



Premier Explosives Limited



January 25, 2024

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 Sirs,

Sub: Presentation on Third Quarter ended 31st December, 2023 results.

With reference to the captioned subject, we wish to bring to your kind notice that there was a typographical/clerical error in page no. 8 – “Order Book” relating to “Order Inflow in YTD FY24 stands at ~Rs.6,320 Mn (Excl GST)” in the presentation on the third quarter ended 31st December, 2023 results. The company is filing the revised presentation with corrected data.

We request you to kindly take the information on record.

Thanking you,

Yours faithfully,

For **Premier Explosives Limited**

K. Jhansi Laxmi
Company Secretary
Encl: a/a

PREMIER EXPLOSIVES LIMITED

FOR A PREMIER POSITION

1

INVESTOR PRESENTATION | January 2024



Agenda

- **Key Highlights – Q3 & 9MFY24**
- **Company Overview**
- **Business Segments & Growth Strategy**



This presentation and the accompanying slides (the “Presentation”), which have been prepared by **Premier Explosives Limited** (the “Company”), have been prepared solely for information purposes and do not constitute any offer, recommendation or invitation to purchase or subscribe for any securities, and shall not form the basis or be relied on in connection with any contractor binding commitment whatsoever. No offering of securities of the Company will be made except by means of a statutory offering document containing detailed information about the Company

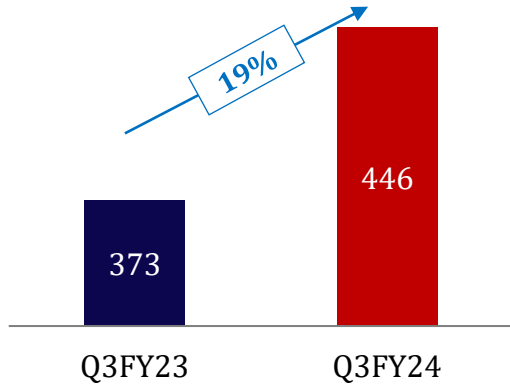
This Presentation has been prepared by the Company based on information and data which the Company considers reliable, but the Company makes no representation or warranty, express or implied, whatsoever, and no reliance shall be placed on, the truth, accuracy, completeness, fairness and reasonableness of the contents of this Presentation. This Presentation may not be all inclusive and may not contain all of the information that you may consider material. Any liability in respect of the contents of, or any omission from, this Presentation is expressly excluded

Certain matters discussed in this Presentation may contain statements regarding the Company’s market opportunity and business prospects that are individually and collectively forward-looking statements. Such forward-looking statements are not guaranteeing of future performance and are subject to known and unknown risks, uncertainties and assumptions that are difficult to predict. These risks and uncertainties include, but are not limited to, the performance of the Indian economy and of the economies of various international markets, the performance of the industry in India and world-wide, competition, the company’s ability to successfully implement its strategy, the Company’s future levels of growth and expansion, technological implementation, changes and advancements, changes in revenue, income or cash flows, the Company’s market preferences and its exposure to market risks, as well as other risks. The Company’s actual results, levels of activity, performance or achievements could differ materially and adversely from results expressed in or implied by this Presentation. The Company assumes no obligation to update any forward-looking information contained in this Presentation. Any forward-looking statements and projections made by third parties included in this Presentation are not adopted by the Company and the Company is not responsible for such third-party statements and projections.

