



June 02, 2026

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To
The General Manager
Department of Corporate Relations
BSE Limited
Sir Phiroze Jeejeebhoy Towers,
Dalal Street, Fort,
Mumbai -400 001

Scrip code: 526247

To
The Vice President,
Listing Department
The National Stock Exchange of India Limited
Exchange Plaza, Bandra Kurla Complex,
Bandra (East), Mumbai 400 051

Scrip code: PREMEXPLN

Dear Sir/Madam,

Sub: Transcript of Conference call pertaining to the fourth quarter and year ended 31st March, 2026, results.

Please find attached the Transcript of the Conference Call hosted by, Stellar IR Advisors Private Limited, on May 30, 2026 pertaining to, 'Premier Explosives Limited Q4 FY'26 Earnings'.

This is for your kind information and record.

Thanking you,

Yours faithfully,
For Premier Explosives Limited

K. Jhansi Laxmi
Company Secretary
Encl: a/a



“Premier Explosives Limited
Q4 FY26 Earnings Conference Call”
May 30, 2026



**MANAGEMENT: MR. T.V. CHOWDARY – MANAGING DIRECTOR–
PREMIER EXPLOSIVES LIMITED
MR. VIJAY KUMAR – CHIEF FINANCIAL OFFICER–
PREMIER EXPLOSIVES LIMITED**

**MODERATOR: MR. AKHILESH GANDHI– STELLAR INVESTOR
RELATIONS**

Moderator: Ladies and gentlemen, good day, and welcome to the Q4 and FY26 Conference Call hosted by Premier Explosives Limited. As a reminder, all participant lines will be in the listen-only mode and there will be an opportunity for you to ask questions after the presentation concludes. Should you need assistance during this conference call, please signal an operator by pressing star then zero on your touchtone phone. Please note that this conference is being recorded.

I now hand the conference over to Mr. Akhilesh Gandhi from Stellar IR. Thank you, and over to you, Mr. Gandhi.

Akhilesh Gandhi: Thank you, Avirath. Good morning, everyone, and thank you for joining on Saturday morning. I, Akhilesh Gandhi, on behalf of Stellar Investor Relations, welcome you all to the Premier Explosives Q4 and FY26 Earnings Conference Call. We shall be sharing the key operating and the financial highlights for the fourth quarter and the full year ended on March 31, 2026.

Today, we have with us the senior management team of Premier Explosives, namely Mr. T.V. Chowdary, sir; he is a Managing Director. Along with that, we also have Mr. Vijayji Kumar, he's a Chief Financial Officer.

But before we begin, I would like to state that this call may contain some of the forward-looking statements, which are completely based upon the company's beliefs, opinions and expectations as of today. These statements made in today's call are not a guarantee of future performance and also involve unforeseen risks and uncertainties.

The company also undertakes no obligation to update any forward-looking statements to reflect development that occur after the statement is made. Document relating to the company's financial performance, including the investor presentation, has already been uploaded on the stock exchanges.

With that, I now invite Mr. T.V. Chowdary, sir, to share his initial remarks on the company's performance for the fourth quarter and the full year ended on March 31, 2026. Thank you, and over to you, sir.

T.V. Chowdary: Thank you, Mr. Gandhi, and good morning to everyone. I welcome you to the earnings conference call of Premier Explosives for the fourth quarter and full year ended 31st March 2026. Thank you for joining us. I trust you have reviewed our Q4 and FY26 results, along with the investor presentation available on the stock exchanges.

During Q4 FY26, we delivered a healthy revenue performance, driven primarily by strong momentum in our Defense & Space segment. The segment contributed 76% of the overall revenue at INR67.7 crores and registered an impressive growth of 43% year-on-year. For FY26, revenue performance was impacted due to the execution of a larger volume of high-value chaffs and flares orders in financial year '25, with execution timing affecting the overall performance during the year. Additionally, operating profitability for both the quarter and the full year was

impacted by elevated raw material prices amid prevailing global tensions, a challenge that was experienced across the industry.

Highest ever order book stands at INR1,569 crores, representing 4.04x of FY26 revenue and providing strong medium-term visibility. During the quarter, consistent execution strengthened our positioning and enabled us to secure larger and strategically significant contracts from the Ministry of Defense, domestic defense players and international customers.

In April, we secured a major export order worth INR350.23 crores from international clients for the supply of defense products. Additionally, we continue to witness healthy order momentum across key product categories, including chaffs and flares, rocket motors and other defense systems, further strengthening our order pipeline.

