



Premier Explosives Limited



May 28, 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 fourth quarter and year ended 31st March, 2025, results.

Please find attached the Transcript of the Conference Call hosted by, Stellar IR Advisors Private Limited, on May 23, 2025 pertaining to, 'Premier Explosives Limited Q4 FY'25 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 FY '25 Earnings Conference Call”

May 23, 2025



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



*Premier Explosives Limited
May 23, 2025*

Moderator: Ladies and gentlemen, good day and welcome to the Q4 and FY '25 Conference Call of Premier Explosives Limited hosted by Stellar IR.

As a reminder, all participants' 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 the conference call, please signal an operator by pressing “*” then “0” on your touchtone phone.

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

Akhilesh Gandhi: Thank you, Steve. Good afternoon, everyone. I, on behalf of Stellar Investor Relations, welcome you all to Premier Explosives Quarter 4 and FY '25 Earnings Conference Call. We shall be sharing the key Operating and Financial Highlights for the 4th Quarter and full year ended on March 31, 2025.

Today, we have with us the senior management team of Premier Explosives Limited, Mr. T. V. Chowdary sir. He is the Managing Director. And along with them, we have Mr. Vijay Kumar, who is the Chief Financial Officer.

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. 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 the development that occurs after the statement is made. Documents relating to the Company's Performance, including Investor Presentation have already been uploaded on the Stock Exchange.

Now I invite Mr. Chowdary sir to share his Initial Remarks on the Company's performance for the 4th Quarter and full year ended on March 31, 2025. Thank you, and over to you, sir.

T. V. Chowdary: Thank you, Mr. Gandhi, and good afternoon, everyone, and thanks for joining the call.

Financial Year '25 delivered a strong performance with revenue increasing 54% year-on-year to Rs. 417 crores, driven by robust growth in our Defense and Space Services division.

Further, we are happy to share that in March 2025, we have also signed a joint venture agreement and shareholders agreement with Global Munition Limited, a subsidiary of NIBE



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Ordnance and Maritime Limited, NIBE Group Company, to manufacture defense and aerospace products.

Our current outstanding order book stands at Rs. 750 crores forming 1.8x of Financial Year 2025 revenue. During the quarter, execution of old orders has paved the way for bidding and securing larger high value orders from the Ministry of Defense, the Indian defense industry and international defense entities.

In Q4 Financial Year '25, we received orders from various entities such as BrahMos Aerospace Private Limited for propellant casting and assembly of BrahMos Ramos boosters and various overseas clients for design and development of rocket motors and supply of defense explosives which are under different stages of execution.

We would like to acknowledge an unfortunate fire and explosion incident that occurred on 29th April at our Katapalli village facility in Telangana. The explosion took place in one of the production building units, especially in the big solid propellant mixer unit. We do not expect this incident to have a material impact on our operation.

As a regulatory requirement, the Pollution Control Board temporarily directed us to shut down the plant and we are actively working with the authorities to secure the necessary clearances, which we expect to receive within a few weeks. We are closely managing the situation and would like to assure all stakeholders that our facilities are fully insured and we anticipate receiving the claim in the coming months.

Coming to future outlook, Premier is the only Indian Company qualified to manufacture countermeasures and specializes in exporting fully assembled rocket motors. Along with rocket motors, it also manufactures and exports warheads, mines and ammunition under the Atmanirbhar Bharat initiative. With the Ministry of Defense promoting domestic production and reducing imports, this policy supports Premier's growth by driving local manufacturing.

In Financial Year '25, we generated a healthy cash profit of Rs. 40 crores by maintaining stable operations and leveraging our efficient cost structure. We aim to further enhance operational efficiency and boost cash flow. This 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 the domestic and exports market.

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 and full year ended 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 Q4 FY '25 stands at Rs. 74.1 crores as compared to 86.8 crores in Q4 FY '24 which shows a de-growth of 14.6% year-on-year. Our operating profit for Q4, '25 stands at Rs. 9.6 crores as compared to Rs. 15.1 crores in Q4, FY '24. The operating margins for the quarter stand at 12.9%. We reported a net profit of Rs. 3.7 crores compared to Rs. 6.6 crores in Q4 FY '24.

