



# Premier Explosives Limited

'Premier House', 11 Ishaq Colony, Near AOC Centre Secunderabad - 500 015

## Part I: Unaudited financial results for the quarter and six months ended 30th September, 2012

## Statement of assets and liabilities as at 30th September, 2012

| S. No. | Particulars   | Quarter ended          |                        |                        | Six months ended       |                        | Year ended           |
|--------|---|------------------------|------------------------|------------------------|------------------------|------------------------|----------------------|
|        |   | 30.09.2012 (Unaudited) | 30.06.2012 (Unaudited) | 30.09.2011 (Unaudited) | 30.09.2012 (Unaudited) | 30.09.2011 (Unaudited) | 31.03.2012 (Audited) |
| 1      | <b>Income from operations</b>   |                        |                        |                        |                        |                        |                      |
|        | Gross sales / income from operations  | 2214.25                | 2738.71                | 2485.83                | 4952.96                | 5046.19                | 11569.18             |
|        | Less: Excise duty   | 182.64                 | 212.58                 | 159.16                 | 395.22                 | 358.96                 | 834.58               |
|        | Net sales / income from operations  | 2031.61                | 2526.13                | 2326.67                | 4557.74                | 4687.23                | 10734.60             |
|        | Other operating income  | 9.87                   | 19.58                  | 7.10                   | 29.45                  | 29.36                  | 96.93                |
|        | <b>Total income from operations</b>   | <b>2041.48</b>         | <b>2545.71</b>         | <b>2333.77</b>         | <b>4587.19</b>         | <b>4716.59</b>         | <b>10831.53</b>      |
| 2      | <b>Expenses</b>   |                        |                        |                        |                        |                        |                      |
|        | Cost of raw materials consumed  | 797.75                 | 1072.40                | 1176.07                | 1870.15                | 2474.07                | 4961.09              |
|        | Purchase of stock in trade  | 7.40                   | 49.23                  | 0.87                   | 56.63                  | 2.66                   | 48.04                |
|        | Changes in inventories of finished goods, work-in-progress and scrap  | 215.91                 | (162.57)               | (257.87)               | 53.34                  | (431.36)               | (49.39)              |
|        | Employee benefits expense   | 671.24                 | 719.99                 | 639.65                 | 1391.23                | 1189.34                | 2429.32              |
|        | Research and development expenses   | 14.32                  | 14.81                  | 18.31                  | 29.13                  | 34.32                  | 83.75                |
|        | Depreciation (net) and amortisation expense   | 52.06                  | 50.44                  | 46.79                  | 102.50                 | 93.85                  | 186.66               |
|        | Other expenses  | 351.08                 | 399.18                 | 415.77                 | 750.26                 | 763.29                 | 1620.07              |
|        | <b>Total expenses</b>   | <b>2109.76</b>         | <b>2143.48</b>         | <b>2039.59</b>         | <b>4253.24</b>         | <b>4126.17</b>         | <b>9279.54</b>       |
| 3      | <b>Profit / (loss) from operations before other income, finance costs and exceptional items (1-2)</b>                                     | <b>(68.28)</b>         | <b>402.23</b>          | <b>294.18</b>          | <b>333.95</b>          | <b>590.42</b>          | <b>1551.99</b>       |
| 4      | Other income  | 156.09                 | 20.83                  | 45.86                  | 176.92                 | 64.46                  | 169.89               |
| 5      | Profit from ordinary activities before finance costs and exceptional items (3+4)  | 87.81                  | 423.06                 | 340.04                 | 510.87                 | 654.88                 | 1721.88              |
| 6      | Finance costs   | 46.40                  | 32.46                  | 25.35                  | 78.86                  | 57.20                  | 101.62               |
| 7      | Profit from ordinary activities after finance costs but before exceptional items (5-6)  | 41.41                  | 390.60                 | 314.69                 | 432.01                 | 597.68                 | 1620.26              |
| 8      | Exceptional items   |                        |                        |                        |                        |                        |                      |
|        | a) Profit on sale of administrative building  | -                      | -                      | 58.35                  | -                      | 87.93                  | 87.93                |
|        | b) Payments under Voluntary Retirement Scheme   | -                      | (4.10)                 | (41.16)                | (4.10)                 | (41.16)                | (48.73)              |
|        | Net exceptional items   | -                      | (4.10)                 | 17.19                  | (4.10)                 | 46.77                  | 39.20                |
| 9      | <b>Profit from ordinary activities before tax (7+8)</b>   | <b>41.41</b>           | <b>386.50</b>          | <b>331.88</b>          | <b>427.91</b>          | <b>644.45</b>          | <b>1,659.46</b>      |
| 10     | Tax expense   | 1.70                   | 117.69                 | 93.21                  | 119.39                 | 196.13                 | 465.36               |
| 11     | Net profit from ordinary activities after tax (9-10)  | 39.71                  | 268.81                 | 238.67                 | 308.52                 | 448.32                 | 1194.10              |
| 12     | Extraordinary items (net of tax expenses)   | -                      | -                      | -                      | -                      | -                      | -                    |
| 13     | <b>Net profit for the period (11-12)</b>  | <b>39.71</b>           | <b>268.81</b>          | <b>238.67</b>          | <b>308.52</b>          | <b>448.32</b>          | <b>1194.10</b>       |
| 14     | Paid-up equity share capital (Face value of share Rs. 10/-) at the end of the quarter / year  | 812.75                 | 812.70                 | 812.70                 | 812.75                 | 812.70                 | 812.70               |
| 15     | Reserves excluding revaluation reserves as per balance sheet of previous accounting year  | -                      | -                      | -                      | -                      | -                      | 3,736.73             |
| 16     | Earning per share   |                        |                        |                        |                        |                        |                      |
|        | a) Basic and diluted EPS before extraordinary items for the period, for the year to date and for the previous year (not to be annualized) | 0.49                   | 3.31                   | 2.94                   | 3.80                   | 5.52                   | 14.69                |
|        | b) Basic and diluted EPS after extraordinary items for the period, for the year to date and for the previous year (not to be annualized)  | 0.49                   | 3.31                   | 2.94                   | 3.80                   | 5.52                   | 14.69                |