We are currently in discussions with Andhra Pradesh government for acquisition of a 400-acre land parcel to establish a dedicated defense manufacturing facility. In parallel, the company is also actively developing new products, which are expected to generate a healthy order inflow in the coming quarters.

Premier continues to occupy a unique strategic position as the only Indian company qualified to manufacture countermeasures. And as the key exporter of fully assembled rocket motors, our diversified portfolio across warheads, mines and ammunition further reinforces our contribution towards India's defense indigenization objectives.

Sustained policy support for domestic defense manufacturing and import substitution, we believe the long-term structural growth outlook for the sector remains highly promising. Going forward, our focus remains firmly on driving execution excellence, strengthening technological capabilities, scaling capacities in a calibrated manner and further expanding our global presence. We remain confident in our growth trajectory and committed to delivering sustainable value for all stakeholders.

Now I request Mr. Vijay Kumar, our CFO, to share the financial performance.

Vijay Kumar:

Thank you, sir. Good morning, everyone. The result presentation for the quarter ended March 31, 2026, has been uploaded on the stock exchanges. I believe you may have gone through the same.

The revenue from operations for Q4 FY26 grew by 20% year-on-year to INR89.2 crores. Our EBIT for Q4 FY26 grew by 35% year-on-year to INR9.6 crores. The EBIT margin for the quarter stands at 10.8%. Our net profit increased by 78% year-on-year to INR6.6 crores. The PAT margin for the quarter stands at 7.4%. The revenue from operations for FY26 degrew by 7% to INR388.3 crores.

Our EBIT per FY26 grew by 42% year-on-year to INR69.3 crores. The EBIT margin for FY26 stands at 17.8%. Our net profit increased by 61% year-on-year to INR45.8 crores. The PAT margin for the quarter stands at 11.8%.

Now coming to the order book. The company's current order book stands at INR1,569 crores, out of which Defense segment order is majority of INR1,491 crores, which is equal to 95% of the total order book. Explosive segment stands at INR31 crores, which is equal to 2% of the total order book. And Service segment, which is operational and maintenance service segment, stands at INR47 crores, which is equal to 3% of the total order book. So this represents our highest level order book and reflects the strong growth visibility we see over the coming years.

We remain confident that, supported by sustained execution momentum, continued development of new products and our ongoing expansion initiatives, the company will continue to maintain a strong growth trajectory in the forthcoming quarters.

With this, we'll now open the floor for questions-and-answers. Thank you.

Moderator: The first question is from the line of Dipen Vakil from PhillipCapital.

Dipen Vakil: Congratulations on a great quarter. Sir, my first question is, you mentioned that you had some - - like FY25 was a year boosted because of chaffs and flares and FY26 was largely -- the performance was muted because of that. So for FY27, how do you look at the outlook to be as to what kind of growth and margins are we targeting considering that now those emergency procurement orders will be limited?

T.V. Chowdary: FY27, we are expecting a growth which is commensurate to previous year from this. Because the new areas that is land mines and payloads for drones and loitering munitions and medium-caliber ammunition, which were going slow because of the nonavailability of raw material, now alternate raw material is found and then our designers have accepted that. So we are hoping that the current year, these are the areas which are going to contribute to our turnover and profitability.

Dipen Vakil: So any quantum to that?

T.V. Chowdary: These orders are already there in the -- included in the order book what is mentioned in the above.

Dipen Vakil: I meant to ask on the revenue growth for FY27.

T.V. Chowdary: Yes, it is -- we are to be -- yes, targeting INR600 crores to INR700 crores.

Dipen Vakil: Got it, sir. And margins?

T.V. Chowdary: Margins, it will be similar between 15% to 20%.

Dipen Vakil: Got it, sir. Sir, you also mentioned about the raw material unavailability impacting Explosive segment. So right now, how is the execution paced with, especially with respect to our domestic PSUs in terms of the deliveries and the kind of availability from them? So is the execution on track or there's a slowdown on that front as well?

T.V. Chowdary: No, it has -- see, we had a slowdown on the chaffs and flares earlier. But now we are happy to inform you that we have executed the order -- last year's order completed, and we have started producing against the new order. In the meantime, I would like to share with you that the plant -- flares production plant where there was an accident 1.5 years back, that plant is recommissioned and it is producing. So our dependence on the imports also has reduced and then we are hoping that this all is going to contribute well for the current financial year.

Dipen Vakil: Got it, sir. Got it. So right now with QRSAM order also coming -- expected to finalize soon, are you expecting any order inflow from QRSAM as well?