Let me take you to the FY '25 performance:

The revenue from FY '25 stands at Rs. 417.5 crores as compared to Rs. 271.7 crores in FY '24 translating a growth of 54% year-on-year. Operating profit, FY '25 stands at Rs. 58 crores as compared to Rs. 58.5 crores in FY '24. The operating margins stood at 13.9% in FY '25. The net profit in FY '25 stood at Rs. 28.6 crores compared to Rs. 28.1 crores in FY '24.

Now coming to the order book:

The Company's current order book stands at Rs. 750 crores, out of which the defense segment order is majority of Rs. 610 crores, which is equal to 81% of the total order book. Explosives segment stands at Rs. 73 crores, and the service segment which is operational and maintenance service segment stands at Rs. 67 crores.

The order book shows a solid and strong growth towards the coming year. We are very much content that with our continued execution the run rate in the forthcoming quarters will be continuing with the growth trajectory.

With this, we will now open the floor for questions and answers. Thank you.

Moderator: Thank you very much. We will now begin the question-and-answer session. The first question is from the line of Dipen Vakil from Phillip Capital. Please go ahead.

Dipen Vakil: Thank you for the opportunity and congratulations on a good execution. Sir, my first question is on the lines of can you share with us what is your order book split between domestic and export? And what could be the execution period for the existing order book?

T. V. Chowdary: Total order book is Rs. 750 crores, which is, of course, the period of this is expected to be executed in a period of 18 months. And coming to exports and domestic order book, you have...

Vijay Kumar: It's about 100 crores of export and balance is domestic.

Dipen Vakil: Sir, my next question is in the line of, so right now there is news going on regarding the emergency procurement orders and the inquiries floating around from the government. So, can

you help us with the status of what kind of inquiries you are witnessing, when order inflows can be expected, and what would be your order inflow guidance for this year?

T. V. Chowdary: There are different emergency procurements that are going on, but I think it is too early to comment on that.

Dipen Vakil: And is your order inflow guidance for this year?

T. V. Chowdary: Beg your pardon?

Dipen Vakil: Order inflow guidance for FY '26?

T. V. Chowdary: Yes, this will be maintained. Around Rs. 800 crores order book will be maintained with the regular inflow of orders.

Dipen Vakil: I have more questions. I will join back the queue.

Moderator: The next question is from the line of Sarjeet Yadav from Mount Intra Finance. Please go ahead.

Sarjeet Yadav: Sir, my question is around the incident which has taken place. What do we see that possible cause and impact on any of the deliveries or what could be any penalty because of these orders? So, what is the financial impact of this event which is happening? Since one is the delay in the order, second is the loss, and third is when the plant is not functional.

T. V. Chowdary: Yes, coming to the thing, the accident happened in a large mixing plant, propellant mixing building, where the building has totally collapsed and the equipment also damaged the mixer. And the cause for the accident is being investigated. It is too early to say. The experts are put on the job and then they are getting permission for clearance of the debris and all this. After all that only the assessment and causes can be done.

And about the effect of this accident on the performance of the Company, this being, if you all remember, we have two facilities, Katepalli and Peddakundukur, for propellant manufacturing. So, most of the tactical missiles and all those are produced at Peddakundukur facility and also we have a parallel line at Katepalli for doing it. So, the only area which can get affected is the large diameter rocket motors, which is supplied to ASL and ISRO. The total revenue from this is expected to be Rs. 25 crores to Rs. 30 crores of the total revenue. So that there will be effect on that amount.

Vijay Kumar: As far as financial impact is concerned, we are fully insured. .

