



Premier Explosives Limited



November 19, 2025

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 second quarter and half year ended
30th September, 2025, results.**

Please find attached the Transcript of the Conference Call hosted by, Stellar IR Advisors Private Limited, on November 14, 2025 pertaining to, 'Premier Explosives Limited Q2 & H1 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
Q2 FY26 Earnings Conference Call”
November 14, 2025



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

MODERATOR: **MR. OMKAR SAWANT– STELLAR INVESTOR
RELATIONS**

Moderator:

Ladies and gentlemen, good day, and welcome to the Q2 FY26 Earnings 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. Omkar Sawant from Stellar IR. Thank you, and over to you, sir.

Omkar Sawant:

Thank you. Good afternoon, everyone. I Omkar Sawant on behalf of Stellar Investor Relations, welcome you all to Premier Explosives Limited Q2 and H1FY '26 Earnings Conference Call. We shall be sharing the key operating and financial highlights for the second quarter and half year ended September 30, 2025. Today, we have with us the senior management team of Premier Explosives Limited, Mr. T.V. Chowdary, Managing Director; and Mr. Vijay Kumar, CFO.

Before we begin, I would like to state that this call may contain some of the forward-looking statements, which are completely based on company's belief, opinion and expectation as of today. The 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 developments that occur after the statement is made.

Documents relating to the company's financial performance, including the investor presentation have already been uploaded on the stock exchange and company's website. I now invite Mr. T.V. Chowdary to share his initial remarks on the company's performance for the second quarter and half year ended September 30, 2025. Thank you, and over to you, sir.

T. V. Chowdary:

Thank you, Mr. Omkar. Good afternoon, everyone, and thanks for joining the call. H1FY '26 delivered a strong performance with revenue increasing 23% year-on-year to INR217.7 crores, driven by growth in our Defense and Aerospace division for the period. Our current order book stands at INR1,297 crores, forming 3.1x of financial year 2025 revenue.

During the quarter, successful execution of old orders positioned the company to bid for and secure larger high-value contracts from the Ministry of Defense, the Indian defense industry and international defense customers. In the month of October, we received an order worth INR429.56 crores from Indian Air Force for the supply of chaffs and flares, i.e. countermeasures.

In quarter 2 FY'26, the company secured orders from various international entities for supply of rocket motors, defense explosives and commercial explosives. Looking ahead, Premier remains the only Indian company qualified to manufacture countermeasures and a key exporter of fully assembled rocket motors. In addition, we produce and export warheads, high explosive payloads, mines and ammunition under the Atmanirbhar Bharat initiative.

With the Ministry of Defense emphasizing domestic production and reduced imports, we see strong policy support driving Premier's growth. In Q2FY '26, we generated a healthy cash profit of INR20.8 crores by maintaining stable operations and leveraging our efficient cost structure, we aim to further enhance operational efficiency and boost cash flow.

The strengthened cash flow will reinforce our balance sheet with a positive outlook on the defense and aerospace sectors. We are focused on becoming a key player in both domestic and export markets. Now I request Mr. Vijay Kumar, our CFO, to share the financial performance.

Vijay Kumar:

Thank you, sir. Good afternoon, everyone. The result presentation for the quarter ended September 30, 2025, has been uploaded on the stock exchanges and on the company's website. I believe you may have gone through the same. The revenue from operations for Q2FY'26 stands at INR75.6 crores, which shows a degrowth of 20% year-on-year and 47% Q-on-Q, quarter-on-quarter.

Our operating profit for Q3 FY '26 stands at INR6.6 crores. The operating margin for the quarter stands at 8.7%. We reported a net profit of INR17.9 crores, which shows a growth of 113% year-on-year and 17% quarter-on-quarter. The PAT margin for the quarter stands at 23.6%. The revenue from operations for H1FY'26 stands at INR217.7 crores, which shows a growth of 23% year-on-year.

Our operating profit for H1FY'26 stands at INR27.5 crores, which shows a degrowth of 14% year-on-year. The operating margin for the half year stands at 12.6%. We reported a net profit of INR33.2 crores, which shows a growth of 112% year-on-year. The PAT margin for the quarter stands at 15.2%. The decline in revenue and margins this quarter was primarily due to delayed order execution, which is expected to be completed in the next quarter.

