



# Premier Explosives Limited



February 18, 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 Third Quarter ended 31<sup>st</sup> December, 2024, results.**

Please find attached the Transcript of the Conference Call hosted by, Stellar IR Advisors Private Limited, on Friday, February 14, 2025 pertaining to, 'Premier Explosives Limited Q3 & 9M 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  
Q3 & 9M FY '25 Earnings Conference Call”  
February 14, 2025**



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

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

**Moderator:**

Ladies and gentlemen, good day, and welcome to Premier Explosives Limited Q3 and 9 Months FY '25 Earnings Conference Call hosted by Stellar Advisors. 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 the conference call, please signal an operator by pressing star then zero on your touchtone phone. Please note that this conference is being recorded.

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

**Akhilesh Gandhi:**

Thank you, Neerav. Good afternoon, everyone. I, Akhilesh Gandhi, on behalf of Stellar Investor Relations, welcome you all to Premier Explosives Limited quarter three and nine months FY '25 earnings conference call. We shall be sharing the key operating and financial highlights for the third quarter and 9 months ended on December 31, 2024.

We have with us today the management team of Premier Explosives Limited, Mr. T V Chowdary, he is the Managing Director; and Mr. Vijay Kumar, he 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 obligations to update any forward-looking statement to reflect development that occur after the statement is made. Documents relating to the company's financial performance, including investor presentation have already been uploaded on the stock exchange and the company's website.

I now invite Mr. Chowdary to state his opening remarks on the company's performance for the third quarter and nine months ended on December 31, 2024. After that, we'll open the floor for Q&A session. Thank you, and over to you, sir.

**T.V. Chowdary:**

Thank you, Mr. Akhilesh. Good afternoon, everyone, and thanks for joining the call. I'm very happy to state that quarter 3 financial year, '25 was our highest ever quarter with revenue surging from 272% year-on-year, driven by strong growth in our Defence and Space Services division. Further, we are happy to share that in December 2024, we have signed an MoU with Global Munition Limited, NIBE Group for strategic alliance to develop and produce Defence munition.

Our current outstanding order book stands at INR739 crores, forming 2.7x of financial year 2024 revenue. During the quarter, execution of old orders has paved the way for bidding and securing larger high-value orders from the Ministry of Defence, the Indian Defence Industry, and International Defence entity.

In quarter 2 financial year '25, our orders from various DPSUs and overseas customers are under different stage of execution. In quarter 3 FY '25, the Defence orders stand at INR575 crores.

Coming on the recent updates, as you all know, the company will be doing a capex plan as your company has received the letter from the Industrial Promotion & Investment Corporation of Odisha Limited, IPICOL, informing the state-level single window clearance authority through an in-principle approval of setting up Defence explosives raw materials and ammunition plant in 3 phases at Rayagada district with a total investment of about INR864 crores.

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 Defence promoting domestic production and reducing imports, this policy supports Premier's growth by driving local manufacturing.

Future business, received Bramhos production order for INR26.5 crores rocket motor production. We also received an export order of INR20 crores for design and development of rocket motors. Bulk production orders for these items are expected in the next financial year. And these are going to drive the next financial year revenue. In addition of these, medium caliber ammunition and the mines which are in the early stage of production are expected to bring in higher contribution.

In Q3 FY '25, we generated a healthy cash profit of INR12.1 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 defence 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, and good afternoon, everyone. The results presentation for the quarter and 9 months 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 Q3 FY '25 stands at INR165.9 crores as compared to INR44.6 crores in Q3 FY '24, which shows a growth of about 272% year-on-year. Our operating profit for Q3 FY '25 stands at INR15.4 crores as compared to INR4.9 crores in Q3 FY '24. The operating margin for the quarter stands at 9.3%. We reported a net profit of INR9.2 crores compared to INR1.7 crores in Q3 FY '24.

Let me take you to the nine months FY '25 performance. The revenue from nine months FY '25 stands at INR343.4 crores as compared to INR184.9 crores in corresponding quarter last year, translating to a growth of about 86% year-on-year. Operating profit for nine months FY stands at INR48.4 crores as compared to INR43.4 crores in corresponding period last year. The operating margin stood at 14.1% in nine months FY '25. The net profit in nine months FY '25 stood at INR24.9 crores compared to INR21.5 crores in nine months FY '24.

