



# Premier Explosives Limited

ISO 9001 REGISTERED



DNV Certification B.V., The Netherlands

February 13th, 2020

To,  
The Bombay Stock Exchange Limited  
Corporate Relationship Department  
Floor – 25, P.J.Towers, Dalal Street,  
MUMBAI – 400 001  
Scrip Code: 526247

To,  
National Stock Exchange of India Limited  
Listing Department,  
Exchange Plaza, Bandra Kurla Complex,  
Bandra (E),  
Mumbai-400051  
Trading Symbol: 'PREMEXPLN EQ'

Dear Sir/Madam,

**Sub: Unaudited Financial Results for the Third Quarter and Nine Months ended 31st December, 2019, together with the Limited Audit Review report.**

We would like to inform you that, the Board of Directors at their Meeting held today i.e. 13<sup>th</sup> February, 2020 have approved the Unaudited Financial Results for the Third Quarter and Nine Months ended 31st of December, 2019 and taken on record, the Limited Audit Review Report on the Results.

In terms of Regulation, 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are herewith forwarding the Statement of the Unaudited Financial Results (Standalone and Consolidated) along with the Limited Audit Review Report for the said period.

The Meeting of the Board of Directors commenced at 12.00 P.M and concluded at 2.30 P.M

Thanking You,

Yours Faithfully,

For Premier Explosives Limited

  
K. Vijayashree  
Company Secretary  
Encl: a/a



Statement of Standalone Unaudited financial results for the Quarter and Nine months ended December, 2019

(Rs. in lakhs except as stated)

S.No.	Particulars	Quarter ended			Nine months ended		Year ended
		31.12.2019 (Unaudited)	30.09.2019 (Unaudited)	31.12.2018 (Unaudited)	31.12.2019 (Unaudited)	31.12.2018 (Unaudited)	31.03.2019 (Audited)
1	<b>Revenue</b>						
	Revenue from operations	2893.08	4322.78	6936.20	12254.11	18234.50	24093.35
	Other Income	21.56	32.64	75.15	103.02	200.55	259.03
	<b>Total Revenue</b>	<b>2914.64</b>	<b>4355.42</b>	<b>7011.35</b>	<b>12357.13</b>	<b>18435.05</b>	<b>24352.38</b>
2	<b>Expenses</b>						
	a) Cost of raw materials consumed	1845.85	2255.83	3537.66	7214.16	9463.35	13012.24
	b) Purchase of stock -in- trade	95.02	43.09	48.74	146.36	399.92	401.15
	c) Changes in inventories of finished goods, work-in-progress and scrap	(359.69)	(265.93)	475.41	(989.00)	590.54	534.98
	d) Employee benefits expense	1268.56	1266.84	1180.23	3793.15	3689.34	4671.16
	e) Finance costs	168.00	115.68	140.29	393.54	393.61	552.27
	f) Research and development expenses	21.86	20.22	24.26	67.13	65.20	90.70
	g) Depreciation and amortisation expense	125.74	125.37	105.89	371.72	302.33	418.91
	h) Other expenses	643.48	742.57	644.28	2068.35	2184.24	3039.32
	<b>Total expenses</b>	<b>3808.82</b>	<b>4303.67</b>	<b>6156.76</b>	<b>13065.41</b>	<b>17088.53</b>	<b>22720.73</b>
3	<b>Profit/(Loss) before tax (1-2)</b>	<b>(894.18)</b>	<b>51.75</b>	<b>854.59</b>	<b>(708.28)</b>	<b>1346.52</b>	<b>1631.65</b>
4	<b>Tax expense</b>						
	Current tax	(28.45)	18.77	293.58	26.15	479.85	402.99
	Deferred tax	36.69	(72.73)	(8.47)	(26.02)	(24.71)	56.11
	<b>Total tax expense</b>	<b>8.24</b>	<b>(53.96)</b>	<b>285.11</b>	<b>0.13</b>	<b>455.14</b>	<b>459.10</b>
5	<b>Profit/(Loss) for the period (3-4)</b>	<b>(902.42)</b>	<b>105.71</b>	<b>569.48</b>	<b>(708.41)</b>	<b>891.38</b>	<b>1172.55</b>
6	<b>Other comprehensive Income</b>						
	a) (i) Items that will not be reclassified to profit or loss (Remeasurement on post-employment defined benefit obligation)	(32.00)	(31.00)	(33.30)	(94.00)	(99.88)	(125.00)
	(ii) Income tax relating to items that will not be reclassified to profit or loss	10.55	4.77	11.63	26.15	34.90	43.68
	b) (i) Items that will be reclassified to profit or loss	-	-	-	-	-	-
	(ii) Income tax relating to items that will be reclassified to profit or loss	-	-	-	-	-	-
	<b>Total other comprehensive income (6a + 6b)</b>	<b>(21.45)</b>	<b>(26.23)</b>	<b>(21.67)</b>	<b>(67.85)</b>	<b>(64.98)</b>	<b>(81.32)</b>
7	<b>Total comprehensive income for the period (5+6)</b>	<b>(923.87)</b>	<b>79.48</b>	<b>547.81</b>	<b>(776.26)</b>	<b>826.40</b>	<b>1091.23</b>
8	Paid-up equity share capital (Face value of Rs. 10/- per share)	1075.22	1075.22	1063.71	1075.22	1063.71	1075.22
9	Other equity excluding revaluation reserve						19862.25
10	<b>Earnings/(Loss) per share of Rs. 10 each (not annualised)</b>						
	Basic (in Rs.)	(8.39)	0.98	5.35	(6.59)	8.38	11.00
	Diluted (in Rs.)	(8.39)	0.98	5.35	(6.59)	8.38	11.00