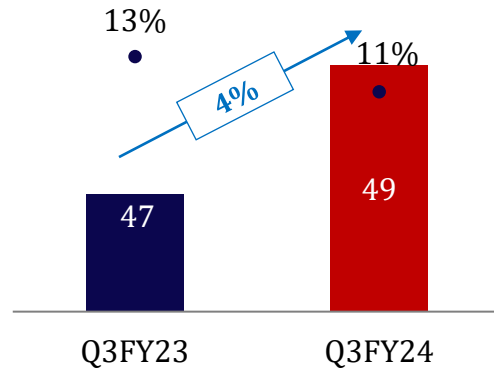
Financial Highlights - Q3 & 9MFY24

Revenue (Rs Mn)

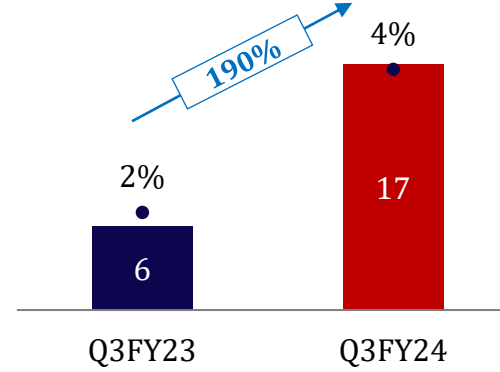
Q3FY24



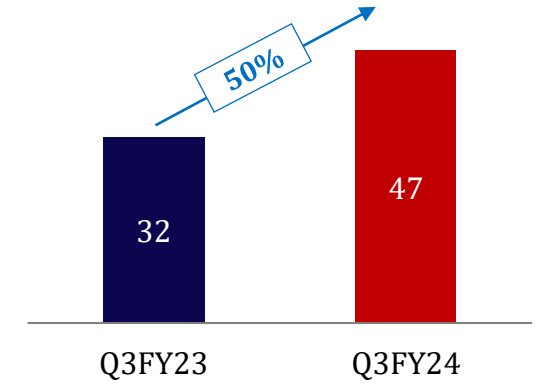
EBITDA (Rs Mn) & Margin (%)



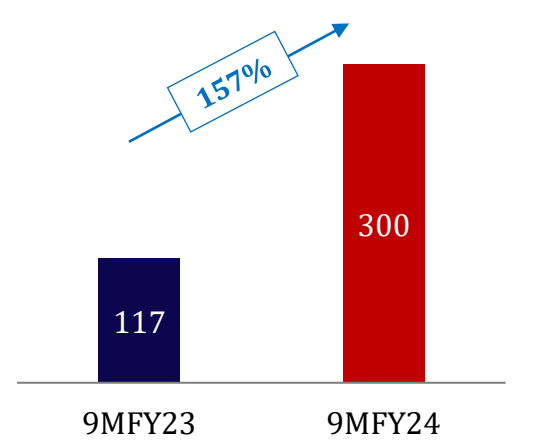
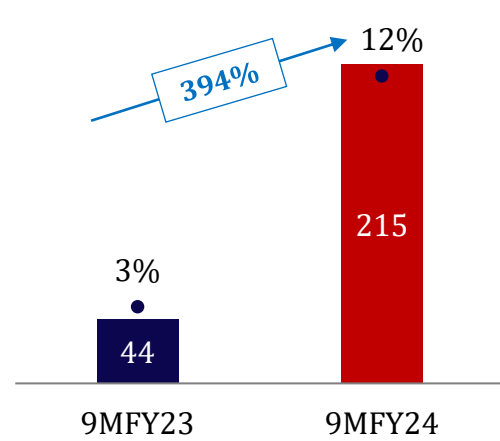
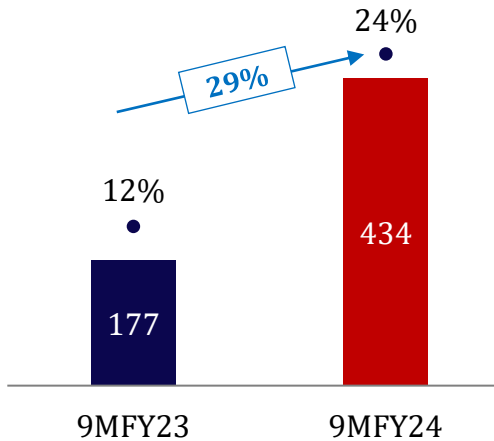
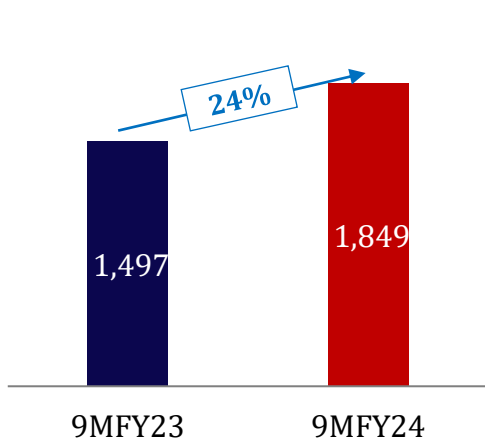
PAT (Rs Mn) & Margin (%)