Now coming to the order book position. The company's current order book stands at INR1,297 crores, out of which the Defense segment order is majority of INR1,167.4 crores, which is equal to 90% of the total order book and Explosives segment stands at INR77.80 crores, which is equal to 6% of the total order book and service segment, which is operational and maintenance Service segment stands at INR51.9 crores, which is equal to 4% of the total order book.

The order book shows a solid and strong growth towards the coming years. We are very much content that with our continued execution run rate in the forthcoming quarters, we'll be continuing with the growth trajectory. With this, we'll now open the floor for questions and answers. Thank you.

Moderator:

Thank you, sir. Ladies and gentlemen, we will now begin the question and answer session. The first question is from the line of Mr. Paras from Ignara Capital. Please go ahead.

Paras:

My first question would be regarding the capacity utilization at a consolidated level. As of 2Q, how much capacity you utilized?

- T. V. Chowdary:** See, we have multiple products and multiple manufacturing facilities. So it cannot be generalized on the capacity utilization. Some of the products, for example, countermeasures, we are at 100% capacity utilization whereas rocket motors, small rocket motors, we are at 60% utilization and large rocket motors, it is only 1/3 utilization. So it varies.
- Paras:** Okay. So if I put forth a total number would it be around 50% of what a total capacity with the current revenue?
- T. V. Chowdary:** Yes. The problem there is where we do the tactical missiles and other rockets, the casings and hardware comes as free issue material from our customers. And delays in free issue materials will cause the delays and execution delays on that. Utilization also depends on that.
- Paras:** Okay. And my second question is when do we expect the current order book to get executed, the INR1,300 crore order book, which we have currently?
- T. V. Chowdary:** If you add up all of them, again, there also, it's a bouquet of multiple products. If you consider all to be executed, it is 2 years plus.
- Paras:** Okay. Understood. And sir, just one last question regarding your capex in Odisha. We are incurring INR800-odd crores capex. So considering the fact that we are not operating at 100% margin. So what is the thought process behind putting such a big plan currently and affecting the return on capital ratios?
- T. V. Chowdary:** Yes. Like I mentioned to you just a few minutes before, we have a bouquet of products. It's not one item or two items. It's multiple items. They are produced in different plants and different things. So the capacity utilization doesn't depend on that. And this -- what we are planning to have in Odisha is for the defense raw materials, which right now we are not producing. And in addition to that, the filling of bombs and other things, which is in addition to our present operations, these are the additional products, which are going to be added to the list.
- Paras:** Okay. And just one last question. Do you revise the INR600 crores guidance of top line for FY '26? Or you would still stay with the same guidance considering the current quarter numbers?
- T. V. Chowdary:** Yes, we'll be in that range. That is -- it can be INR500 plus, INR550 or INR600 range.
- Moderator:** The next question is from the line of Mr. Omkar from Stellar IR.
- Omkar:** No, sorry, I have no questions. I'm not in the queue.
- Moderator:** Okay. Thank you, sir. The next question is from the line of Mr. Dhruv Patel from LLP.
- Dhruv Patel:** I just wanted to ask why is the revenue growth so timid this quarter? And how do we see the revenue growth and the profitability for the next two quarters?
- T. V. Chowdary:** Overall, at the end of the year, we are targeting or like we mentioned earlier, it will be in the range of -- revenue will be INR500 crores to INR600 crores. We'll be in that range. And profitability also, we expect to maintain total between 15% to 20%.

Dhruv Patel: 15% to 20% EBITDA, right, sir?

T. V. Chowdary: Yes.

Dhruv Patel: And sir, what is the other income of INR22 crores, sir? Like I read the note that it says some raw material thing. Can you like share insights on that?

T. V. Chowdary: Like in our earlier quarter results, first quarter and then previous results, there was a provision made towards late delivery charges for some of the customers. And this provision -- now the late delivery charges are shared by our supplier because the causes were different supplier. Now those -- that is added back to the income.