T.V. Chowdary: We are ready to take the order. But the status and all those, we are not very sure, very clear when the order will come and when that -- so this -- our estimates are not -- QRSAM in is not included in this.

Moderator: The next question is from the line of Varun Jain from Dolat Capital.

Varun Jain: I have a couple of questions. So the first question is, sir, on the guidance front. I think in February '26 call, you said that you'll try to get to INR500 crores, but we've come in at much lesser like close to INR390 crores. So sir, has anything changed from Feb to till now, like Q4 was not as well as it was expected?

T.V. Chowdary: Yes. Like I mentioned earlier, the multiple factors have affected this. One of them I said is the availability of raw material for execution of these mines and loitering munition and also flares, where we were dependent on the -- some of the inputs, raw materials on MIL, Munitions India Limited, but they have informed their inability to meet the requirements.

So we had to, again, take up the matter with DRDO, who are the technology providers, with an alternate raw material against that. And it took time for acceptance. In fact, the trials are still going on with the alternate raw material. We are hoping that in a month or 2, we'll be completing that and then we'll be in production with the permission from DRDO.

Varun Jain: Sure, sir. And sir, on the capex front, I think you have been close to INR28 crores of capex in FY26. And the total capex for '26 and '27 was INR45 crores was required for Katepally expansion and INR15 crores for PDK. That is my understanding. So now you're saying PDK INR15 crores is done, so that would imply that close to INR25 crores for Katepally is still pending. Is that understanding correct? And why -- when is that expected to complete?

T.V. Chowdary: The PDK what figure you have mentioned, that is not including the execution. We have already completed the flare production plant, which is productionized in the last financial year, that is FY25 itself. The balance amount what is there, the other new mixers and the new storage facilities, magazines and all those construction is going on.

Varun Jain: And for Katepally?

T.V. Chowdary: Katepally also -- Katepally, the plant is -- you know that we have taken up expansion of RDX and HMX plant. The expansion project is going on. It is not yet completed. Similarly, the other

area, this large planetary mixer and the supporting balancing equipment and supporting recruitment and magazines is still going on work. We are hoping that in the -- by the end of first quarter itself, some of them will be capitalized.

Varun Jain: So sir, this Katepally entire expansion is expected to end by Q2, like Q2 FY27, it will end?

T.V. Chowdary: It may go up to Q3 because see, we are in the business of explosives where the qualification of the plant and qualification of the product produced from the plant is important. That will take another 1 or 2 months once we complete the execution, production and commissioning of the plant.

Varun Jain: Okay. Okay. And sir, I saw that there was a INR18.9 crores order, which was received in Feb and it got canceled in April because there was export license which was not given. So I saw that recently company won a INR350 crores order of defense products to an international client, so does this risk of export license not being given exist for such orders like this big order and other orders?

T.V. Chowdary: Yes. This is -- see, under ARMS ACT and all this, this is -- export license is very important. And in this business, yes, there is a possibility of export license getting rejected also based on -- because this depends on the government policy. Based on the policy, this -- whether permission is given or not given will be decided by government.

Vijay Kumar: Depending on the country also...

T.V. Chowdary: Yes.

Varun Jain: Okay, sir. Okay. And sir, just last 2 questions from my end. So sir, we had won this INR430 crores order in October of 2025, so out of this INR430 crores order, how much has been completed in FY26 and how much will be completed in FY27?

T.V. Chowdary: It has just started, the execution. Because we have complicated the order prior to that, which is an emergency procurement order, that part we have completed and then started the next order, working on that.

Varun Jain: So sir, this -- out of this INR430 crores, how much revenue do we expect to see in FY27?

T.V. Chowdary: It will be -- I think two third will be done before the end of financial year '27, one third may still flow to next year.

Varun Jain: Okay. Okay. And sir, the July '23 chaffs and flares order has it completely been executed? It is fully executed as of now? And if yes, so, have we received the full LD reversal? We received, I think INR23 crores-or-something back, but there is some amount left in LD reversal on that order, right?

T.V. Chowdary: Yes. Yes, we are still trying to get it with the MOD.

Varun Jain: But the order has been completely executed for both chaffs and flares?