Cash Profit (Rs Mn)



9MFY24



Revenue Break up – Q3 & 9MFY24

Standalone (Rs. Mn)	Q3FY24*	Q3FY23	Q2FY24
Explosives	215.8	344.8	243.4
Defence & Space services	229.8	28.1	540.8
Total	445.6	372.9	784.2

Standalone (Rs. Mn)	9MFY24	9MFY23	Y-o-Y (%)
Explosives	708.9	802.3	-12%
Defence & Space services	1,140.4	694.7	64%
Total	1,849.3	1,497.0	24%

* Defence & Space segment revenue impacted Q-o-Q mainly on account of delayed billings for Israeli orders, led by the ongoing geopolitical crisis in the country; Explosives segment revenue remained largely in-line

Profit & Loss Statement



Standalone (Rs. Mn)	Q3FY24	Q3FY23	Y-o-Y (%)	Q2FY24	Q-o-Q (%)
Revenue from Operations	445.6	373.0	19%	784.2	-43%
Expenses	396.7	326.0		565.5	
Operating profit	48.9	46.9	4%	218.7	-78%
Operating Margins (%)	11.0%	12.6%	-	27.9%	-
Other income	28.8	7.8		4.1	
Depreciation	30.6	25.8		27.9	
Interest	23.3	22.2		33.3	
Profit Before Tax	23.8	6.8	250%	161.6	-85%
Tax	7.1	1.1		45.5	
Profit After Tax	16.7	5.8	188%	116.1	-86%
EPS	1.6	0.5		10.8	

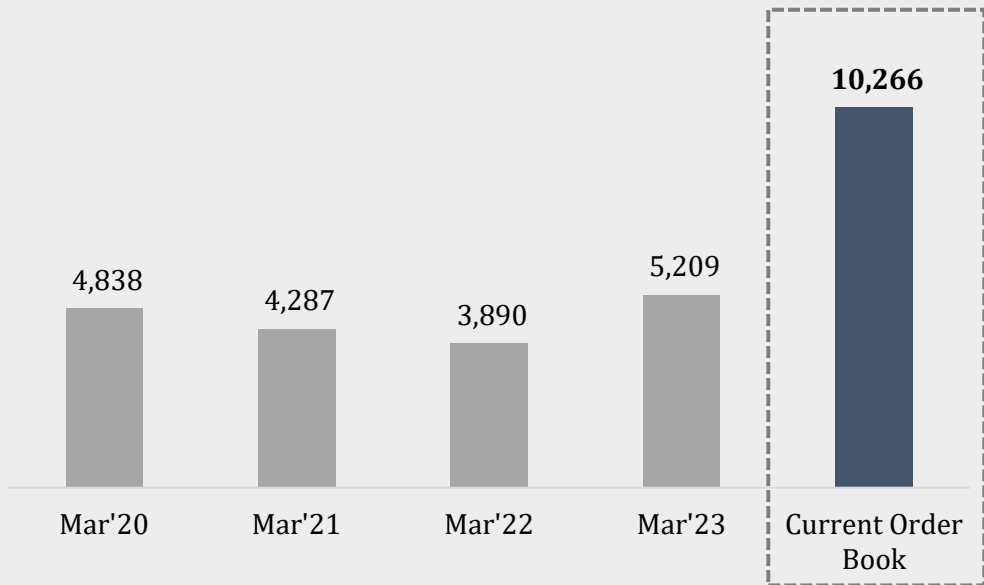
9MFY24	9MFY23	Y-o-Y (%)
1,849.3	1,497.1	24%
1,415.1	1,320.0	
434.2	177.1	145%
23.5%	11.8%	1,165 bps
35.9	20.3	
85.5	73.5	
85.4	63.9	
299.2	59.9	399%
84.2	16.4	
214.9	43.5	394%
18.4	4.1	