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#### Notes to the financial results

- 1 Above financial results have been reviewed and recommended by the Audit Committee and approved by the Board of Directors at their respective meetings held on February 13, 2020. Statutory Auditors have carried out a limited review of these financial results and their report is unqualified.
- 2 The financial results of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- 3 The Company is engaged in the business of "High Energy Materials" and has only one reportable segment in accordance with Ind AS 108 "Operating Segments".
- 4 The Ministry of Corporate Affairs (MCA), on 30th March, 2019, notified Ind AS 116 "Leases" as part of the Companies (Indian Accounting Standard) Amendment Rules, 2019. The new Standard is effective for accounting periods beginning on or after 1st April, 2019. The adoption of the Standard did not have any material impact to the financial results of the Company
- 5 Previous year's / periods' figures have been regrouped wherever necessary to conform to the current periods' classification.

Secunderabad  
February 13, 2020



For Premier Explosives Limited



Dr. A. N. Gupta  
Chairman and Managing Director

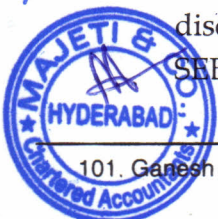




**Independent Auditor's Review Report on the Quarterly Unaudited  
Standalone Financial Results of the Company**

**Review report to**  
The Board of Directors  
Premier Explosives Limited

1. We have reviewed the accompanying statement of unaudited standalone financial results of **PREMIER EXPLOSIVES LIMITED** (the 'Company') for the quarter ended December 31, 2019 and the year to date results the period April 01, 2019 to December 31, 2019 (the "Statement") attached herewith, being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, ('the Regulation') as amended, which has been initialed by us for identification purposes.
2. This Statement, which is the responsibility of the Company's Management and approved by the Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013, and other accounting principles generally accepted in India . Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410, 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity', issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of Company personnel and analytical procedures applied to financial data and thus provide less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
4. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement prepared in accordance with applicable Accounting Standards i.e. Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other recognised accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 including



the manner in which it is to be disclosed, or that it contains any material misstatement.

Hyderabad  
February 13, 2019



For MAJETI & Co.,  
Chartered Accountants

Firm's Registration Number: 015975S

*M. Kiran Kumar*  
Kiran Kumar Majeti

Partner

Membership Number: 220354

UDIN No: 20220354 AAAAAL6811



Statement of Consolidated Unaudited financial results for the Quarter and Nine months ended 31st December, 2019

(Rs. in lakhs, except as stated)