Now coming to the order book. The company's current order book stands at INR739 crores, out of which the Defence segment order is majority of about INR575 crores. Explosives segment

stands at INR93 crores and service segment, which is operation and maintenance service segment stands at INR71 crores. The order book shows a solid and strong growth towards the previous year. We are very much content that with our continued execution run rate in the forthcoming quarters will be continuing with the growth trajectory.

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

**Moderator:** The first question is from the line of Narendra from Robo Capital.

**Narendra:** So congratulations on a good set of numbers, sir. My first question is regarding our revenue growth, right? So in FY '25, I believe we had a target of INR400 crores to INR500 crores. So are we on track for that or do we want to revise it upwards maybe? And also next year, we had plans of -- next couple of years we had a plan to grow 15%, 20%. So are we on track for that?

**T.V. Chowdary:** We'll be in the range of INR400 crores to INR500 crores only. We are not expecting to exceed the INR500 crores in the current financial year. But yes, definitely, next financial year looks brighter and then we'll be exceeding that.

**Narendra:** So what kind of growth we'd be seeing next year given our strong order book?

**T.V. Chowdary:** Yes, around INR500 crores to INR550 crores.

**Narendra:** Okay, sir. And sir, the margins, what kind of margin should we expect?

**T.V. Chowdary:** Margins, see, this depends upon the bouquet of the products and some quarters we sell industrial explosives, some quarters defence, and in defence also different margins are there. So generalizing the margin is a little difficult, but we'll be in the range of between, 15% to 20% EBITDA.

**Narendra:** Okay, sir. Sir, but I believe our defence order book is currently greater than the industrial explosives, right? So that should help the margins.

**T.V. Chowdary:** Yes. No. But in the defence sector, we have multiple products.

**Moderator:** Next question is from the line of Dipen Vakil from Phillip Capital.

**Dipen Vakil:** Congratulations on a good set of numbers. So just carrying it ahead from the earlier participant. So you mentioned that your margin guidance is around 15% to 20%. But can you tell us as to why margins in this quarter has been slightly on the lower side below 10% as to which area of execution is putting pressure on margins?

**T.V. Chowdary:** Yes. You are all aware as we announced last month, we had an accident in our production plant. Of course, as such, the accident did not affect much, but the deliveries are expected to get delayed. Keeping that in mind, provisions are made for the LD. But however, we have taken up and as a force majeure we have taken up with the customers and informed. And we are hoping that the LD will be waived off. But while making the provisions, we have provided for that. That's why the margins are less.

- Dipen Vakil:** And in your opening remarks, you mentioned about a few projects that are there in pipeline. So if possible for you to repeat that and what kind of orders are expected in entire FY '26?
- T.V. Chowdary:** These are expected to come to a value of around INR200 crores each.
- Dipen Vakil:** INR200 crores each as in Bramhos and another design and development order?
- Vijay Kumar:** No, the export order.
- T.V. Chowdary:** Yes, the export order and one is the domestic Bramhos order. Export order is expected to reach INR200 crores order and Bramhos will keep on growing. It is -- I think it will be in coming 3 or 4 years, it will be in the level of that INR200 crores.
- Moderator:** Next question is from the line of Sarjeet Yadav from Mount Intra Finance.
- Sarjeet Yadav:** Congratulations for a good set of numbers. Continuing from the previous question, so in addition to these orders, what is the visibility in terms of chaffs and flares or mines or anything we are expecting during the next year?
- T.V. Chowdary:** This will continue because these are consumables which are consumed as war waste agent and other things. So it may not be such a large, huge order what we received last financial year as an emergency procurement order but it will keep on coming. It will be repeated in terms of once in 3 years, we can expect this kind of quantity.
- Sarjeet Yadav:** Okay, sir. My second question is around the execution. Last con-call, you have said that you're expecting the chaffs and flares, which is the majority of our order book to be completed by July this financial year. So do we continue with that target or there's likely to be further delay on that?
- T.V. Chowdary:** It may get a little delayed further because like I mentioned about the accident. The accident took place in one of the buildings of this chaffs and flares production. So this production is going to be delayed.
- Sarjeet Yadav:** Okay. And regarding the Odisha plant capex, in which quarter are we expecting that to incur, any visibility on that?
- T.V. Chowdary:** First quarter of next financial year, we are expecting the procurement of land. We may have to pay for the land in the first quarter but the total capex will be spread out into 3 phases. Out of that, first phase will be in 2 years.
- Moderator:** Next question is from the line of Bharti Mani from Moneybee Investment Advisors.
- Bharti Mani:** So my first question was on the chaffs and flares order. So how much of it was booked in this quarter? And I also want to know that you just said that there's been a delay from July '25. So till -- by when do you expect this order to be completed?
- T.V. Chowdary:** We have almost completed half of the order quantity. The balance half will be completed in the next financial year.