Dhruv Patel: Okay. And anything on the MOU that we have signed with the Andhra Pradesh government today?

T. V. Chowdary: Yes. It was signed yesterday and for an allotment of land bank of around 400 acres in Andhra Pradesh for setting up of defense explosives and the defense products.

Dhruv Patel: Okay. And how do we fund that, sir? How do we fund that capex?

T. V. Chowdary: As on date, we are thinking it will be with internal accruals. But otherwise, we have already taken our board permission for QIP, depending on the -- it is not immediate. It will take two to three phases. So phase-wise investment, it comes. So we feel that we can finance it with internal accruals.

Dhruv Patel: That should be over a couple of years, right, at least?

T. V. Chowdary: Yes. More than a couple of years. It is 3 phases, which may spread out to 6 or 7 years.

Moderator: The next question is from the line of Mr. Amit from Clear Blue Capital Advisors, LLP.

Amit: My question is related to the fire incident that happened with one of the units at the company. Can you...

T. V. Chowdary: Can you be a little louder, please?

Amit: Is this better?

T. V. Chowdary: Yes, this is good.

Amit: My question is related to one of the fire incidents that happened at one of the units of the company. Can you tell us what was the production loss in this quarter because of that?

T. V. Chowdary: Like we have mentioned in other earlier occasions, the main product which is affected because of that is the large diameter rocket motors. And it is not for this quarter. The overall business, the turnover, which is going to be affected are delayed because of the extent is estimated at around INR20 crores, yes.

- Amit:** Okay. Around INR20 crores. And what are the steps we are doing for -- to avoid such an incident in the future?
- T. V. Chowdary:** This is -- in the explosive industry, once the accident happens, there is nobody to tell us who is there and all those. So we have to -- an expert panel is put in place to go through the incident and they have suggested recommendations and all those about some additional automation and other things, which can prevent such things. So the actions have been taken with the help of expert panel and with our internal expertise and the actions are being taken for rebuilding the facility, which got burned. And the new facility, additional precautions will be in place.
- Moderator:** The next question is from the line of Mr. Aditya from Habrok Capital.
- Aditya:** The provision that was for liquidated damages, was it for the chaffs and flares order that we had created earlier or this was some other order?
- T. V. Chowdary:** Yes.
- Aditya:** Okay. And sir, also on chaffs and flares and so like we received this order. So do you still maintain that chaffs and flares order countermeasures order is once in a while order and maybe it might have been used in recent conflict to that, so this was emergency procurement or do you see now change in customer behavior that maybe this kind of order can be expected every year for us?
- T. V. Chowdary:** The chaffs and flares, these countermeasures, they have a flight life. That means after loading into the aircraft, how many hours that can be flying and all those. So after achieving so many hours, then you have to replace and load fresh. And in addition to that, there will be something called warwastage, which are used for the practice and all those. So present quantities, the orders what we are getting are for replenishing all the stocks which are spent so that the quantity is quite high. But it will not be at this level, but there will be regular consistent every year offtake of the material.
- Aditya:** So approximately 1/3 of it, just a general idea?
- T. V. Chowdary:** Difficult to tell. But at least 50% of what we are supplying will remain every year.
- Aditya:** 50%. Okay, sir. And also sir, any new product development that we are doing? Are we working with DRDO like some new kind of...
- T. V. Chowdary:** See, the DRDO, any new product development which comes from DRDO, PL is there. Premier Explosives is the main converter into production from that. So several projects we are working. We cannot name this and that.
- Aditya:** But the energy remains committed there? But your energy remains committed to new product development for now?

T. V. Chowdary: Yes, yes. In addition to DRDO developments and all those, we also have in-house development. So that also always keeps going parallel. And the exports -- several export rockets and rocket motors are also being designed and developed by us.

Aditya: So, like we have been exporting these rocket motors for a while. So like has our capability taken up like we must have a learning curve? Are we going on for more higher value, more higher advanced rockets or is it like a similar product? What is it happening?

T. V. Chowdary: Yes. We always look for higher level and higher products and all those. We are in this business for the past 25 years. We started in the year, Millennium year 2000. So we have acquired enough in-house capabilities of designing and producing, which we are utilizing now.