- Vijay Kumar:** Chaffs is completed; flares, little portion is left.
- Varun Jain:** Still it is left? Okay. And by when will that be completed?
- Vijay Kumar:** This financial year.
- T.V. Chowdary:** First quarter itself we are expecting to complete that.
- Varun Jain:** Okay. Okay. And then only the LD reversal will be processed. Okay, sir. That's all for me. All the best.
- Vijay Kumar:** Thank you.
- Moderator:** The next question is from the line of S.C. Gupta, an Individual Investor.
- S.C. Gupta:** Firstly, I have a couple of questions. One is with respect to the order book, what is the breakup between export and domestic?
- Vijay Kumar:** Exports is about 54% and domestic is about 46%.
- S.C. Gupta:** Okay. And in case of exports, out of this 54% for which how much quantity, we have export license available?
- Vijay Kumar:** All these things are in process now. They are...
- T.V. Chowdary:** I mean you can take it like this: from the date of receiving the order that -- anything between 3 months to 6 months.
- S.C. Gupta:** No, now many of these orders are pending for more than 1 year. So I just would like to know that on these orders because out of INR1,600 crores around INR800 crores is export order. And recently, we got only INR300 crores-something and maybe another order of INR100 crores-or-so. So balance INR400 crores are more than 1 year old. So we have not got export licenses for that?
- T.V. Chowdary:** No, those are all -- we already have the export licenses. Most of them which are in the process of completion or execution, they are the development areas received where the product is developed to the specifications of the customer. Yes, and in those cases, there is milestones we have to achieve in the development, and we go by that process. And as per the milestone completion, we keep on raising our invoices against it.
- S.C. Gupta:** So in simple terms, if I have understood correctly, out of the about INR800 crores of export orders, we are already in development stage for INR400 crores -- above INR400 crores, not to be precise and another INR400 crores, we are awaiting the export licenses.
- T.V. Chowdary:** Yes.

- S.C. Gupta:** Sir, my second question is with respect to domestic orders. These domestic orders are also almost INR700 crores to INR800 crores. What is the pendency time line? Like how many of these are pending for more than 2 years or 1 year?
- T.V. Chowdary:** See, the orders from BDL and DRDO, there -- as I mentioned many times earlier, there we are dependent on the free-issue materials given by these agencies. So these orders -- unless we get the free issue, FIMs, we cannot execute them on our own. So rightly present delivery status is, we are able to do around -- different type of motors around 40 numbers for these domestic customers.
- S.C. Gupta:** So we have many orders pending because we do not have a free-issue material available with us?
- T.V. Chowdary:** Yes, yes. As and when the free-issue material comes, then we immediately complete the product and deliver back. Right now, like I said, around 50 numbers per month are being produced between different types of products, that is LRSAM, MRSAM, Astra, all this.
- S.C. Gupta:** Okay. And what is the average cost of this -- revenue from this 1 unit?
- T.V. Chowdary:** I think we can share with you some information later on.
- S.C. Gupta:** Okay. No issues. One more thing. What is the amount of LD which is pending which can be reversed? You just now indicated that your final flares will be supplied in the month of -- in this quarter itself. Then what is the amount of LD which you will be putting a claim for reversal?
- Vijay Kumar:** We are trying with the government. We have to see, it is around INR30 crores kind of thing.
- S.C. Gupta:** So INR30 crores is the amount which we will claim and depending upon the final approval, we may get something?
- T.V. Chowdary:** That is the claim. We always claim for the largest amount.
- S.C. Gupta:** Yes, I agree with you. I agree with you. You will claim for the best and whatever you will get it, that is what we get.
- T.V. Chowdary:** Yes.
- S.C. Gupta:** And one more thing, what is the amount of orders which could not be dispatched at the end of March?
- T.V. Chowdary:** That means you are saying that we have missed the delivery period?
- S.C. Gupta:** Yes. Either we have missed the delivery period or otherwise, the inspection could not be done, so we could not be -- these orders could not be dispatched.
- T.V. Chowdary:** Yes, these are all running orders, so they have no 31st March deadline other than our own balance accounting systems.