- Bharti Mani:** Do you expect the first half to complete the order or it will go to the second half?
- T.V. Chowdary:** It will go to second half. We are going. We are expecting it to go up to end of December.
- Bharti Mani:** And my next question was you said that you have provided for some amount because of the accident. So exactly how much is the amount?
- T.V. Chowdary:** It is not the accident. It is the delays of production due to accident.
- Bharti Mani:** Okay. So exactly how much is the?
- T.V. Chowdary:** At the rate of 15%, we have provided that.
- Bharti Mani:** 15% of the turnover you're saying?
- T.V. Chowdary:** No, 15% of that order, not the whole turnover.
- Bharti Mani:** Okay. So can you just give me an exact number, how much is it?
- T.V. Chowdary:** I think right now, I don't have with me the numbers.
- Bharti Mani:** Okay. So my next question was on the finance cost. So I can see September quarter, the finance cost was around INR2.6 crores, but it went up to INR4 crores by this quarter. So what is the reason for this increase?
- Vijay Kumar:** The main thing is turnover has gone up and working capital utilization was on the higher side. And also, we had a term loan from SBM. So that interest is also captured in this quarter and most on the working capital front.
- Bharti Mani:** Okay. And you just had the Odisha plant for the capex that you're going to do in Orissa is around INR864 crores. So how are you planning to fund that?
- T.V. Chowdary:** We expect to fund it with internal accruals and also QIP. That's what was announced, I think, 2 months back after the Board approval.
- Bharti Mani:** Okay. So it will be like a 50-50 split or how much will be internal accrual?
- T.V. Chowdary:** In addition to Odisha plant, we also have other capex plans also in the existing plant from the orders which you see and all those which are flowing. So altogether, we have a plan of something between INR200 crores to INR250 crores.
- Moderator:** Next question is from the line of Niraj Mansingka from White Pine Investments.
- Niraj Mansingka:** I wanted to know on the warhead side, you are doing some capex. Sir, in the warhead, you are doing some capex. Can you give us the status of that?
- T.V. Chowdary:** No. For specific for warhead, we already have the facilities. As on date, we have no plan of any capex in warheads.

**Niraj Mansingka:** Okay. So are there any capacity addition in warhead that plant or that you are working for?

**T.V. Chowdary:** We have capacity enhancement in the raw material for warhead. That is the RDX and HMX plant we have taken up the enhancement of capacity that is going on.

**Niraj Mansingka:** Yes, on that only, I was talking about. What is the status of that? And when will it complete?

**T.V. Chowdary:** We are targeting June, July month for completion of this and coming into production.

**Niraj Mansingka:** Okay. And sir, what would it give revenues to you because this is the product which is a lot of shortage globally?

**T.V. Chowdary:** If you go to raw materials, globally, all raw materials are in short supply only, whether it is TNT, RDX, HMX or the products, compounds, all are in short supply.

**Niraj Mansingka:** Okay. But sir, what is the potential revenue that we get from this RDX and HMX plant that you are putting up?

**T.V. Chowdary:** With the present demand, international market demand and our own requirements, we are expecting a good contribution from this.

**Niraj Mansingka:** Any number you can give on that, range would be okay.

**Vijay Kumar:** About INR100 crores to INR150 crores.

**T.V. Chowdary:** It's about INR100 crores to INR150 crores.

**Niraj Mansingka:** So is it right to say that in year ending March or the quarter 4 of March '26?

**Vijay Kumar:** It should be captured.

**Niraj Mansingka:** But is it a right assumption that by March '26, your run rate on RDX and HMX will go to a yearly run rate of INR100 crores, INR150 crores range per year. Is that right assumption?

**Vijay Kumar:** Yes, around that, yes, INR100 crores to INR150 crores will come.

**Niraj Mansingka:** Okay. And sir, can you share something about the ammunitions and grenades, any specific possibility of any large order coming to?

**T.V. Chowdary:** Grenade, ammunition like I mentioned in the last previous con call, we have qualified, the product is qualified. Now we are waiting for the RFPs to come and then we will be participating in the RFPs from there.