Balance Sheet Highlights

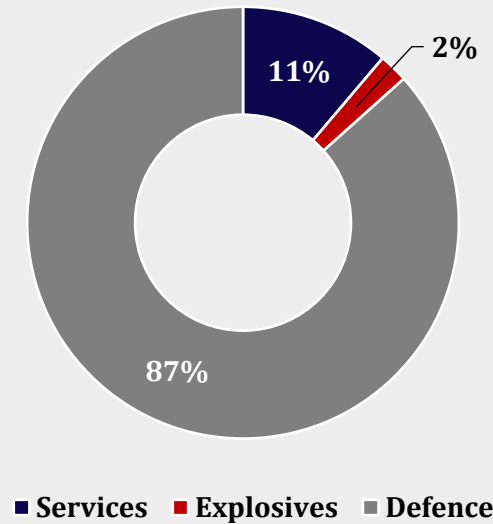
Standalone (Rs. Mn)	Sep'23	Mar'23
Equity Share Capital	107.5	107.5
Other Equity	2,019.3	1,843.0
Non-current liabilities	339.9	178.2
Current liabilities	1,964.7	1,461.2
Total liabilities	4,431.4	3,589.9
Net Fixed Asset Block	1,914.5	1,815.5
CWIP	11.8	18.1
Other non-current Assets	193.3	183.2
Current assets	2,311.8	1,573.1
Total assets	4,431.4	3,589.9

Strong Order Book of Rs. 10,266 Mn, ~5.1x of FY23 Revenue

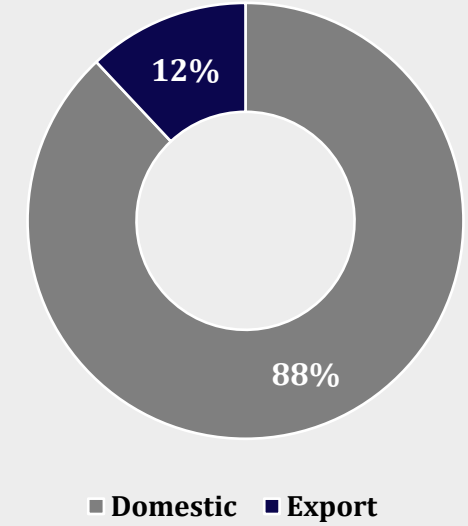
Order Book (Rs. Mn)...



...Segmental split



...Geographical split



- Order Inflow in YTD FY24 stands at ~Rs 6,320 Mn (Excl GST). These include orders from BDL, L&T and MoD (IAF), Elbit, IAI to be executed over the next 9-18 months. Working towards securing more orders in Defense and Explosive Segments.
- The only qualified Indian company for countermeasures also specializes in the export of fully assembled rocket motors.



Company Overview

Pioneer in Explosives & Defence Sector...