- S.C. Gupta:** Okay. Because in last call, you indicated that some of our orders depend upon the inspection by the defense people, and these are dispatched only after the defense inspection.
- T.V. Chowdary:** See, the -- very recently, we completed 1 PDI. PDI means pre-dispatch inspection.
- S.C. Gupta:** Yes. Yes, this is what I'm saying, that anything was pending on 31st March for pre-dispatch inspection, it means material was ready...
- T.V. Chowdary:** These were ready and then 3 different lines of around INR30 crores worth were offered for inspection and in the month of April...
- S.C. Gupta:** This has been dispatched.
- T.V. Chowdary:** Yes, it was completed, and we have dispatched. And in June, again, we are offering further quantity for inspection. We hope that in the first quarter we'll be completing those also.
- S.C. Gupta:** Okay. And one more thing. Are we considering any kind of strategic kind of alignment with any other company to expand our business, like one we have with NIBE global ammunition?
- T.V. Chowdary:** That is, yes, we have one joint venture company, which is active, but we have strategic memorandum of understanding signed with multiple companies, which are going to help us in our -- like because we are -- one of the areas is that presently, which is very much in the -- all these that drones and loitering munitions. So we are -- we have understanding and MoU signed with multiple companies for provision of -- yes, payloads to these companies. They are producers of drones, but the payload has to be supplied by us. We have multiple kind of understandings and MoUs.
- S.C. Gupta:** Okay. And my final question is with respect to the current year target of revenue of about INR600 crores to INR700 crores, how much do you expect will be the export contribution out of this?
- T.V. Chowdary:** INR200 crores will be in the current year that is FY27, we are expecting to export. But mind you that these are all the -- presently majority of these are development orders we are executing. Once we complete, then they get converted into production orders, which are a little larger than these figures.
- S.C. Gupta:** Okay. So we are normally this year, if I understood correctly, it is around INR200 crores of export and INR500 crores of domestic revenue.
- T.V. Chowdary:** Yes.
- S.C. Gupta:** So that is what we had -- or will it be evenly distributed across the quarters or there will be variation across the quarters?
- T.V. Chowdary:** There will be variation. It's always there. One of the reasons like I told you, the inspections and dispatches. And then we are dependent on some imports for some of the raw materials where they are getting delayed that also is affecting the deliveries.

- S.C. Gupta:** Okay. So in normal course that is our target as on date?
- T.V. Chowdary:** Yes, exactly.
- Moderator:** The next question is from the line of Apar Bansal from Alpha Ventures.
- Apar Bansal:** So firstly, many congratulations, sir, to achieve this kind of milestone.
- T.V. Chowdary:** Thank you.
- Apar Bansal:** I have only 1 question. Why is the execution risk in this business? Because we are delaying the orders and we are not able to complete the orders at the specific time, so how do you assess this execution risk?
- T.V. Chowdary:** Yes. You remember, we had accidents in the last year in 2 of our plants. One of them is the flares manufacturing facility. And you know that flares is one of the important products we produce for Indian Air Force and we are the only source, and then we are holding multiple orders on that. Because of these things, the deliveries got affected. We had to import some of the components which we produce ourselves.
- And the imports got affected because of geopolitical conditions, ship movement. And now -- like I mentioned, now we have completed the reconstruction of the plant for flares and all those. We are producing ourselves. We are not dependent on the imports now. And we hope that we'll be executing it much faster than earlier.
- Apar Bansal:** Okay. So the target that you have just mentioned for FY27, it's going to be somehow achievable or it will face this execution risk, again?
- T.V. Chowdary:** Run rate, we think, it is achievable only.
- Moderator:** The next question is from the line of Varun Jain from Dolat Capital.
- Varun Jain:** So I just wanted to understand for FY27, what will be the capex total?
- Vijay Kumar:** Last time also we gave the number, I think the same thing remains.
- Varun Jain:** Okay. So it is like INR32 crores, right, INR60 crores minus INR28 crores, which was done, that is the amount?
- Vijay Kumar:** Yes.
- Varun Jain:** And sir, by when can we get clarity on this export license for this INR350 crores order? By when is that license expected to come?
- T.V. Chowdary:** It's a running process always, this following up with the export license. Maybe I think in 3 months' time, we should be able to get this.