S.No.	Particulars	Quarter ended			Nine months ended		Year ended
		31.12.2019 (Unaudited)	30.09.2019 (Unaudited)	31.12.2018 (Unaudited)	31.12.2019 (Unaudited)	31.12.2018 (Unaudited)	31.03.2019 (Audited)
1	<b>Revenue</b>						
	Revenue from operations	3015.42	4504.85	7256.11	12807.11	19153.38	25303.19
	Other Income	23.00	35.88	75.15	108.02	200.55	264.79
	<b>Total Revenue</b>	<b>3038.42</b>	<b>4540.73</b>	<b>7331.26</b>	<b>12915.13</b>	<b>19353.93</b>	<b>25567.98</b>
2	<b>Expenses</b>						
	a) Cost of raw materials consumed	1883.57	2359.43	3739.90	7505.67	10063.14	13783.36
	b) Purchase of stock -in- trade	95.02	43.09	48.74	146.36	399.92	401.15
	c) Changes in inventories of finished goods, work-in- progress and scrap	(329.46)	(267.19)	482.19	(961.16)	595.07	533.08
	d) Employee benefits expense	1289.37	1297.14	1219.03	3880.20	3798.67	4811.07
	e) Finance costs	168.73	117.97	141.15	397.58	398.08	557.73
	f) Research and development expenses	21.86	20.22	24.26	67.13	65.20	90.70
	g) Depreciation and amortisation expense	133.36	133.00	113.39	394.52	324.83	448.98
	h) Other expenses	693.32	808.57	729.05	2260.65	2420.03	3360.73
	<b>Total expenses</b>	<b>3955.77</b>	<b>4512.23</b>	<b>6497.71</b>	<b>13690.95</b>	<b>18064.94</b>	<b>23986.80</b>
3	<b>Profit/(Loss) before tax (1-2)</b>	<b>(917.35)</b>	<b>28.50</b>	<b>833.55</b>	<b>(775.82)</b>	<b>1288.99</b>	<b>1581.18</b>
4	Share of (loss) from Joint Venture	0.00	(0.01)	(0.01)	(0.02)	(0.08)	(0.26)
5	<b>Profit/(Loss) before tax (3+4)</b>	<b>(917.35)</b>	<b>28.49</b>	<b>833.54</b>	<b>(775.84)</b>	<b>1288.91</b>	<b>1580.92</b>
6	<b>Tax expense</b>						
	Current tax	(28.44)	18.77	293.54	26.17	479.83	402.84
	Deferred tax	35.58	(73.31)	(9.64)	(28.91)	(28.22)	51.43
	<b>Total tax expense</b>	<b>7.14</b>	<b>(54.54)</b>	<b>283.90</b>	<b>(2.74)</b>	<b>451.61</b>	<b>454.27</b>
7	<b>Profit/(Loss) for the period (5-6)</b>	<b>(924.49)</b>	<b>83.03</b>	<b>549.64</b>	<b>(773.10)</b>	<b>837.30</b>	<b>1126.65</b>
	Profit/(Loss) for the period attributable to:						
	Shareholders of the company	(920.30)	87.65	553.58	(760.40)	848.14	1135.53
	Non Controlling Interest	(4.19)	(4.62)	(3.94)	(12.70)	(10.84)	(8.88)
8	<b>Other comprehensive Income</b>						
	a) (i) Items that will not be reclassified to profit or loss (Remeasurement on post-employment defined benefit obligation)	(32.03)	(31.03)	(33.13)	(94.10)	(99.78)	(125.14)
	(ii) Income tax relating to items that will not be reclassified to profit or loss	10.56	4.77	11.59	26.17	34.88	43.71
	b) (i) Items that will be reclassified to profit or loss	-	-	-	-	-	-
	(ii) Income tax relating to items that will be reclassified to profit or loss	-	-	-	-	-	-
	<b>Total other comprehensive income for the period (8a + 8b)</b>	<b>(21.47)</b>	<b>(26.26)</b>	<b>(21.54)</b>	<b>(67.93)</b>	<b>(64.90)</b>	<b>(81.43)</b>
	Other Comprehensive income for the period attributable to:						
	Shareholders of the company	(21.45)	(26.21)	(21.47)	(67.85)	(64.82)	(81.41)
	Non Controlling Interest	(0.02)	(0.05)	(0.07)	(0.08)	(0.08)	(0.02)
9	<b>Total comprehensive income for the period (7+8)</b>	<b>(945.96)</b>	<b>56.77</b>	<b>528.10</b>	<b>(841.03)</b>	<b>772.40</b>	<b>1045.22</b>
10	Total Comprehensive income for the period attributable to: (Comprising profit / (loss) and other comprehensive income for the period)						
	Shareholders of the company	(941.75)	61.44	532.11	(828.25)	783.32	1054.12
	Non Controlling Interest	(4.21)	(4.67)	(4.01)	(12.78)	(10.92)	(8.90)
11	Paid-up equity share capital (Face value of Rs. 10/- per share)	1075.22	1075.22	1063.71	1075.22	1063.71	1075.22
12	Other equity excluding revaluation reserve					-	19894.64
	<b>Earnings/(Loss) per share of Rs. 10 each (not annualised) (in Rupees)</b>						
	Basic (in Rs.)	(8.60)	0.77	5.17	(7.19)	7.87	10.57
	Diluted (in Rs.)	(8.60)	0.77	5.17	(7.19)	7.87	10.57



