have assumed that depreciation probably will not be more than consolidated about 700-odd crores, unless I've got something wrong.

**Manish Nuwal:** No, sir. What I mentioned that EBITDA should be in the range of INR7,000 crores, which I said INR6,800 to INR7,000, and if you reduce the depreciation that is around INR700, so it's INR6,300 crores on EBIT level.

**Bharat Shah:** Right. Perfect. And in what timeframe do you think that debt is likely to get paid off?

**Manish Nuwal:** Sir, that depends on our financial planning, but otherwise EBIT level INR6,300 or INR6,200 every year, at least in '27-'28, and the interest cost will be in the range of, say, INR1,000 crores or INR1,100 crores. So the profit before tax should be in the INR5,000 crores plus level. So based on this, we can do our own calculation that when debt can be repaid.

But the plan of the company is not just to look at the debt-free level for us, but definitely we are working to expand our explosive business aggressively. At the same time, defense vertical also, we have already lined up a lot of capex for this section. So as we move forward, as long as we are below two level of EBITDA, we are quite comfortable, sir.

**Bharat Shah:** Okay. Would you say that purely mining and non-agri business alone because I believe the margins there are higher than the agri business, mining business alone probably could have justified the acquisition?

**Manish Nuwal:** Sir, it is -- basically, these are strategic discussions, and company takes a decision by combining all the dots. So, the final is like that they have -- they will be producing so much of revenues and so much of EBITDA at their level. So, by factoring in the quality of asset and the management they have and the market penetration they already have, which has been developed over last 70 years, so we believe that it is going to be a strategic asset for the Solar as a group. And that was the key rationale for us before we jumped into this decision.

And if you look at their mining business, definitely, sir, in next couple of years, definitely should be doing more than INR7,000 crores. And if you look at Solar's last year top line that was around, say, INR10,000 crores, and if you remove the defense, that was in the range of INR7,500 crores. Definitely, achieving INR7,500 crores has taken 28 years of our hard work, and just in 2 years, if we double up the business from mining, that makes plenty of sense.

And if you look at the global margins and the way Solar operates, definitely gives us lot of room to take such kind of strategic decision to acquire such kind of companies. And the best part, sir, the quality of asset and the clean balance sheet and the strong management. That was -- those were the key factors which has inclined us to take this call.

**Bharat Shah:** Excellent. One last thing. Digesting any such thing, which is materially large in several countries and spread over several distribution points, while strategic advantage of backward integration, forward integration, de-risking the overall business by aiding non-mining vertical as well, all these are clear. What in your mind could be the worries, if at all, if something were to bother you or to concern you, or what will be the watch points?

**Manish Nuwal:** Sir, as of now, if you look at last 30 years of journey, we have been expanding at an aggressive pace. And since our listing in 2005, the company has expanded aggressively and expanded its global footprint, expanded business, and even entered into the defense vertical. So the point is, we will keep generating EBITDA margin around 18% to 20% even before defense comes up.

And as far as Solar is concerned, all these margins were without the backup of the critical raw material, which is ammonium nitrate. But we have handled the overall supply chain quite well, effectively in our favor. But having such kind of assets definitely help us.

So as a company, having the presence in different, different business vertical across the globe, definitely is a challenging task. So, managing the people, managing the country risk is definitely a risk factor which anybody can assume. But we have been managing these kind of factors from last 15 to 20 years, so I'm confident we will be able to handle this. But business is business, sir, and always there will be risk, but at the same time, the opportunities which will bring up to our table is what we look at.

**Bharat Shah:** Absolutely. Thank you, and all the best again, Manish, to you and the Solar team.

**Manish Nuwal:** Thank you, sir.

**Moderator:** Thank you. The next question comes from the line of Chirag Muchhala with Centrum Broking. Please go ahead.

**Chirag Muchhala:** Yes, thank you for the opportunity and congratulations to the Solar team for this milestone acquisition. Sir, first question is on this nitric acid and ammonium nitrate production as well as storage facilities. So, of course, sir, we know the critical importance of it, but if you can just elaborate a bit more in the present global context, how much have these facilities being in-house will help in terms of supply chain as well as possibly lower pricing for both Solar's business as well as Omnia?

**Manish Nuwal:** So I said, this company have a high-quality asset, a very large manufacturing facility, which can produce variety of nitrate-based solutions, and one of them is ammonium nitrate. Having ammonium nitrate -- having a large manufacturing presence in explosives backed up by initiating systems and down-the-hole services or blasting solutions, definitely creates a lot of synergy benefits for Solar as a company. So that is what we looked into the deal.

**Chirag Muchhala:** Okay, sir. And in terms of, sir, new countries, as the presentation of Omnia states they are large in countries USA, Canada, Brazil, where we are not present currently. So, I mean, post the acquisition, does it immediately add export potential for Solar's products in initiating systems and even packaged explosives, if you can highlight, considering it is a long gestation time to start operations in a country in this business?

**Manish Nuwal:** Exactly, that is what we have also looked into. If you try to enter into a new geography, it takes 4 to 5 years to really establish ourselves. And that is what Omnia or BME was also doing last couple of years. In last 6 to 7 years, they have turned around their company from a stressed balance sheet to a cash-generating strong business and they were expanding in couple of countries, which includes Canada, Australia, Indonesia, United States.

So the distribution presence of our group as a Solar will increase from current 90 countries to more than 100, which will be, say, around 110 countries. And manufacturing base increasing from 11 to 25-plus countries. These kind of things will definitely help Solar to increase its export into these market. At the same time, having a strong team across the world definitely will help us our defense business also. So these are the advantages which is coming up through such kind of acquisition.