**Niraj Mansingka:** And how large can those -- how many companies are competitors will be there qualified in this product?

**T.V. Chowdary:** MIL is the old standard company, which is already doing. And DRDO has transferred the technologies to another 2 companies that is Premier and then HPL. So these are things. Further



than that and this is a wide range of products, so different products are being produced by different companies.

What you asked about 40mm Grenade only these 3 that is MIL and Premier and HBL.

**Niraj Mansingka:**

Sorry, MIL, Premier and the third one is?

**T.V. Chowdary:**

HBL Hyderabad Batteries Limited would be the other company, who have taken the technology transfer from DRDO.

**Moderator:**

Next question is from the line of Abhishek Poddar from HDFC Mutual Fund.

**Abhishek Poddar:**

Sir, regarding the margins being lower in this quarter, you mentioned that you have taken the delayed delivery LD for the entire order. So then when you are executing the order for the next 3, 4 quarters, then the margin should normalize. That's what we should assume?

**T.V. Chowdary:**

For balance of the order, I think there also, we need to provide something unless we get from the government. For these items, yes, it is expected that. We'll be producing other products also. It will not be -- like I was telling; margins depend on the bouquet of products we supply and sell. So it may not remain the same. The supplies will be changing.

**Abhishek Poddar:**

So are you kind of indicating that?

**T.V. Chowdary:**

It will be changing from quarter-to-quarter. It will not be like.

**Abhishek Poddar:**

So the 9% is like on the lower side and you would expect an improvement going ahead because provisioning will be lower in the next few quarters.

**T.V. Chowdary:**

Yes, 9% also because of the provisions made, but it is not yet spent. So we are still in the queue and then we have requested the customer to consider as a force majeure clause.

**Abhishek Poddar:**

And sir, what is the probability you think that customer will refund that amount to you?

**T.V. Chowdary:**

In earlier cases, yes, we got the refund of that. So we are hoping that we have a much stronger case this time.

**Abhishek Poddar:**

Sir, second is regarding this RDX and HMX. You indicated that you will reach INR30 crores, INR40 crores kind of a run rate in revenues by fourth quarter '26. What is it now? And should we assume that in '27, you could reach that INR150 crores, INR200 crores kind of revenue from HMX and RDX?

**T.V. Chowdary:**

No, I think CFO told about INR100 crores to INR150 crores, not INR30 crores.

**Vijay Kumar:**

Next financial year. Yes, '26-'27, yes, there is a probability of going to INR100 crores to INR150 crores if we get into the full-scale production.

**Abhishek Poddar:**

And what's that number in '25, sir?

**Vijay Kumar:** '25 just started.

**T.V. Chowdary:** At present, our smaller plant is working and mostly it is going for the self-consumption, and the overall products like warheads and other things, we are using it.

**Abhishek Poddar:** So you would start booking these orders from the next couple of quarters? How are the inquiries and all if you can give us some understanding there?

**T.V. Chowdary:** Yes, we have the present international demand. We are getting a lot of queries for that. So it is only the question of commissioning the plant and supplying.

**Abhishek Poddar:** And sir, this lamination 40 mm, you had indicated in the last call that you have already developed it. And given the global shortage, can you talk about the inquiries there and what customer engagements you are having there?

**T.V. Chowdary:** Right now, we are not in global market for these products. The MOD and also MHA, whom the paramilitary forces, they are all looking for these products. But there is a process of ordering and all the tendering and RFP. That process is going on.

**Abhishek Poddar:** Okay. So the first preference would be to supply to domestic market and then look at the global market?

**T.V. Chowdary:** Yes, yes.

**Abhishek Poddar:** And should we expect this to start generating revenues from '26 or should it be later?

**T.V. Chowdary:** Yes. See, the MOD RFPs, their time scale is not predictable. So we do not know. Sometimes an RFP to mature, it takes more than a year. So it's only a wild guess.

**Abhishek Poddar:** Okay. Sir, because some understanding says that in Europe, there is a huge shortage. And would you be keen to let that inquiry flow in and kind of engage with them?

**T.V. Chowdary:** Yes, yes. Any inquiry coming, we are participating. We are not letting anything flow.

**Abhishek Poddar:** Okay. And sir, just a last question. The next year revenue that you talked about INR500 crores to INR550 crores. If you could give us some understanding of the major products that you will be part of that revenue pool?