Aditya: Okay, sir. And like, of course, like a lot of the exports that we used to do was these rocket motors to Israel. So do you think this should soften a little bit since there's a -- supposed there will be ceasefire announced?

T. V. Chowdary: It's not clear. Ceasefire is the peace time. But in peace time also, the defense products have to be produced and then we should be prepared for it, whether it is Israel or any other country. This is -- defense is different and the ceasefire is different. So we'll have to -- whatever consumed in the present war have to be replenished and also they should build up enough defense stock. So this will be a continuing business.

Aditya: Okay, sir. Got it. And also on exports, like could you just give a little bit more sense that what all products that we export, if there was a step that we can say that maybe rocket motors will do this much and do we also export explosive materials like RDX, HMX or anything like that?

T. V. Chowdary: Yes. We produce RDX, HMX and also sell in domestic market, use for our internal consumption and also we export. We also export aviation in defense and aerospace. We export industrial explosives also.

Aditya: Right. And sir, for your export mix, can you share like what's the split of different products?

T. V. Chowdary: It will be about 35% to 40% exports.

Aditya: Okay, sir. And sir, I think one of our plant was supposed to come online around this time. Is there any update that you have shared that I might have missed?

T. V. Chowdary: Can you repeat again?

Aditya: I think there was one of the facilities or plants were supposed to come online -- was supposed to come live for us. Is that correct understanding or...

T. V. Chowdary: Expansion of RDX and HMX plant. Yes, it's going on. I think it is going as per the schedule as planned. By the end of financial year, we'll be starting the production.

Aditya: Sorry, I could not hear you. Please come again.

T. V. Chowdary: By the end of financial year, we will be starting production.

Aditya: By the end of financial year?

T. V. Chowdary: Yes. Yes.

Moderator: The next question is from the line of Mr. Shubham from Perpetual Capital Advisors Private Limited.

Shubham: So I'm relatively new to the company. So I just wanted to ask few basic things. First of all, I will need your comments around what were the reasons behind the sluggish growth for us in this quarter for both of our segments if you could repeat that?

T. V. Chowdary: It's very difficult to -- your audio something is wrong. It is very difficult to -- we are trying to hear you very hard, but can you repeat the question, please?

Shubham: Can you hear me?

T. V. Chowdary: Yes, we'll try.

Shubham: So sir, I just wanted to know I just missed your comments around the reasons behind the sluggish growth in both of our segments in this quarter. I just wanted to know the reason if you can give it?

T. V. Chowdary: No, like, there is no sluggish growth. Why that impression has come? We have growth in our turnover and also in profitability and all those. Yes, quarter-to-quarter, yes, there can be a thing, but it is a quarter or month is a very short period to consider a sluggish growth.

Shubham: Okay. And sir, what is our current demand situation for both of our segments, both industrial explosives and defense?

T. V. Chowdary: Like we have already told, we have -- our order book is of INR1,300 crores. So it's a healthy situation, and then we are executing those.

Shubham: Okay. And sir, what kind of EBITDA margin do we generate in both our segments, if you can share?

T. V. Chowdary: It will be in the range of 15% to 20%.

Shubham: So that is on consolidated basis, right?

T. V. Chowdary: Yes.

Shubham: Segment wise, do you give out that number?

T. V. Chowdary: That varies. Segment-wise, it varies. Industrial explosives is different and defense explosives is different, and the raw materials are different. So we don't have that segmental figures.