- Sarjeet Yadav:** Closure of this plant, sir, in case you can just clarify, in case just only a part of this plant is closed or the entire factory has been closed for this review? Because the impact will be different in both cases.
- T. V. Chowdary:** Pollution Control Board has, as a practice, they have declared a closure notice, which is a regular procedure. First the debris has to be cleared and then they will see that it has caused any pollution. The fire and the water, which is used in the firefighting, whether it caused any pollution, they will check it and then they clear it. So, the process is going on. We are pursuing the matter, and we hope by the end of this month that should be cleared. Other than that, the other operations and all those are open and only that area of the propellant line is only suspended by PESO.
- Vijay Kumar:** Once the Pollution Control Board gives clearance, only that building is not operational. The rest of the buildings and plant are all operational.
- Sarjeet Yadav:** Thank you for your insight, sir.
- Moderator:** The next question is from the line of Ashish, an individual investor. Please go ahead.
- Ashish:** My question is around trying to see the operating revenue growth over the last four to five quarters. For the latest quarter, March '25, the operating revenue standing at Rs. 74 crore is significantly lower compared to the growth trajectory that has been seen since, I would say, March '24. It has been linearly growing. Would be keen to understand what changed significantly in this quarter, last quarter, on the operating revenue front?
- Vijay Kumar:** What happens is we have defense orders, sometimes dispatches get shifted to the other quarter, usually it gets delayed. In the last quarter, there were low dispatches. So, that's why the turnover was low.
- T. V. Chowdary:** As I mentioned in the earlier meetings also, the defense products are dispatched against a pre-dispatch inspection. So, if the team reaches to come for pre-dispatch inspection, if they get delayed by another 10 days, it will go into the next quarter. That is the reason for that.
- Vijay Kumar:** Otherwise, our total turnover is higher than the previous year turnover of Rs. 271 crores. This is the highest turnover in the Company's history.
- Moderator:** The next question is from the line of Praveen Sharma, an individual investor. Please go ahead.
- Praveen Sharma:** Sir, this is regarding the growth prospects of the Company. Like, I have been keeping a track on this Company and invested very heavily. I just wanted to know what happened this particular quarter, the revenue has been very less. Also the PAT. But keeping the order book that's there in hand, we expect a better quarter coming next and thereafter or this sort of

variation will continue to happen in future also depending on what you said that the inspection teams coming and thereafter validating and giving the thing?

T. V. Chowdary: These things will happen quarter-to-quarter. We are not in the business of commodity, which is consistently consumed, and the defense products are going by order to order. So, there can be fluctuations of turnovers. In some quarters they will be high and some quarters they will be low. But overall performance is annual performance or year-on-year we have to compare.

Moderator: The next question is from the line of Amit Kumar, an individual investor. Please go ahead.

Amit Kumar: Sir, I have a question that in recent Operation Sindoor, so a lot of missiles were used, Akash and Agni. So, just wanted to know that what is the value we are supplying in these missiles which were used? And second, if you could provide the revenue and EBITDA guidance for next two, three financial years?

T. V. Chowdary: The missiles what are used in this and all those, our contribution is the solid propellant and other energetic components are contributed by Premier Explosives. So, the cost of these items will be somewhere around, may vary from missile to missile. It is not the same for everything. So, it will be between 10% to 20% of the actual value is the value of the energetic component supplied by us.

Amit Kumar: I am sorry, I am new to this Company. If you could explain a little bit what is a propellant. I am not quite very well know that.

T. V. Chowdary: Propellant is the one which we filled in the rocket and rocket moves forward only with the propellant. And Premier Explosives makes the solid propellant for all these.

Amit Kumar: Solid, okay. And could you provide the revenue and EBITDA guidance for next 2-3 financial years?

T. V. Chowdary: Yes, our target is Rs. 600 crores for the current financial year and expect to reach Rs. 1,000 crore turnover by 2030. And EBITDA margin is between 18% to 20% is our future.

Amit Kumar: And likedue to this incident, fire incident, there might be some loss of revenue. So, what actions we are taking that in coming quarters we are able to manage these, manage the operations without impacting our revenue and EBITDA?

T. V. Chowdary: Like I have explained, the other operations are not affected except the production of the large rocket motors, which in the total financial year turnover from that segment is expected to be 25crores. That will be the loss of turnover.