- Varun Jain:** Okay. And sir, the ISRO revenue which we get, how much was that in FY26 and what is the contract life remaining for that revenue?
- T.V. Chowdary:** Can you please repeat?
- Vijay Kumar:** I'll tell you. That is around INR18 crores per annum. The contract life is about another 2.5 years.
- Varun Jain:** Another 2.5 years. So it will run up to FY29 mid -- H2 FY29 you are saying, right?
- Vijay Kumar:** Right.
- Varun Jain:** And this INR18 crores run rate will remain constant or it will go down?
- Vijay Kumar:** Constant. More or less constant.
- Varun Jain:** Constant. Okay, sir. And sir, just last question. Sir, the INR600 crores to INR700 crores revenue guidance. So sir, seeing as to this year was like on the revenue terms, we missed the guidance a lot like -- so is this like too aggressive? It seems a little too aggressive.
- T.V. Chowdary:** No, if you look at our order book, it will not look aggressive. We are talking about an order book of INR1,500-plus crores.
- Varun Jain:** But sir, the execution has a lot of challenges, right, so that way.
- T.V. Chowdary:** Yes, we'll try. That's why we said that we'll try our best to achieve that. And some of the problems which we faced in the last year because of the war -- multiple wars and conflicts, those are now -- we are thinking that we have overcome that. Like I told you, like we found alternate raw materials and sources and all those, we are able to do better.
- Varun Jain:** And the margins will revert to like 20% or 17%, 15% levels in FY27?
- T.V. Chowdary:** Yes. 15% to 20% is our goal.
- Moderator:** The next question is from the line of Deepak Karva, an individual investor.
- Deepak Karva:** Congratulations on a decent quarter. So sir, I have two questions. Like, first one is regarding, is there any update on ongoing discussion and negotiation with Andhra Pradesh government for manufacturing unit of defense? Likely like what is the milestone we have achieved so far and what will be the next step and the expected time line from here?
- T.V. Chowdary:** See, the land parcel is identified and selected by us. From the 5 -- 6 different land parcels they showed, we have selected and then identified that. Now the pricing is the issue. We are asking for a discounted price. They have asked for a different amount. We already approached the Andhra Pradesh government senior officials and at Secretary level. The discussion is going on to revise the price of the land.
- Deepak Karva:** Okay. So like, sir, what will be the expected time line from here?

- T.V. Chowdary:** No, this is -- the moment this land parcel is -- price is finalized and we can get a demand note then the activity will start, acquiring the land and then we -- because we have a lot of orders in hand, which we can execute through that facility. So we are -- we expect that within 1 to 1.5 years, we can commission it.
- Deepak Karva:** Okay, sir, understood. And sir, in like recent quarter, our other income has been like increased from INR13 crores Q4 FY26 and INR42 crores for FY26. Like could you elaborate the key components contributing to this increase? Are these like recurring or largely one-off in nature?
- Vijay Kumar:** It is not recurring. It is one-off nature. So in previous quarters also we had it. But this is only one-off. This is the last one.
- Deepak Karva:** Okay. Sir, like what is the reason for the increase in this quarter?
- Vijay Kumar:** Pardon? Please go ahead.
- Deepak Karva:** Like what is the reason behind like increase in this quarter?
- Vijay Kumar:** So on the previous quarter also we had increase in other income.
- T.V. Chowdary:** Like the payments which got deferred and deliveries got deferred, now they are cleared and then we received.
- Vijay Kumar:** No, the discounts last time we negotiated with them, so they gave it in 2 parts.
- Deepak Karva:** Okay. Like sir, what are the key component, if you can tell us?
- Vijay Kumar:** In previous quarters also, we give the details, same thing -- material procurement, so we took discount from the supplier.
- Deepak Karva:** Sorry, sir, you are not a bit audible.
- T.V. Chowdary:** No. The delays, which are because of non-delivery of the items, those were taken up with our vendors and then we got a discount against it. Passed off the expenses due to these things, we got a discount on the price.
- Moderator:** The next question is from the line of Dipen Vakil from PhillipCapital.
- Dipen Vakil:** Sir, first, I want to understand, sir, your current order book. So when we look at your current order book, what would be like a blended execution time line that you can foresee for completely executing the current order book? And what is your order pipeline per se when we look at, say, in FY27 or maybe FY28 that you're expecting?
- Vijay Kumar:** Now we have about INR1,569 crores. So this will take 2 to 3 years to complete it.
- T.V. Chowdary:** And parallely, others orders are also there, which we are negotiating, which can materialize -- like earlier also, we have mentioned, the order book will continue to remain at that level because...