- Vijay Kumar:** Overall, it will be like that, 15% to 20%.
- Shubham:** Okay. And sir, so you said you are doing 45% to 50% of your top line from exports, right? So is there any margin differential in our export business compared to domestic?
- T. V. Chowdary:** Yes, there is difference between exports and domestic. It is not only export and domestic difference in case of defense, quantities also. When you supply bulk quantities, large quantities, yes, the price difference will be there. When you supply smaller quantity, it will be on higher side.
- Shubham:** Okay. Sir, one final question on your Odisha capex. So could you please share what is our total planned capex over there? And what kind of -- I mean, when the plant will reach commercial production and what kind of revenue we can generate from that?
- T. V. Chowdary:** We are still waiting for the land allotment by government of Odisha. It is in the process. It is identified, land area is identified. Now it is in the process of allotment. So hopefully, by the end of this calendar year, we'll get it allotted.
- And the plans, we have plan of growing the capex in 3 phases, Phase A, Phase B, Phase 2, 3 or Phase 1, 2, 3, which includes ammunition, explosive raw materials and filling of bombs and various things. So altogether, the project is expected to be completed all phases in around 8 years.
- Shubham:** How many years, sir, maximum?
- T. V. Chowdary:** It's an 8-year plan. That is our planning in 3 phases.
- Moderator:** Thank you. The next question is from the line of Mr. Dhruv from LLP.
- Dhruv:** Sir, I wanted to ask why there is a margin compression when we look at the year-on-year numbers. This quarter, we had only 9% EBITDA. And the EBITDA also has fallen quite a bit. So -- and if we are guiding for 15%, 20% EBITDA for the annual numbers, then are we going to do, say, north of 15% EBITDA margins in the next 2 quarters?
- T. V. Chowdary:** Lot of defense products have not been dispatched. Yes, we are targeting to try for that. And our guidance is around INR500 crores to INR550 crores is the turnover. I think...
- Dhruv:** So this quarter, it is just a delay of execution of dispatch rather than execution. They've already been made, but not dispatched?
- T. V. Chowdary:** Yes, they are in the stock.
- Dhruv:** Can we expect it in the next quarter, December quarter?
- T. V. Chowdary:** Yes, December and March, yes, because we got another new order from defense also. So that also gets executed.

- Vijay Kumar:** All Defense or Aerospace orders, there is a predispatch inspection and also stage clearance activity where the customer gets involved and the inspection agencies come into picture. There, the schedules can go up and down based on the availability of the inspection teams.
- Moderator:** Thank you. The next question is from the line of Mr. Paras from Ignara Capital.
- Paras:** Sir, just wanted to ask on the working capital side. It has been pretty much volatile as far as the trade receivables are concerned. If I look at the September balance sheet, the receivables have risen quite a bit despite the revenues not being higher on a year-on-year basis. So, how does the management look at it? And what is, you know, the sustainable working capital cycle, which we would be looking at for the next 3, 4 years?
- Vijay Kumar:** Actually, that debtors are due from the Ministry of Defense, so they got delayed. Last time they took 4 to 5 months for clearing it because of various reasons. Now, we got that money. So if you see next quarter, it will be again minimal. As our MD sir said, the cycle depends on the different orders we are executing. So that debtors have come down now.
- Paras:** No, sir, I just wanted to understand that number of days, which you would like to maintain. I did understand the fact that...
- Vijay Kumar:** Actually, defense is supposed to pay in 30 days. If they delay it by 5 months, what can we do?
- T. V. Chowdary:** 30 days will start after everything is cleared, inspections are done, everything. But 30 days can always become 60 days. But before the 30 days period starts, there will be another 2, 3 months once you pack the product and waiting for inspections and dispatches.
- Moderator:** The next question is from the line of Mr. Subhash, an Individual Investor.
- Subhash:** I would like to know that you have earlier given a guidance of INR600 crores. And now the guidance is being reduced. Is there any reason for it?
- T. V. Chowdary:** Reason is like again and again, we are explaining that we can only count from the date of delivery. Now the delivery depends upon the pre-dispatch inspection and clearance by inspection agencies.
- If that gets delayed, then the material which is going to be booked in this quarter are dispatched, it will shift to the next quarter or next year. That's why it cannot be like a hammer hit that it will be INR600 crores or INR500 crores or INR550 crores. We try to be within that range.
- Subhash:** My understanding is in the month of March, generally, defense also prefers the delivery are made before 31st March because for their budget, it counts. So in March quarter, all these delays are taken care of, provided material is ready in the January-February itself. So are we still targeting INR600 crores if the deliveries are made?
- T. V. Chowdary:** Yes, we are targeting INR600 crores.