- Vijay Kumar:** Even after that we are targeting about Rs. 500 crores to Rs. 600 crores for the current financial year.
- Moderator:** The next question is from the line of Sarjeet Yadav from Mount Intra Finance. Please go ahead.
- Sarjeet Yadav:** Sir, thank you for giving the opportunity for the follow-on question. Sir, can you just tell us what are the likely or some kind of orders which you are expecting during this current year? This is one question. And second is, Chaffs and flares were facing certain problem. In case we get some fresh orders, since we are the only ones who are manufacturing these products, how do you see yourself executing these products?
- T. V. Chowdary:** There is no problem. We are producing only because of the large order we had to meet from the imported payloads. Because of the geopolitical conditions, the transportation delays that are there, but otherwise the production, there is no issue. We are producing, and we will be able to meet the requirements, even the emergency procurement order. We have already informed the Air Force also about it, and they specifically asked our capabilities.
- Sarjeet Yadav:** Anything around the, what are the type of orders we may expect this year, sir?
- T. V. Chowdary:** The different orders are in the pipeline and based on that we will maintain this Rs. 800 crores order book, after executing the Rs. 600 crores also. We are expecting to maintain the same order book, which means some 500-600 additional orders.
- Sarjeet Yadav:** Understand you are not able to share the products. That's fine.
- Moderator:** The next question is from the line of Nish, an individual investor. Please go ahead.
- Nish:** Hi, sir, actually I joined the call little late. So, I am not sure whether this is covered or not. Can you please tell us about the significant drop in revenues and margins, the reason for it?
- T. V. Chowdary:** Revenues, there is no drop. There is an increase of 54% in revenue. The margins remain same. We have explained that certain orders and all those executions, because of delay in executions for various reasons, we are expecting a late delivery charges. The late delivery charges provision is made in the books but we have submitted our request for waiving it off. So, we are hoping that whatever difference is there, that will be made up in the next financial year.
- Nish:** So, how much we are expecting for this financial year?
- T. V. Chowdary:** How much means, you mean the turnover?
- Nish:** The growth, revenue growth, yes.

- T. V. Chowdary:** Yes, we are expecting around 600 crores turnover in the current financial year.
- Nish:** And margins to be in similar lines?
- Vijay Kumar:** 15% to 20% EBITDA.
- T. V. Chowdary:** Yes, EBITDA we are expecting 18% to 20%, probably around 15%.
- Nish:** Also if you can give me some update on the Orissa plant. How will the CAPEX be done and how will you manage it?
- T. V. Chowdary:** It's a very general thing. You can be more specific, it is better.
- Nish:** Means whether we will be doing it through internal accruals or raising some debt or some loans.
- T. V. Chowdary:** Yes, that's what I said. Those are the ongoing, that's an aspect of the Company and finances. But if you have anything specific questions, then we can tell.
- Nish:** I will join back the queue.
- Moderator:** The next question is from the line of Santanu Chatterjee from Mount Intra Finance. Please go ahead.
- Santanu Chatterjee:** My question is like that although our top line is growing like anything, it's 54%, but bottom line is not improving only because of LD charges. From which quarter we are expecting this kind of LD charges will go away?
- T. V. Chowdary:** See, LD charges will always be there. The only thing is, for any reason, if there is a delay in supply, LD will apply to us.
- Vijay Kumar:** Actually, an earlier contract will be completed by this year-end. Maybe by December or March we are going to complete that. Once that is completed, the LD issue should be completed. As sir said, in case in future if we get some order and if it gets delayed, we can't say. So, if we execute it without delay, there won't be any LD.
- Santanu Chatterjee:** Sir, why am I asking this question only because our normal margin is more or less, as you have envisaged, 18% to 20%. But due to these LD charges, that EBITDA margin dropped down significantly from that level to currently around 12.9%. So, if these LD charges persist from here onwards, then how we can actually revert back towards our expected guideline, 18% to 20%?

- Vijay Kumar:** This LD is only on specific contract, not on all the other orders. So, once it is completed, the LD issue will not be there.
- T. V. Chowdary:** And then for your information, the last order what we executed also LD was there. After the LD was deducted, we have submitted our request and appeal with all the reasons, and it was considered and then LD got waived. So, in the present case also, we have submitted our reasons for and all those and we are hoping that it will be considered thoroughly. So, automatically, this will be added to the current financial year.
- Santanu Chatterjee:** And sir, what is the current status of our Orissa plant? Is it going according to our plan or there will be some...
- T. V. Chowdary:** It's going according to our plan only. See, the government Revenue department, they have their own pace of working. But still, they are quite fast comparatively. In the last meeting also, I have shared that the land is identified. There are some patches of forest land is there in that 500 acres, which the government is working on that.
- Santanu Chatterjee:** That means whatever is our commencement date for Phase 1, that is intact currently?
- T. V. Chowdary:** Yes.
- Santanu Chatterjee:** Thanks a lot for your clarification.
- Moderator:** The next question is from the line of Dipen Vakil from Phillip Capital. Please go ahead.
- Dipen Vakil:** Thank you for the follow-up opportunity. Sir, my first question is, I want to understand the timeline of Premier Explosives receiving a contract. So, for example, in January, BDL received a contract for MRSAM. So, when are you expecting to get an order for propellants or any supplies that you contribute to MRSAM? And similarly, QRSAM is expected by end of this year. So, can you help us with the kind of timelines on Premier Explosives getting an order from their client?
- T. V. Chowdary:** We already have order on our hand. MRSAM, we have order of more than 500 numbers from BDL. BDL is the only integrating agency and Premier is the only propellant supplying agency. Only thing is, we are dependent on the hardware as FIM from BDL. Right now they are providing us around 30 numbers per month hardware. So, whatever filling propellant and then delivering back.
- Dipen Vakil:** So, it is safe to assume that within 2-3 months you start receiving order from the client once you receive the order.
- T. V. Chowdary:** Yes.