## Notes to the financial results

- 1 Above Consolidated financial results have been reviewed and recommended by the Audit Committee and approved by the Parent's Board of Directors at their respective meetings held on February 13, 2020. Statutory Auditors have carried out a limited review of these financial results and their report is unqualified.
- 2 The comparative figures of financial results for the quarter and nine months ended 31st December, 2018 were as reviewed by the Audit Committee and approved by the Board of Directors only and have not been subjected to review by the Auditors as the mandatory requirement of limited review of consolidated unaudited financial results has been made applicable for the period beginning from 1st April, 2019 pursuant to Regulation 33(8) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended.
- 3 The financial results of the group have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.
- 4 The Ministry of Corporate Affairs (MCA), on 30th March, 2019, notified Ind AS 116 "Leases" as part of the Companies (Indian Accounting Standard) Amendment Rules, 2019. The new Standard is effective for accounting periods beginning on or after 1st April, 2019. The adoption of the Standard did not have any material impact to the financial results of the group.
- 5 The group is engaged in the business of "High Energy Materials" and has only one reportable segment in accordance with Ind AS 108 "Operating Segment".
- 6 The abstract of Financial Results on Standalone basis is given below:

PARTICULARS	Quarter ended			Nine months ended		Year ended
	31.12.2019 (Unaudited)	30.09.2019 (Unaudited)	31.12.2018 (Unaudited)	31.12.2019 (Unaudited)	31.12.2018 (Unaudited)	31.03.2019 (Audited)
Total Revenue from Operations	2893.08	4322.78	6936.20	12254.11	18234.50	24093.35
Profit / (Loss) Before Tax from continuing operations	(894.18)	51.75	854.59	(708.28)	1346.52	1631.65
Profit / (Loss) After Tax from continuing operations	(902.42)	105.71	569.48	(708.41)	891.38	1172.55
Profit / (Loss) After Tax from dis-continuing operations	-	-	-	-	-	-
Other Comprehensive Income (net of tax)	(21.45)	(26.23)	(21.67)	(67.85)	(64.98)	(81.32)
Total Comprehensive Income	(923.87)	79.48	547.81	(776.26)	826.40	1091.23

- 7 Previous year's / periods' figures have been regrouped wherever necessary to conform to the current periods' classification.

Secunderabad  
February 13, 2020




For Premier Explosives Limited



Dr. A.N. Gupta  
Chairman and Managing Director





**MAJETI & CO**  
Chartered Accountants

## **Independent Auditor's Review Report on the Quarterly Unaudited Consolidated Financial Results of the Company**

**Review Report to**  
The Board of Directors  
Premier Explosives Limited,

1. We have reviewed the accompanying Statement of unaudited Consolidated Financial Results of **PREMIER EXPLOSIVES LIMITED** ("the Parent") and its subsidiaries (the Parent and its subsidiaries together referred to as 'the Group'), and its joint ventures for the quarter ended December 31, 2019 and the year to date results for the period April 01, 2019 to December 31, 2019 (the "Statement") attached herewith, being submitted by the Parent pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended, which has been initialed by us for identification purposes.
  2. This Statement, which is the responsibility of the Parent's Management and approved by the Parent's Board of Directors has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013, and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.
  3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by the Institute of Chartered Accountants of India. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.
- We also performed procedures in accordance with the circular issued by the SEBI under Regulation 33 (8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, to the extent applicable.
4. This statement includes the results of the following entities:
    1. Premier Wire Products Limited (Subsidiary).
    2. PELNEXT Defense Systems Private Limited (Subsidiary)
    3. BF Premier Energy Systems Private Limited (Joint venture)





5. Based on our review conducted and procedures performed as stated in paragraph 3 above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, including the manner in which it is to be disclosed, or that it contains any material misstatement.
6. The accompanying statement of consolidated unaudited financial results includes unaudited interim financial results and other unaudited financial information in respect of two subsidiaries, which have not been reviewed by their auditors, whose interim financial results reflect total revenue of Rs. 136.94 lakhs and Rs.644.73 lakhs, total net loss after tax of Rs. 21.17 lakhs and Rs. 63.87 lakhs and total comprehensive income of Rs. 21.20 lakhs and Rs. 63.96 lakhs respectively for the quarter ended December 31, 2019 and for the period from April 01, 2019 to December 31, 2019 as considered in the unaudited consolidated financial results. The Statement also includes the Group's share of net loss after tax and total comprehensive loss of Rs 0.2 lakhs for the quarter and for the nine months ended December 31, 2019, respectively, as considered in the Statement, in respect of one joint venture, based on their interim Ind AS financial results which have not been reviewed by any auditors. According to the information and explanations given to us by the Management, these interim financial results and financial information are not material to the Group.

Our conclusion on the Consolidated Statement is not modified in respect of the above matter

Hyderabad  
February 13, 2019



For MAJETI & Co.,  
Chartered Accountants  
Firm's Registration Number: 015975S

*M. Kiran Kumar*  
Kiran Kumar Majeti

Partner

Membership Number: 220354

UDIN No: *20220354 AAAAAM6665*