- Subhash:** We are targeting INR600 crores with a margin of 15% to 20% guidance, which you have given us now.
- T. V. Chowdary:** Yes, yes.
- Moderator:** Thank you. The next question is from the line of Mr. Amit from Clear Blue Capital Advisors LLP.
- Amit:** I was wondering what the capex plans of the company are for FY '26 and '27 and how are we going to be funding it?
- T. V. Chowdary:** The capex we plan for the financial year '26, '27 will be in the range of around INR50 crores. And how do we finance it?
- Vijay Kumar:** That we are doing it from the bank. Term loans, we are taking it. So in case of extra additional capex and all these things, if we get these projects from Odisha and other things, then I think the QIP already we have taken permission from shareholders. So that also need to activate here. Otherwise, right now, we are going with bank financing and internal accruals.
- Amit:** So when can we expect the QIP?
- T. V. Chowdary:** We have taken the permission from Board, whether we could go for QIP or when we'll go for DIP, that depends upon our fund requirement.
- Amit:** Okay. Okay. So can we expect like a QIP in the next 3 to 6 months?
- T. V. Chowdary:** Not 3 to 6 months, it might be more than that, yes.
- Moderator:** Thank you. The next question is from the line of Mr. Santanu from Mount Infra Finance Private Limited.
- Santanu:** Congratulations for getting good amount of orders in Countermeasures segment. My question is that how much order we are expecting during the current fiscal? Apart from whatever we have got till date, how much orders we are still expecting within the current financial year?
- T. V. Chowdary:** Yes, the present condition, at least we -- whatever we produce and execute that much, we expect the orders back, at least INR500 crores, INR600 crores of additional orders in the financial year in addition to what we have in hand.
- Santanu:** Whatever we have got till date, sir, that is very close-- yes, INR1,300 crores. And we are expecting another INR500 crores to INR600 crores in the current financial year, right?
- T. V. Chowdary:** No, no, 300 at least, we should get.
- Santanu:** Another 300?
- T.V. Chowdary:** Yes.

- Santanu Chatterjee:** Okay. Okay. And sir, apart from rocket motors, ammunition and countermeasures, which we are actually doing for a long period, as you have said that we are in this business for the last 20, 25 years, which are the other product line you are contemplating to develop for grabbing future opportunities?
- T. V. Chowdary:** Mines is one area, which we are working on that. And then probably the next year, a year later, business should...
- Vijay Kumar:** Anti-personal mines.
- T. V. Chowdary:** Anti-personal mines and anti-armored vehicle mines, which we are making. That is supposed to catch up. And the second one is the ammunition, medium-caliber ammunition, which we have taken technology transfer from DRDO. And also, we are looking for other technologies. This also can open a line of business, new line. And warheads, earlier, we were making mostly the rocket motors.
- Now we have entered the field of warheads and high explosive payloads, particularly for drones and UAVs. These are the new areas where we expect the full growth. In addition to this, the turnover is expected from the raw material that is RDX and HMX, where we are increasing the capacity.
- Moderator:** Thank you. The next question is from the line of Mr. Aditya from Habrok Capital.
- Aditya:** Sir, you just mentioned that we are trying to get into UAVs, like we are maintaining the explosive side for UAV. So have we partnered with any UAV companies? Like I think we signed an MOU with NIBE. So do we have an update of what we are doing with them or with any other UAV companies, what we are planning to do? Have we started testing at least?
- T. V. Chowdary:** See, we have signed MOU with multiple companies, which are in the business of that UAV drones, birds. So we are also providing high explosive payloads and also the initiating chain that is the safe-arm and then fuses and detonators for them. Among the people, I think more than 15 companies we are working with, we are the source for all those things. Whoever wins the contract, we'll be in the business.
- Aditya:** Sir, can you name some of these 15 companies? Any few names that you would like to share?
- T. V. Chowdary:** No, I don't think we'll be able to name them.
- Aditya:** Okay. So how is the process like?
- T. V. Chowdary:** I think you asked another question about NIBE?
- Aditya:** Yes, sir. Yes, sir.
- T. V. Chowdary:** Yes. We have formed a joint venture company with NIBE for producing jointly the rocket motors where they will produce the hardware and the launches and other things and Premier will support in production of high energy material that is propellants and explosives and

warheads. Together, we want to make the full rocket and then supply. That is the idea behind forming the JV. Now right now, it is in the process of obtaining the TOTs from DRDO and other things.