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- Dipen Vakil:** Sir, second question is, I wanted to understand that the chaff and flare order is running delayed. So, what would be the pending order book for chaff and flares? And so what kind of delivery schedule you are looking at it?
- Vijay Kumar:** We will be completing around 60% of the order by next month. And by December to March, we will be completing the complete order.
- Moderator:** The next question is from the line of Akshat from Ratnabali Securities. Please go ahead.
- Akshat:** So, we see a significant increase in payables and inventory. Can you share the reason for that? So, I was asking that we see a significant increase in inventories and payables. Can you share the reason for that?
- Vijay Kumar:** Last year turnover was Rs. 271 crores. This year it is Rs. 417 crores. Turnover has also gone up. Accordingly, inventories have also gone up.
- Akshat:** And for payables?
- Vijay Kumar:** Yes, Payables also have gone up.
- Akshat:** So, the increase in payables is almost close to 10x.
- Vijay Kumar:** Yes, current assets have also gone up in the similar number.
- Moderator:** The next question is from the line of Manish from Middleton Capital. Please go ahead.
- Manish:** Sir, you said that you will reach a Rs. 1,000 crore turnover. What was the timeline you set for that?
- T. V. Chowdary:** Year 2030 is our target year.
- Manish:** After getting a Rs. 600crore turnover next year, aren't you being too conservative to reach Rs. 1,000 crores?
- T. V. Chowdary:** Like I said, we are not in the commodity business. It is order to order from defense. So, today there is a demand because of the present situation and then and then emergency procurement orders and all those, but after 2 years it may not be the same thing. So, that's why we will try to be a little conservative.
- Moderator:** The next question is from the line of Akshay Sharma from Golden Myriad. Please go ahead.

- Akshay Sharma:** My question is on the bulk explosive side. What's our current utilizations? And what are the constraints in terms of if we need to add some capacity, how quickly can we add there?
- T. V. Chowdary:** See, right now we are operating our two bulk explosives plants located in the Singareni Collieries area. Both are working and delivering. We have another two plants. They come under Coal India jurisdiction. That is Western Coal Fields in Chandrapur and another at Singrauli in Madhya Pradesh. Since, we don't have any Coal India order, so they are now idle. Next, Coal India tender, when it comes, again, we will have to participate and see that because of the prices and all those, which our margins have become very low because of raw material costs have gone up there. So, we are careful before we are accepting the order.
- Akshay Sharma:** And what are the margins for this segment, sir?
- T. V. Chowdary:** The segment, there is big fluctuation because of the raw material. So, I don't think we will be able to tell the answer today.
- Akshay Sharma:** So, we can say we are working at 50% capacities?
- T. V. Chowdary:** Yes, not 50, you can say we are at 30% capacity.
- Moderator:** The next question is from the line of Anuj from Tajori Finance. Please go ahead.
- Anuj:** This is Anuj from Tijori Finance. So, my question would be, I can see a significant jump in order book, which went up 21%. So, my question is like, the current order book, which we have almost Rs. 84,000 crores, so how much order we are getting from Indian Defense or from Indian Government?
- Vijay Kumar:** Our order book of Rs.750 Crores contains 80% from defense only. Balance is domestic,.
- T. V. Chowdary:** Commercial.
- Vijay Kumar:** Commercial explosives.
- Anuj:** Commercial, okay. And the inflows, I mean, the new order book which is almost around Rs. 31,000 crores, so in that also we can assume that 80% of the order is coming from Indian defense, right?
- T. V. Chowdary:** 31?
- Vijay Kumar:** What is that?
- T. V. Chowdary:** What is that?