**T.V. Chowdary:** We still have a lot of exports to be made, export orders we are expecting from that. And also this half of the chaffs and flares, which has to be executed, that is also going in the next financial year and mines. And then new additional rockets are added to our production line.

In addition to that, we are expecting a bigger order from -- right now we are not executing any order from Coal India, the bulk explosives. We are exporting participation because the 2-year period is completed. No new RFP is going to come from Coal India. So that area also, we are expecting a contribution to our revenue.

**Moderator:** Next question is from the line of Ankur Gulati from Genuity Capital.

**Ankur Gulati:** Is it possible to quantify the provisions you have taken for this LD in this quarter?

**T.V. Chowdary:** Not clear. Can you please repeat?

**Ankur Gulati:** Is it possible to quantify the provisions you have taken this quarter, the LD provisions which you were referring to?

**Vijay Kumar:** It's already mentioned in there...

**T.V. Chowdary:** About INR25 crores.

**Moderator:** Next question is from the line of Dheeraj from RRR Investments.

**Dheeraj:** My question would be that out of the INR480 crores order for chaffs and flares that is right now that is being delayed. You're saying that 15% of that order was completed in this quarter, so around INR72 crores?

**T.V. Chowdary:** I couldn't get you.

**Dheeraj:** Okay. So my question is that out of the INR480 crores order of chaffs and flares. You mentioned that 15% of the order was completed. So can you assume around?

**T.V. Chowdary:** 50% we said. This financial year, we'll be completing about 50% and next financial year, balance 50%.

**Dheeraj:** No, my question was that the total order was of INR630 crores and INR480 crores was remaining at the starting of this quarter. So from the remaining INR480 crores, how much of order was completed in this quarter?

**T.V. Chowdary:** That's what we told; 50% we have completed of the total order. You're asking about this quarter?

**Dheeraj:** Yes, for this quarter only. Out of INR480 crores, INR240 crores would be way too much, right?

**T.V. Chowdary:** This quarter means the current quarter, you mean.

**Dheeraj:** Yes, Q3.

**T.V. Chowdary:** The current quarter, the quantity will be less because I told you the accident happened in the one of the buildings of chaffs and flares production.

**Dheeraj:** Do you have a number what is the remaining order book right now?

**Vijay Kumar:** It will be around INR200 crores.

**T.V. Chowdary:** It will be around INR200 crores.

- Dheeraj:** Okay. And my next question was that the margins are purely due to the provisions that you have created?
- T.V. Chowdary:** Yes.
- Dheeraj:** And so if these provisions are going to be reversed going forward, the margins would show abnormally high in next few quarters, right?
- T.V. Chowdary:** Maybe if we get it from the government.
- Dheeraj:** Okay. And my next question was that today, there was a news about that Philippines is going to order Akash missile for around \$200 million. So out of that in the Akash missile, you are offering the booster grains, right?
- T.V. Chowdary:** Yes, boosters and sustainer grains.
- Dheeraj:** Okay. So if that order comes in, the booster grains order will be given to the Premier Explosives only or is there a competitor that will be competing with you?
- T.V. Chowdary:** Yes. Of course, they will take -- they will invite quotes from all players in it.
- Dheeraj:** Okay. And other than this product, any other product that you are -- you can supply to them or this is going to be the only thing?
- T.V. Chowdary:** Other products mean to Philippines?
- Dheeraj:** No. I mean for the Akash missile, you are only providing the grains right now. So any other?
- T.V. Chowdary:** We also provide the initiators, initiating explosives, igniters for sustainer crane.
- Dheeraj:** If out of the total 100% of the revenue, how much of the value addition is being done from your side? Can I get a percentage on that?
- T.V. Chowdary:** Our part of contribution around it will be 10% to 15% of the total value.
- Dheeraj:** Okay. And how sure are you that if India gets the order from them, then the order for these initiators and grains will be given to your company?
- T.V. Chowdary:** No. This question has to be asked to BDL. They are getting it. We can only supply when we get it from BDL.
- Dheeraj:** Okay. Sure. And what is the margin for these products for the grains and initiators?
- T.V. Chowdary:** Margins keep changing. Initiators will have a different margin and then the booster grain separate margin, sustainer grain will be separate margin, so we can only talk about the overall total year, how it will be based on the bouquet. Each item, I don't think it's something for me to disclose the commercial information.