Aditya: Okay, sir. So that is going as per progress...

T. V. Chowdary: Yes.

Aditya: And any time lines that maybe when the product will be ready, then we can apply for tenders, is there any target in mind?

T. V. Chowdary: Can you please repeat the question?

Aditya: Sure, sir. So I'm just asking that do we have any time lines or targets in mind that when our products can be ready and since that date and from that, that we can apply for the orders?

T. V. Chowdary: The products are already made and produced, and they are in the supply. Some of them anti-personal mine already we are holding orders and we are supplying against the orders. Anti-armored vehicles and all those, we are waiting for the RFPs to come. Once the RFPs are out, we'll participate in them.

Aditya: Sir, I was asking on the be NIBE JV that we formed that you mentioned next thing?

T. V. Chowdary: Yes. NIBE, that may take time at least 1.5 years to 2 years to come into production.

Aditya: Okay, sir. And also, like this -- you already alluded that we have big orders on it. But I think this has been delayed for a while, the 40 mm HEAT ammunition that we had obtained the TOT cancellation of tenders by the government. So is there like any reason that maybe the process is longer required? Or is it still required and it is just delayed for now?

T. V. Chowdary: If I understand you correctly, of course, you are asking about the 40 millimeters grenade ammunition, right?

Aditya: Yes, yes.

T. V. Chowdary: Yes. The technology transfer process is completed from the DRDO. And we have participated in some RFPs, but the RFPs have to be opened and techno commercial bids have to be opened and then decided. So we are waiting for that.

Aditya: Okay, sir. So like have we any recent RFPs totalled for it? I think because the earlier RFPs were cancelled in the earlier calls, you had mentioned.

T. V. Chowdary: Yes, because the user trials were not completed of any supplier in addition to Premier and other players in the game. So now they were cancelled. Now fresh tenders are called by Army and also paramilitary forces.

- Aditya:** Right, sir. And also, sir, on this HMX and RDX product that we have, I think a quarter earlier or two quarters earlier, you had mentioned there was shortage in the global environment. So is it still there? Like are you seeing good realization, good demand for the product?
- T. V. Chowdary:** Yes. Even today, the demand remains same. There is no reduction in demand. We have several multiple queries and then because our project major expansion is going on, so we are holding the orders.
- Aditya:** Okay. And it is majorly for Indian customers or for exports?
- T. V. Chowdary:** Export.
- Aditya:** Sir, also just another thing on this, like could you just give a sense of how this business works, like is there someone supplying explosive from a -- product here from there and we fill them with our products or just we supply the HMX, RDX and then the customer takes care of what they want to do or what they want to fill into it?
- T. V. Chowdary:** See, the products made by us in-house, we use our own material and fill it. But the customer who is buying, yes, they have their own products, what products they make and all those, and they buy it and then use it for filling.
- Aditya:** Okay, sir. And on like the export orders, any countries like any areas where the demand is from?
- Vijay Kumar:** Different countries are there.
- T. V. Chowdary:** Different countries. These are all market-sensitive information.
- Vijay Kumar:** We get from different countries.
- Aditya:** Okay, sir. I have to ask, do we have any European customers?
- T. V. Chowdary:** Pardon?
- Aditya:** Do we have any European customers?
- T. V. Chowdary:** Yes, we are getting inquiries from entire world. We have European, Central Europe and Western Europe. We have Asian customers also.
- Moderator:** Thank you.
- T. V. Chowdary:** Most of the questions are answered. I think they are becoming repetitive.
- Moderator:** Sure, sir. As there are no further questions from the participants, I would now hand the conference over to Mr. T.V. Chowdary for closing comments. Please go ahead, sir.

T. V. Chowdary: Yes. Thank you. Thank you very much, everybody, for participating in the conference call and then showing interest in your company and our company. And we assured that we will try to achieve our goals what we have set. Thank you once again.

Vijay Kumar: Thank you.

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