- Vijay Kumar:** What is that 31,000 crores?
- Anuj:** The new bookings, which you have almost Rs. 31,000 crores right? I mean, the new order inflows.
- T. V. Chowdary:** Something around 31,000 crores, I think.
- Vijay Kumar:** What is that 31,000 crores?
- Anuj:** See, I can see the order book details which went up from December 24 to March 25.
- Vijay Kumar:** We have only Rs. 750 crores order. Rs. 750 crores order book as on date that will be maintained. And also orders at around 80% will be from defense.
- Anuj:** Defense, okay.
- Moderator:** The next question is from the line of Praveen from Ananya Research. Please go ahead.
- Praveen:** Sir, out of this Rs. 800 crores of order book size also that you were mentioning, how much is the international part? And part two of the question is, you are expecting some potential international customers from Philippines. Is there any update on the sale?
- T. V. Chowdary:** We have about Rs. 100 crores in exports and the balance is domestic.
- Praveen:** Any update on the Philippines that you have been working, sir? Last quarter you have been mentioning about it.
- T. V. Chowdary:** Philippines, we are not working directly with Philippines. We are exporting industrial explosives to Thailand and Philippines. Not the defense.
- Moderator:** The next question is from the line of Keshab from BHH Security. Please go ahead.
- Keshab:** Sir, this Telangana plant in which there was a blast, what is the financial impact of that on your P&L?
- T. V. Chowdary:** I think just a few minutes back I was explaining the same thing.
- Keshab:** Okay, I missed it, I missed it, yes.
- T. V. Chowdary:** See, this plant, it is not the Telangana whole plant or something. It is one building of Katepalli plant where the accident took place. That building has become inoperative and temporarily the Pollution Control Board has suspended the license, declared closure.

Keshab: Of the whole plant?

T. V. Chowdary: Yes.

Keshab: Of the whole plant or only that building?

T. V. Chowdary: Whole plant.

Keshab: Whole plant, okay.

T. V. Chowdary: Whole plant, but we have already approached them and then we are expecting that to be cleared by the end of this month. And the revenue loss because of the accident is expected to be around Rs. 25 crores in the current financial year.

Keshab: And the poor financial, sorry to repeat at all, and the poor financials of this quarter were attributable to something else or what? The poor financial PAT, everything has fallen. EBITDA, sales, everything has fallen. So, this is attributable to what?

T. V. Chowdary: This is some of the deliveries which you are expecting to do it, those are delayed because of the delays in the inspection. But still the turnover wise, there is a big jump in the turnover. And the quarter-to-quarter it can vary, sometimes based on the deliveries and inspections and all.

Keshab: So, going forward, the Company should do well financially and operationally.

Vijay Kumar: We hope so.

Keshab: Huh?

T. V. Chowdary: Yes, we hope. All the efforts are for that only.

Keshab: And if you want to ask, ask.

Unknown Analyst: So, we want some clarity and color on the commencement of operations at the Telangana plant which has been closed, and what is the impact on production because of the closure, and what can you just give your comments?

T. V. Chowdary: I just now answered the same question. The Telangana plant, it is expected to be revoked by the end of this month because we have already approached the officials and submitted our replies and reports. So, it is expected to be revoked by the end of this month. And the financial impact is expected to be around Rs. 25 crores revenue for the Financial Year '25-'26.

Moderator: The next question is from the line of Niraj from White Pine Investment. Please go ahead.