- Moderator:** Next question is from the line of Shantanu Chatterjee from Mount Intra Finance.
- Santanu Chatterjee:** My question is on your chaffs and flares, which you are actually executing under emergency procurement policy. But my question is how much follow-on order size you are envisaging, sir, in this segment in chaffs and flares in the coming year?
- T.V. Chowdary:** We have participated in the things. Like I mentioned, it will not be in the same volume future requirement. That was emergency procurement order that's why it is big. Like I said 1/3 of that may be the quantity year-on-year require.
- Santanu Chatterjee:** Okay. 1/3 will be the size of the repeated order?
- T.V. Chowdary:** Yes.
- Santanu Chatterjee:** That you are envisaging right now. Okay. And my second question is on the order book you were envisaged. Sir, from the last couple of con calls, we had got your guidance about INR800 crores to INR1,000 crores order size for the next 3 to 4 years that you are envisaging.
- But when the entire Defence sector, sir, is experiencing or expecting huge order flow, then why we are actually sticking with this kind of conservative target of INR800 crores to INR1,000 crores for next 3 to 4 years? Is it because of our limitation on execution front? Or there is some kind of limitation on our product and size? Please clarify, sir, for better understanding.
- T.V. Chowdary:** Like I mentioned earlier, we are in the niche area of energetic materials and energetic material component supply only, not the capital platforms and all those. What you said, the figures and then the defence budget include so many things in it. There are tanks, artillery guns, aircrafts, and submarines ships and all those.
- We provide the energy components that is similarly when you come to missiles, our contribution is 10%, plus or minus. It can be anything between 5% to 15%. So we go by that rather than going by the total budget and all those. I hope I have answered your question.
- Moderator:** Next follow-up question is from the line of Niraj Mansingka from White Pine Investments.
- Niraj Mansingka:** Sir, just a clarification. See, the total order of chaffs and flares that you have received was INR630 crores. And you were saying that you will complete 50% of the same in next financial year. So then the approximately INR310 crores or INR315 crores would be the remaining -- that will be executed by you in FY '26. Is the right number that I can assess?
- T.V. Chowdary:** Can you repeat it?
- Niraj Mansingka:** Of the INR630 crores, INR315 crores would be -- FY '26?
- T.V. Chowdary:** I think you have added up old orders also and have come to that figure. We have already executed those orders.

- Niraj Mansingka:** Okay. So the new orders which is INR550 crores, of that 50% will be executed in next financial year?
- T.V. Chowdary:** Yes.
- Niraj Mansingka:** Okay. And sir, how much is the provision you have booked till date, total amount that will be claimed by you in future? Like last quarter was INR25 crores. And total would be how much?
- T.V. Chowdary:** As Mr. Vijay Kumar mentioned earlier and replied to earlier question, around INR25 crores.
- Niraj Mansingka:** That is for the quarter.
- T.V. Chowdary:** Major thing is in this quarter only.
- Niraj Mansingka:** I thought last quarter also was provision of delay.
- Vijay Kumar:** It will be around -- all put together, it will be around INR35 crores.
- Niraj Mansingka:** INR35 crores. And generally, what is the procedure? Like you claimed right now or after the order completion, you will claim the moment?
- T.V. Chowdary:** Yes, after the order completion.
- Niraj Mansingka:** So which means that we come to know about the claims of your -- which will be between say INR35 crores?
- T.V. Chowdary:** Before order completion, right now, we ask for the delivery period extension. And once we deliver, we request for the waiver of -- that's how it works.
- Niraj Mansingka:** So the earliest we can know is around Q4 FY '26 about this number.
- T.V. Chowdary:** Right.
- Niraj Mansingka:** And generally, what is your experience in the delays or the time -- how fast decision made in terms of this amount to be like last experience? When you claim for the amount, how earliest can the decision be made by them?
- T.V. Chowdary:** It's difficult to answer this question. But the government has to process they have to agree and all these things. Right now, we have made a provision. I think that is the one we should keep in mind rather than we are going to get back as lumpsum.
- Moderator:** As there are no further questions, I would now like to hand the conference over to Mr. T V Chowdary for closing comments.
- T.V. Chowdary:** Yes. Thank you. Thank you, Akhilesh. Thank you, everybody, for all your valuable time and showing interest in the company, company's efforts, and all. I hope I have answered -- tried to answer at least all the queries. Thank you and good day.



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**Moderator:**

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