A leading manufacturer of High Energy Materials

- **1st in India** to manufacture **Explosives** and **Detonating fuse** with **indigenous technology**
- **1st in the world** to produce **Safer and Greener NHN detonators** on **commercial scale**
- **1st Private Company** to manufacture **Solid Propellants** to India's missile programs

Serving Defence & Space and Mining & Infrastructure Industries

- Participation in Defence and Space programs with Indigenous technology & Technology Transfer
- Owns Licenses for manufacturing & development products provides High Entry barrier

Highly trained manpower in handling high energy chemicals

- Team Strength of over 800 trained people across various function

State-of-the-art manufacturing facilities

- Seven Manufacturing facilities in Telangana, Madhya Pradesh, Maharashtra & Tamil Nadu

Grew under leadership of Industry Veteran..



Dr. A. N. Gupta

Non-Executive Chairman

- Recipient of 'Udyog Rattan Award' & 'Pickering and ISM Medal'
- Member of Society of Explosives Engineers, U.S.A, Ex-Chairman of Explosives Development Council and Fellow of High Energy Materials Society of India (HEMSI)
- Written a number of Technical papers in national & international Seminars and Journals



T V Chowdary

Managing Director

- A Chemical Engineer with over 35 years of experience in production of Chemicals, Explosives and Solid Propellants.
- Having project execution as his forte, he is excellent in HR Management and is a steadfast trouble-shooter.
- Development of solid propellant products for export markets



Y. Durga Prasad Rao

Director Operations

- A mechanical engineer having 34 years experience in manufacture of explosives, propellants, refractories and factory management



Supported by skilled workforce

- Over 850 Dedicated and Experienced Employees.
- Team comprises of about 100 Engineers / Scientists.
- About 550 people trained in Propellant and Pyrotechnic products.

with impetus on Research & Development...



Collaboration with **Gulbarga University, IIT Madras and BITS Pilani** for research in high energy materials



World's 1st producer of NHN based detonators on commercial scale much safer and greener than traditional ASA.

- Licensed the technology to a US company



Developed Solid Propellants for various missiles including a combustion-stable Propellants for LRSAM, MRSAM,ASTRA etc



Laboratories have been **certified by DSIR and accredited by NABL**

...thrives to remain at the forefront of technology and product development

& high focus on Safety at Manufacturing facilities



○ Bulk Explosives

- Singrauli (Madhya Pradesh)
- Chandrapur (Maharashtra)
- Godavarikhani (Telangana)
- Manuguru (Telangana)
- Neyveli (Tamil Nadu)



◆ Accessories & Defence Explosives

- **Peddakandukur (Telangana)**
Detonator, Detonating fuse,
Packaged Explosives,
Pyrodevices
Solid Proellants



▲ Katepally (Telangana)

- Solid propellants
HMX/RDX
Ammunition
Mines
Warheads
Bombs



Greenfield expansion at Katepally



- **Katepally Solid Propellant Plant**

- Obtained License from Chief Controller of Explosives, Nagpur for production of solid propellant at the facility
- Facility will enable Company to manufacture Solid Propellant of larger size for ISRO & DRDO.

- Received order for production of **PSOM-XL (Solid Propellant)** for small satellite launch vehicles from Vikram Sarabhai Space Center (VSSC)

- Second PSOM -XL was delivered on 30.06.2021
- Third PSOM - XL order was received on 30.11.2022
- **Received orders for PSOM - XL motors on 09.06.2023 from Larsen & Toubro Ltd**

- **RDX & HMX Plant**

- Is commissioned and started meeting the in-house requirement and domestic market.
- Securing the orders for overseas markets.



Commercial Explosives

- Manufactures diverse range of commercial explosives for Mining & Infrastructure Industries
- Product range includes Bulk Explosives, Cartridge Explosives, Cast Booster, Detonators, Detonating Fuse, etc



Defence & Aerospace

- Manufacture of solid propellants for tactical missiles (Astra, Akash and LRSAM / MRSAM) strategic missiles (Agni) , Veda Etc.
- Entered in Indian Space programme as approved supplier of PSOM-XL Motor for use in Polar Satellite Launch Vehicle(PSLV) to ISRO
- Only domestic manufacturer supplying countermeasures like Chaffs and Flares to Indian defence
- Undertaking Operation & Maintenance services for solid propellant plants of ISRO at SHAR, Sriharikota and DRDO at ASL, Jagdalpur



Business Segments

Stable business of Commercial Explosives...