|                                | As at 30th September, 2012 (Unaudited) | As at 31st March, 2012 (Audited) |
|--------------------------------|--|----------------------------------|
| <b>Equity and liabilities</b>  |  |                                  |
| <b>Share holders' funds</b>    |  |                                  |
| Share capital                  | 812.75                                 | 812.70                           |
| Reserves and surplus           | 4,045.25                               | 3,736.73                         |
|                                | <b>4,858.00</b>                        | <b>4,549.43</b>                  |
| <b>Non-current liabilities</b> |  |                                  |
| Long term borrowings           | 236.46                                 | 242.36                           |
| Deferred tax liabilities (net) | 533.65                                 | 484.26                           |
| Other long term liabilities    | 109.82                                 | 108.76                           |
| Long term provisions           | 99.15                                  | 72.15                            |
|                                | <b>979.08</b>                          | <b>907.53</b>                    |
| <b>Current liabilities</b>     |  |                                  |
| Short-term borrowings          | 531.18                                 | 116.84                           |
| Trade payables                 | 347.16                                 | 559.60                           |
| Other current liabilities      | 1,287.00                               | 1,276.89                         |
| Short-term provisions          | 81.96                                  | 397.20                           |
|                                | <b>2,247.30</b>                        | <b>2,350.53</b>                  |
| <b>Total</b>                   | <b>8,084.38</b>                        | <b>7,807.49</b>                  |
| <b>Assets</b>                  |  |                                  |
| <b>Non-current assets</b>      |  |                                  |
| Fixed assets                   | 3,811.18                               | 3,430.35                         |
| Non-current investments        | 45.00                                  | 45.00                            |
| Long term loans and advances   | 657.31                                 | 727.05                           |
| Other non-current assets       | 36.08                                  | 52.59                            |
|                                | <b>4,549.57</b>                        | <b>4,254.99</b>                  |
| <b>Current assets</b>          |  |                                  |
| Inventories                    | 1,275.87                               | 1,177.69                         |
| Trade receivables              | 1,407.17                               | 1,549.55                         |
| Cash and bank balances         | 337.67                                 | 488.08                           |
| Short term loans and advances  | 415.57                                 | 265.40                           |
| Other current assets           | 98.53                                  | 71.78                            |
|                                | <b>3,534.81</b>                        | <b>3,552.50</b>                  |
| <b>Total</b>                   | <b>8,084.38</b>                        | <b>7,807.49</b>                  |

## Part II: Select information for the quarter and six months ended 30th September, 2012

| A. | Particulars of shareholding  | Quarter ended |            |            | Six months ended |            | Year ended |
|----|--|---------------|------------|------------|------------------|------------|------------|
|    |  | 30.09.2012    | 30.06.2012 | 30.09.2011 | 30.09.2012       | 30.09.2011 | 31.03.2012 |
| 1  | Public shareholding  |               |            |            |                  |            |            |
|    | - Number of shares   | 4648484       | 4648484    | 4766078    | 4648484          | 4766078    | 4724078    |
|    | - Percentage of shareholding   | 57.19%        | 57.19%     | 58.64%     | 57.19%           | 58.64%     | 58.12%     |
| 2  | Promoters and promoter group shareholding  |               |            |            |                  |            |            |
|    | a) Pledged / Encumbered  |               |            |            |                  |            |            |
|    | - Number of shares   | -             | -          | -          | -                | -          | -          |
|    | - Percentage of shares (as a % of the total shareholding of promoter and promoter group) | -             | -          | -          | -                | -          | -          |
|    | - Percentage of shares (as a % of the total share capital of the company)                | -             | -          | -          | -                | -          | -          |
|    | b) Non-encumbered  |               |            |            |                  |            |            |
|    | - Number of shares   | 3479091       | 3479091    | 3361497    | 3479091          | 3361497    | 3403497    |
|    | - Percentage of shares (as a % of the total shareholding of promoter and promoter group) | 100.00%       | 100.00%    | 100.00%    | 100.00%          | 100.00%    | 100.00%    |
|    | - Percentage of shares (as a % of the total share capital of the company)                | 42.81%        | 42.81%     | 41.36%     | 42.81%           | 41.36%     | 41.88%     |