- Niraj:** Sorry, I just got late. I don't know whether you have answered this. So, the LD damages were a portion 15% of revenues for the LD damages. So, what was the status right now? And this quarter also did have the 15% additional cost when we reported in numbers.
- Vijay Kumar:** We already explained that. What we are saying is we have only one order in which we have LD. So, when we are executing that order, there will be a reduction of 15%. So, that also we are requesting them to reverse it and give it back to us. So, that effort is also going on. Otherwise, only on particular order, there will be 15%. Otherwise, rest of the order, there is no LD.
- Niraj:** Cumulative of all the orders supplied that you have done, that one order that is LD, how much is the total amount which is there, total?
- T. V. Chowdary:** As of date, it will be around Rs. 35 crores.
- Niraj:** Cumulative Rs. 35 crores.
- T. V. Chowdary:** Yes.
- Niraj:** And another question is, in case there is a QRSAM order given by the government to an extent of what percent should it flow to you of the QRSAM or Akash?
- Vijay Kumar:** Beg your pardon, the question is not understood.
- Niraj:** The question is that if there is a QRSAM order and an Akash order, what percentage of those...
- T. V. Chowdary:** There is no QRSAM order with us.
- Niraj:** No, no, no, I am not saying that, sir. I am saying hypothetically, if there is a QRSAM order that is given to BDL, what proportion of that should flow to you is what the question is.
- T. V. Chowdary:** The 100% requirement of propellants and energetics flows to Premier Explosives because as on date, we are the only qualified source.
- Niraj:** And what is that amount as a percentage of the cost of the missile approximately?
- T. V. Chowdary:** Yes, I think few minutes back I explained it is around between 10% to 15% depending on the missile to missile it changes. I think the questions are becoming repetitive.
- Niraj:** No, sir. I will come back later on.

- Moderator:** The next question is from the line of Kartik Bhat, an individual investor. Please go ahead.
- Kartik Bhat:** My question was on the construction of the new, larger plan for RDX and HMX at Katepalli. So, if you can just share an update on the same. Is it nearing completion, sir?
- T. V. Chowdary:** No, it is going on. Civil works, both are going parallel, civil works as well as the fabrication of the equipment and all those. And as on date, we still feel that by August we will be completing the civil works and then fabrication. And then commissioning of the plant and then production and all those are expected by October.
- Kartik Bhat:** And I think in your last one or two calls back, you are alluding to RFPs in this RDX and HMX segment. So, any new enquiries or RFPs that we are participating of, especially from exports?
- T. V. Chowdary:** Yes, we have several queries for export of RDX and HMX.
- Moderator:** The next question is from the line of Niraj from White Pine investment. Please go ahead.
- Niraj:** Sir, what is the status of the RFP for the ammunition and the grenades?
- T. V. Chowdary:** Beg your pardon, position of RFP?
- Niraj:** For the ammunition and the grenades. So what is the status of the RFP of ammunition and grenades?
- T. V. Chowdary:** Multiple RFPs have come earlier because the technology what we have is from DRDO, but unfortunately the material, some of the components required for that are not available from MIL. MIL says they cannot supply now. So, that's why we have not accepted the orders for grenades. Now we have found other sources. So, we are hoping that in the latest RFPs which are out, we are going to participate.
- Niraj:** And sir, the RFPs that were earlier opened, that is closed or what?
- T. V. Chowdary:** Yes, earlier because the technology and all those, it has to be DRDO technology, where we have to use MIL material. I think it's a bit long story, that.
- Niraj:** But how large are these generally the RFPs in terms of value?
- T. V. Chowdary:** I won't be able to tell that. There are multiple, it's not one RFP or anything. There are multiple RFPs.
- Niraj:** And sir, other question on the BrahMos side, on the rocket motor. So, what is the status right now? Last time you had said that you received the orders on the rocket motor.



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- T. V. Chowdary:** Order we have 60 numbers of BrahMos supply order is with us. So, now this one, this accident has paved way for shifting this to our PDK plant. So, we plan to produce from PDK plant and meet the requirement.
- Niraj:** And that too takes how much time to shift?
- T. V. Chowdary:** It's a working plant only. It doesn't require anything.
- Niraj:** And the orders that you were told, the Rs. 26 crores, that is the same amount, right? Value?
- T. V. Chowdary:** 60 numbers.
- Moderator:** Thank you. Ladies and gentlemen, this was the last question for today's conference call. I now hand the conference over to Mr. Chowdary for his closing comments.
- T. V. Chowdary:** Thank you for your support when we have all the difficult times due to accident and all those. I really thank everybody from bottom of my heart for cooperating and then still having the confidence and faith. And we will overcome all the adversaries and then we will definitely perform well as per your expectations. Thank you very much.
- 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. Thank you.