- Vijay Kumar:** Around INR1,000 crores-plus kind of thing.
- T.V. Chowdary:** Yes. You know that the new facilities are being added at Katepally and other places, so these are going to bring -- contribute further for that.
- Dipen Vakil:** Got it, sir. So -- okay. So second question is, so now when we look at explosives as an industry, there's a lot of consolidation which has happened in some companies, at the same time, some more companies have come in, even in Andhra Pradesh side of it. So how are you looking at this space evolving? And what kind of changes are you expecting? And what will be your differentiating impact for Premier Explosives so that the demand scenario for Premier Explosives remains unimpacted?
- T.V. Chowdary:** See, we -- others are trying to enter. It always takes at least in a period of 5 years minimum for establishing an explosive manufacturing unit or storage and all those things. So that advantage we always have. And another thing is, like we mentioned earlier, apart from -- we are well entrenched in the rocket motor business, and we are exporting. We have multiple orders from - - on this area, and we are expanding further.
- In addition to that, our focus areas are land mines and payloads for drones and loitering munitions and medium-caliber ammunition, where the demand has grown because of the recent conflicts. So we hope that we are much ahead of others in these areas.
- Dipen Vakil:** Got it, sir. Sir, and what is your outlook on chaffs and flares? Because largely Indian Armed Forces were importing it. You are among the first ones to manufacture it domestically, so how is the opportunity shaping up for chaffs and flares, considering that now you've also backward integrated -- a lot of those components?
- T.V. Chowdary:** Yes. It's good.
- Dipen Vakil:** So are we expecting any new orders from chaffs and flares?
- T.V. Chowdary:** Yes, yes. Like I mentioned, yes, some of the orders are at negotiation level. Some are already the RFPs we participated and waiting for that. So it's going on.
- Moderator:** The next question is from the line of Sahil Karia from White Pine Investment Management Private Limited.
- Sahil Karia** Sir, I just wanted to know your views on the Odisha capex plan, like how -- where are we currently and what are the further time lines?
- T.V. Chowdary:** Actually, the -- like last time I mentioned, the land which was seen and all those, when we went and personally looked at it and all those, we felt it will not be meeting our requirements. The same thing we have informed to the Orissa government, and the government is proposing some new areas. In fact, to share with you today, I have a video conference with Orissa government officials for discussing about the other land parcels. So we are still hopeful that we'll find some land for our future expansions.

- Sahil Karia** Sir, any kind of time line by when we will be able to start the operations at Orissa? Because I guess the products that we would be manufacturing are one of the key drivers for our future revenues. So any time line for that?
- T.V. Chowdary:** Yes. Like we have mentioned earlier, we plan to do it in 3 phases. These 3 phases, first phase, we have already started working in Andhra because that land parcel is, I mean, closer to us rather than the Orissa. So after that, the second and third phases, then we are thinking of Orissa and then which may take around 4 to 5 years.
- Sahil Karia** Okay. Okay. And the next question is regarding the ISRO service contract. So we see that now like even ISRO is planning on a number of launches, like increasing the number of launches per year and the propellant requirements for these launches would increase. So like do we have any plans of renewing our contract with ISRO?
- T.V. Chowdary:** No, the present contract has another 3 years completion time -- 2.5 years. So any further thing will -- RFP or anything will come after that or during the last year of execution of that. We'll definitely participate.
- Sahil Karia** Okay. And also like we are also -- like we also do the service contracting for the Jagdalpur plant, that is, I believe it is for the Agni Missile propellant, so could you just give us some...
- T.V. Chowdary:** We have not got the last -- current running order. We lost that in our bidding. So Jagdalpur is no more being serviced by us.
- Sahil Karia** Okay. Because you have mentioned in the PPT as well that like it is under our O&M services. So like what was the reason of like losing the contract?
- T.V. Chowdary:** We have done it and then our costs have gone up. So we can't -- based on the cost only, we can submit our price quote. And the new contractor, they quoted and then they got the order.
- Sahil Karia** Okay. So are we still supplying this pyrogen igniters or any products that we were supplying earlier for the Agni Missile? So are we still...
- T.V. Chowdary:** Yes, yes, we still supply all those. What are made in our plant, we'll continue to supply. In fact, as on date, we are still the single source to DRDO.
- Sahil Karia** Okay. Okay. And sir, just last question on this other missile programs. Currently, we are just supplying the solid propellants like for MRSAM, LRSAM and Astra. So like, do we have like plans to manufacture the entire rocket motor and not only the propellants?
- T.V. Chowdary:** No, these areas -- the entire rocket motor, we are not doing. As on date, we have no plan also taking up. But up to hardware, that is the rocket motor casing and then components and all those, yes, we are doing for other new systems and for exports. The opportunity -- if we get that opportunity, we'll also participate in these motors also. But electronics guidance system and then seekers and all those, we are not into that.