**Chirag Muchhala:** Okay, sir. And, sir, they in packaged explosives, do they have, I mean, very wide portfolio us or even that is a product gap for us to explore?

**Manish Nuwal:** That is also an added advantage for Solar. Solar is the largest producer of packaged explosives in the world, and having such kind of strong distribution presence of BME into the system, we would be able to leverage the strength of Solar also, Solar product into this vertical. So having -- presence across the world will help us to increase our sales of these products, which is package and initiating systems.

**Chirag Muchhala:** Okay. And, sir, just finally, one clarification. Sir, since Omnia is listed on Johannesburg Stock Exchange, so as per that country's norms, will it -- will our acquisition result in 100% stake acquisition and it will get delisted or there is also a scenario where we can end up with a lower 60%, 70%, 80% stake if some shareholders does not tender shares?

**Manish Nuwal:** We have made the agreement for buying 100% stake and we said, subject to the approval from the shareholders and government authorities. So let us wait for that.

**Chirag Muchhala:** Okay. Okay, sir. Thanks.

**Manish Nuwal:** Thank you.

**Moderator:** The next question comes from the line of Bhavin Vithlani with SBI Mutual Fund. Please go ahead.

**Bhavin Vithlani:** Good morning, Manish-ji. Congratulations.

**Manish Nuwal:** Good morning, Bhavin.

**Bhavin Vithlani:** Manish-ji, a couple of questions, and pardon me if they are repeated because I joined in a little late. Could you help us understand, post the acquisition, what would the market share for Solar increase in markets South Africa, the North America market and the Brazilian market?

**Manish Nuwal:** We have been saying that Solar was working in African continent from last 15 years, and the overall revenue which is from Africa is around $300 million. And Omnia's majority of mining business come from Africa. Africa means South Africa and nearby countries and West Africa.

If you club together, definitely, the current level of 300 million will reach to 900 million to a $1 billion sales from African market itself. Apart from this, we will be increasing our market or sales into the new territories where they have entered. So that will be a complementary to the overall mining business of Solar.

As far as market share, we don't have the numbers as of now, because this data's are not well published across the world. So we have to just estimate, but finally, it's what Solar is doing. From 300 million, we will be reaching to almost a $1 billion from mining business in Africa.

**Bhavin Vithlani:** Sure. Second follow-up is the non-mining business of Omnia. Any strategy that you could to share with us? Would you to divest or you would to continue and grow that business?

**Manish Nuwal**: I said that as far as the agriculture business of Omnia is concerned, these are the strategic asset, which adds complementary benefit to the Solar as a company, and that brings complimentary business complement because they have ammonium nitrate, nitric acid facilities, and they have a strong presence in SADC region. So if you combine those complementary assets with our larger perspective of enhancing the business from mining segment, it adds plenty of value.

Since it's a complementary business vertical, and they also provide a lot of technology-driven crop nutrition, biological, and agritech solutions to the large farmers, it adds value. So as long as it is adding value for our shareholders, we will be continuing with this business. And if you add the Solar strength with the Omnia strength, definitely it will be going to add value for us.

**Bhavin Vithlani:** Sure, certainly. The last question is Solar's margins are considerably higher than Omnia. And when you look through in detail without alluding into intricacies, do you see there is a significant headroom for you guys to take the margins up maybe to mid-teens levels over a next 3 to 4 years basis?

**Manish Nuwal:** Yes, if you look at, Bhavin, the global scenario on explosives, the margins are in the range of 18%, 19% by and large. And if you look at the current EBITDA margins of BME is around 13% to 14%. And if you consider the kind of synergetic benefits in the form of ammonium nitrate to Solar also, in the form of initiating system sales from Solar to BME.

And if you combine these with the down-the-hole services through Problast, definitely these combined together the strength combined together will add will help us to enhance the margins of BME and Solar together in that region. So definitely, we see a lot of headroom in enhancing the margins into the explosive business.

**Bhavin Vithlani:** The last question is now when you look through the global map, do you see any white spaces? I mean, I think Australia is one where Solar will be under-indexed, but any other geography that you see that Solar is under-indexed and where you will now put in effort to grow that geography maybe organically, inorganically?

**Manish Nuwal:** As of now, our focus was on India and expanding footprints in Africa by and large, so most of our overseas business come from Africa. If you look at our clear strategic map, we are focusing on India and Africa as a continent. So this acquisition will help us to enhance our or strengthen our market presence. So there is enough headroom available for us to increase the business further. So we will be focusing on these two markets significantly.

Apart from these two, wherever we get opportunities where we can leverage the strength of Solar and BME, definitely we will look into those things. But by country-specific, Australia, BME is doing some sales of their initiating systems, and we are also going to start some of the operations. But Australia is not in our immediate strategic roadmap where we will be spending a lot to expand our market presence. So we are focusing on India and Africa as of now.

**Bhavin Vithlani:** Great, sir. Thank you so much for taking my questions and once again, congratulations.

**Manish Nuwal:** Thank you, Bhavin.

**Moderator:** Thank you. Ladies and gentlemen, due to time constraint, that was the last question for today. I now hand the conference over to the management for their closing comments.

**Shalinee Mandhana:** Thank you. We appreciate the thoughtful questions and the constructive engagement from the investment community. On behalf of management, I would like to thank you all for your participation and support. Thank you. I have a great day ahead.

**Moderator:** Thank you. On behalf of ICICI Securities, that concludes this conference. Thank you everyone for joining us, and you may now disconnect your lines. Thank you.