Manufacturing Explosives Products

Bulk Explosives



Cast Boosters



Detonators



Detonating Fuse



...for Clients in Mining & Infrastructure Industries



Cement
Manufacturers

Export to Countries

*Israel, Greece, Jordan, Turkey, Nepal, Thailand,
Philippines, Indonesia, Djibouti etc.*

Building Defence & Aerospace segment...

Manufacturing Products across segments

Propellants

Pyrogen igniters

Case-bonded propellants

Free standing grains

Fuel rich, Grains

Gas generators

Strap-on motors for PSLV.



Pyros

Pyro cartridges

Pyro actuators

Smoke / flash generators

IR generators

Specialized squibs



Explosives

CL - 20

HNS - IV

HMX / RDX and their components

Bombs, Warheads ammunition

Mines

Counter-measures

Chaffs

Flares

...for various Defence & Space PSUs



First Private Manufacturer and Supplier of Solid Propellants in India

with focus on enhancing Technological Capabilities...

Unmatched Technological know-how and Research Capabilities....

In-house development

- **Pyrogen Igniters** for Strategic missiles
- Non-Aluminised Propellant for **Astra**
- **LRSAM** composition without Combustion Instability
- **Sledge** Rocket Motors
- IR flares
- Air Target Imitator
- Propellant for NGARM & QRSAM Motors



Production under ToT

- Akash booster / sustainer grains
- ARM motors
- Pyrogen igniters for ANSP
- Daisy II motor for Agni
- Pinaka rockets – Mark I and II
- Astra motor
- Chaff
- IR flares

.... and Industrial Licences from DIPP

Defence Industrial Licenses

- In Defence, received **Industrial Licenses from DIPP** for the following
- Few of the key licenses are:
 1. Rockets and Missiles
 2. Bombs & Mines for Defence
 3. Ammunition.

Preferred supplier to Defense : Sector with High-Entry Barriers

Continuous efforts towards strengthening the Intellectual Property (IP) for manufacturing of High-Energy material

Enhancing product offering...

for Indian Air Force

On-going

Chaffs & Flares

Air Target Imitators (for Air Defence & Indian Army)

Under Development

70 mm rockets

Air-Glide bombs

Re-graining of existing missiles

Indigenization of power cartridges

Canopy severance system

for Missile Programme

Expanding product portfolio

Solid Propellant

Rocket motor hardware

Thermal insulations & Hot integration

War-heads

Ammonium Perchlorate

HTPB & CL20

Pyrogen igniters



Contributing to India's Prestigious Missile Programs

Missile	Type	Stage	Client	End user	PEL's contribution
Akash	Tactical, Surface to Air	Production	Bharat Dynamics Limited (BDL)	Indian Air Force and Indian Army	Supplied 2000+ booster grains and 450+ sustainer grains
MRSAM	Tactical, Surface to Air	Production from 2019	DRDO / BDL	Indian Army	100% requirements of solid propellants
Agni	Ballistic	Production	Advanced Systems Laboratory	Strategic Forces Command	Pyrogen igniter
Brahmos	Cruise, Air launched Anti-ship, Land attack	Production	HEMRL	Indian Air Force, Indian Navy and Indian Army	Transfer of technology is under induction
LRSAM	Tactical, Surface to Air	Production	DRDO	Indian Navy	100% requirements of solid propellants
Astra	Tactical, Air to Air	Production	DRDO	Indian Air Force	100% requirements of solid propellants

Increasing participation in India's Space Program



Operations & Maintenance Under GOCO

- Operating and Maintaining Solid Propellant plant of ISRO at SHAR under GOCO Contract for 10 years in Jan'2019
- Operating and maintaining the solid propellant plant of Advance Systems Laboratory (ASL) at Solid Fuel Complex, Jagdalpur
- **Provides exposure to advanced processes in manufacture of solid propellants**