## Segment information for the quarter and six months ended 30th September, 2012

| S. No. | Particulars  | Quarter ended          |                        |                        | Six months ended       |                        | Year ended           |
|--------|--|------------------------|------------------------|------------------------|------------------------|------------------------|----------------------|
|        |  | 30.09.2012 (Unaudited) | 30.06.2012 (Unaudited) | 30.09.2011 (Unaudited) | 30.09.2012 (Unaudited) | 30.09.2011 (Unaudited) | 31.03.2012 (Audited) |
| 1      | <b>Segment revenue</b>   |                        |                        |                        |                        |                        |                      |
|        | a) Explosives & accessories  | 1997.55                | 2515.21                | 2290.22                | 4512.76                | 4640.81                | 10680.32             |
|        | b) Wind power  | 34.06                  | 10.92                  | 36.45                  | 44.98                  | 46.42                  | 54.28                |
|        | Net sales  | 2031.61                | 2526.13                | 2326.67                | 4557.74                | 4687.23                | 10734.60             |
| 2      | <b>Segment result: Profit / (loss) before tax and interest from each segment</b>         |                        |                        |                        |                        |                        |                      |
|        | a) Explosives & accessories  | 36.63                  | 384.28                 | 313.68                 | 420.91                 | 629.96                 | 1674.50              |
|        | b) Wind power  | 18.11                  | 2.05                   | 20.73                  | 20.16                  | 22.88                  | 1.87                 |
|        | Total  | 54.74                  | 386.33                 | 334.41                 | 441.07                 | 652.84                 | 1676.37              |
|        | Less: Interest (Net)   | 13.33                  | (0.17)                 | 2.53                   | 13.16                  | 8.39                   | 16.91                |
|        | Total profit before tax  | 41.41                  | 386.50                 | 331.88                 | 427.91                 | 644.45                 | 1659.46              |
| 3      | <b>Capital employed</b>  |                        |                        |                        |                        |                        |                      |
|        | The following figures are given without reflecting the inter-segmental transfer of funds |                        |                        |                        |                        |                        |                      |
|        | a) Explosives & accessories  | 4998.80                | 5026.78                | 4194.88                | 4998.80                | 4194.88                | 4748.62              |
|        | b) Wind power  | 389.14                 | 376.35                 | 400.08                 | 389.14                 | 400.08                 | 380.47               |
|        | Total  | 5387.94                | 5403.13                | 4594.96                | 5387.94                | 4594.96                | 5129.09              |
|        | Unallocated corporate assets less liabilities  | 3.71                   | (112.94)               | (74.86)                | 3.71                   | (74.86)                | (95.40)              |
|        | Grand total  | 5391.65                | 5290.19                | 4520.10                | 5391.65                | 4520.10                | 5033.69              |

| B | Investor complaints                            | For the quarter ended 30th September, 2012 |
|---|--|--|
|   | Pending at the beginning of the quarter        | NIL  |
|   | Received during the quarter                    | 1  |
|   | Disposed of during the quarter                 | 1  |
|   | Remaining unresolved at the end of the quarter | NIL  |

### Notes to the financial results

- The above results have been reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on 3rd November, 2012.
- The statutory auditors have carried out a limited review on the financial results for the three months ended 30th September, 2012.
- There was an accidental explosion on 16th July, 2012 in a production building of company's factory located at Peddakandukur village in Nalgonda district of Andhra Pradesh. The accident resulted in loss of two lives and damage of a building, equipment and stocks. The accident was reported to BSE on 17th July, 2012. Subsequent to the accident, the company had restarted the partial production in a temporary facility on 11th August, 2012. Further the company has resumed the normal production from rebuilt facility from 8th October, 2012.
- Cartridge emulsion explosives plant at company's factory in Peddakandukur village commenced its commercial production in the month of September, 2012.
- Company's business consists of two reportable segments viz., explosives & accessories and wind power.
- Figures for the previous year / periods have been regrouped and recast, wherever necessary.

Secunderabad  
03.11.2012

For Premier Explosives Limited  
**Dr. A. N. Gupta**  
Chairman & Managing Director