- Sahil Karia** No, sir, my question was regarding the rocket motors only, like currently, you're only supplying the propellant like the chemical or the chemical material part, right? We are not supplying the entire rocket motor for this current missile programs. So any plans to...
- T.V. Chowdary:** We are not doing. But given the opportunity, we will take up that because for export purpose, we are doing the full rocket motor.
- Sahil Karia** Okay. Okay. And just a follow-up on that. Like I actually see the quantum of your export orders that we reserve, it is between INR30 crores, like INR150 crores or INR300 crores. So like we are currently only doing developmental projects only. So do we have any expectations or time lines by when can we receive production orders for the already developed products exported?
- T.V. Chowdary:** See, we have both in our kitty, that is development orders and we are also executing the production orders. Like warheads -- as on date, we are completely producing warheads for their requirement. And we are also producing other rocket motors, which are there and all those. So both kinds are there, production orders as well as development orders.
- Sahil Karia** Okay. And sir, just last one question like you have guided revenue -- like given revenue guidance of INR600 crores to INR700 crores in FY27. So what could be the like major drivers for this revenue growth? So like we are speaking of about some 50% growth in the revenues from FY26 base revenue. So like what are the products that would drive these revenues?
- T.V. Chowdary:** Execution of the products which got delayed in the last financial year because of the geopolitical conditions. And also, like I mentioned, these are areas we could not meet the requirement that is land mines and drone and loitering munitions, payloads and ammunition because of the availability of raw material.
- Now there is a better visibility of raw materials. And then DRDO also is accepting the alternate raw materials suggested by us. So we are expecting that these areas are going to contribute.
- Sahil Karia** Okay. And this will be from the existing plants only, right? Like the Odisha capex has now been shifted for 4 to 5 years, and I believe Andhra...
- T.V. Chowdary:** We may go to some of -- to Andhra for some of them.
- Sahil Karia** Okay. And the new land parcel that we are looking at Andhra, even the time line for that would be 4 to 5 years, right? The revenue contributing from this plant?
- T.V. Chowdary:** Yes, we can produce these from our existing facility also, but not to the larger quantities. So depending on the quantities and all those, when we are ready with that, we'll produce from our plants.
- Moderator:** The next question is from the line of Jagjit Sandhu, an Individual Investor.
- Jagjit Sandhu:** Yes. Congratulations on the result. I just have one pointed question. And considering the incidents that took place in the last financial year where you mentioned that there were two specific incidents. And going forward, obviously, looking at the large order book that we have,

what is the chances or likelihood of similar incidents taking place? And what are mitigating actions that are being planned towards that, so that the revenues which are projected could be met?

T.V. Chowdary: The Katepally incident has affected our production capability of large rocket motors, which are made for ISRO and also for strategic systems of DRDO. So these -- now the equipment already in fabrication and then the building is under construction. And the time frame what we are looking at is by September month, this will come into commissioning stage. And after commissioning, we may be -- in November month onwards, we are expecting that we can start producing for this facility.

And about other accident in Peddakandukur that was in the flares plant, which we have already completed and then started using it for production. Licenses were -- suspended, licenses were given and then we are producing on it.

Vijay Kumar: More automation and all these things we are trying to avoid because of this.

T.V. Chowdary: Yes. And we have incorporated safety control equipment and automation and remote operations in the new facilities and new plants. Those will definitely support us in overcoming these problems, what we faced.

Moderator: The next question is from the line of Manish Khemani from Middleton.

Manish Khemani: Sir, you said that you have applied to DRDO for this alternative raw material. Have you got the approval for it? And if not, are there chances of...

T.V. Chowdary: First, they were refusing, but now they have accepted it and then they agreed to test it and testing is going on with the new raw materials.

Manish Khemani: And how much part of the order book is affected by this material?

T.V. Chowdary: This is land mines. For example, land mines require high explosives, which is made by only MIL, and MIL was not able to meet our requirement. So now we have -- we suggested what we produce in-house as alternate material and they have accepted and they are testing it to give a clearance.

Moderator: As there are no further questions from the participants, I now hand the conference over to Mr. T.V. Chowdary for closing comments.

T.V. Chowdary: Yes. Thank you very much. Thanks a lot for supporting us in difficult times of rebuilding our collapsed equipment and then facilities. And then I'm happy to inform you that we are already into regular production -- in-house production of flares. And by -- as I mentioned, by October-November, other things also we'll be doing. And my team is fully working on these areas to open up that is land mines and payloads for drones and loitering munitions and medium-caliber ammunition. And I think by next financial year, we'll be meeting the requirements of domestic market in these areas fully. Thank you. Thank you very much.



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Vijay Kumar:

Thank you.

Moderator:

Thank you. On behalf of Premier Explosives Limited, that concludes this conference. Thank you for joining us, and you may now disconnect your lines.