PSOM-XL for ISRO

- Trial order successfully tested in January 2018
- Successfully completed & delivered an order received from Vikram Sarabhai Space Centre (VSSC) for production of PSOM-XL (solid propellant) for the Satellite Launch Vehicle (SLV)
- The order was executed at Katepalley Plant

Defence : Opportunity landscape

Government enhances focus on “Make In India” in Defence

- Defence Ministry puts ‘**101+ Defence items**’ under import embargo under ‘Atmanirbhar Bharat Programme’
- Defence Ministry estimates that contracts worth almost ‘**Rs. 4 lakh crore**’ to be given to domestic industry in the next 5-7 years.
- ‘**Defence Procurement Policy 2016**’ linking to ‘Make in India’ Initiative to increase Self Reliance’ in Defence Products
- Offset Opportunities
- ‘**Open General Export License**’ scheme to be launched by Government of India to boost export of Defence Products in Long Term
 - In last 3 years, Exports have grown by 7 times to **Rs 10,745 crores**
- **National Advanced Surface to Air Missile System II (NASAMS II)**- India in the process of acquiring NASAMS II from US
- ‘**Strategic Partnership**’ policy would rope in large private corporates into Defence Production who in turn will create overall Defence ecology including MSMEs

Well positioned to enhance participation

- Pioneer in manufacturing and supply solid propellants to India’s prestigious missile programs
- Possesses various Industrial license for production
- Member of Missile Technologies Control Group (MTCR), India provided access Advanced Technologies
- Tying-up with OEMs- in advance stage of negotiations
 - To Meet the Defence Offset Obligations
 - Forming Partnership to Manufacture in India
- Manufacturing facilities capable of handling higher volume and new product requirements
 - Greenfield project at Katepally (near Hyderabad) in about 150 acres. Another 100 acres of land available for further expansion

Building Company with Vision - 2025



Continue the leadership in High Energy Materials for defence and space



Develop low cost processes and techniques for production of industrial explosives



Develop capacity for missile integration



Meet the full requirements of ISRO's strap-on motors



Enter export market for defence products and high energy components

Awards & Appreciations

Year	Award	Awarded By
2019	SME - Empowering India Awards 2019 in the Defense & Aerospace (Mid - Corporate)	Hon'ble Union Minister of Steel
2016	HEMSI Honorary Fellowship to Dr. A.N.Gupta	High Energy Materials Society of India
2015	Outstanding Entrepreneur Award	Enterprise Asia
2014	Appreciation for development of Propellant composition for LRSAM without combustion instability	Director, DRDO
2013	Inc. India Innovative 100 Award for plant-scale manufacture of NHN detonators	Inc. India
2011	Appreciation for development of Propellant Casting of Motors and Igniters for First and Second Stages of Agni-4	Director, Advanced Systems Laboratory
2010	Appreciation for development of Pyrogen Igniters for Agni A4	ASL
2008	Appreciation for development of Pyrogen Igniters for Agni A3	ASL
2007	Defence Technology Absorption Award-2007, received from Dr. Manmohan Singh, Prime Minister of India	DRDO
2007	Best R&D Effort Award	AIMO
2005	Best Technology Development Award for R&D achievements	FAPCCI
2004 - 07	Best Greenery Development Award	AP Pollution Council



Contact Us

PREMIER EXPLOSIVES LIMITED

Mr. Srihari Pakalapati (CFO)
cfo@pelgel.com

'Premier House', 11 Ishaq Colony, Near AOC Center, Secunderabad 500 015
CIN No: L24110TG1980PLC002633



Ms. Pooja Sharma/ Mr. Vishal Mehta
pooja.sharma@stellar-ir.com / vishal@stellar-ir.com

A- 405, Kanakia Wall Street, Andheri (East), Mumbai 400 093