



# Q4FY15 QResults

**SURFACE TO AIR**





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## Business performance

- ❖ Net sales in Q4FY15 was at INR 422.1 mn, a growth of 1.9% YoY. For FY15, net sales witnessed a growth of 2.8% YoY and stood at INR 1,494.9mn
- ❖ The company reported 5.3% YoY growth in the explosives business, 6.8% YoY decrease in defence products (low sales of tear gas grenades) and 5.7% YoY growth in services in FY15
- ❖ Operating profit was at INR 43.2 mn, a growth of 42.0% YoY and operating margins stood at 10.2% in Q4FY15 (a rise of 290bps YoY)

Net Sales breakup (INR mn)	Q4FY15	Q4FY14	YoY (%)	Q3FY15	QoQ (%)	FY15	FY14	YoY (%)
<b>Explosives</b>	313.7	279.4	12.3%	252.5	24.2%	1080.8	1,026	5.3%
<b>Defence products</b>	67.4	97.5	-30.9%	77.0	-12.5%	249.7	268	-6.8%
<b>Services</b>	39.1	34.2	14.4%	37.4	4.6%	154.9	146	5.7%
<b>Wind power</b>	0.3	0.5	-34.0%	0.2	65.0%	4.6	6.73	-31.8%
<b>Total</b>	<b>420.5</b>	<b>411.6</b>	<b>2.2%</b>	<b>367.1</b>	<b>14.6%</b>	<b>1489.9</b>	<b>1,447.1</b>	<b>3.0%</b>



## Result update – Profit & Loss

Particulars (INR mn)	Q4FY15	Q4FY14	YoY (%)	Q3FY15	QoQ (%)	FY15	FY14	YoY(%)
<b>Net sales</b>	<b>422.1</b>	<b>414.1</b>	<b>1.9%</b>	<b>368.3</b>	<b>14.6%</b>	<b>1494.9</b>	<b>1,454.0</b>	<b>2.8%</b>
Total expenses	379.0	383.7	-1.2%	341.8	10.9%	1369.5	1,291.4	6.0%
Operating profit	43.2	30.4	42.0%	26.5	62.9%	125.4	162.6	-22.9%
<b>OPM (%)</b>	<b>10.2%</b>	<b>7.3%</b>	<b>-</b>	<b>7.2%</b>	<b>-</b>	<b>8.4%</b>	<b>11.2%</b>	<b>-</b>
Other income	3.8	11.9	-68.4%	0.8	370.4%	7.4	14.1	-47.5%
Depreciation	8.0	5.9	35.2%	7.5	6.4%	33.0	23.5	40.5%
Interest	8.2	5.4	52.7%	5.5	49.9%	23.6	23.6	0.0%
PBT	30.7	31.0	-1.0%	14.4	113.2%	76.2	129.6	-41.2%
Tax	10.5	7.1	47.7%	4.4	138.4%	23.0	37.4	-38.5%
<b>Adj. PAT</b>	<b>20.2</b>	<b>23.8</b>	<b>-15.1%</b>	<b>10.0</b>	<b>102.2%</b>	<b>53.2</b>	<b>92.1</b>	<b>-42.2%</b>
<b>PATM (%)</b>	<b>4.8%</b>	<b>5.8%</b>	<b>-</b>	<b>2.7%</b>	<b>-</b>	<b>3.6%</b>	<b>6.3%</b>	<b>-</b>
EPS	<b>2.3</b>	2.9	-20.0%	<b>1.2</b>	<b>93.2%</b>	<b>6.1</b>	11.0	-44.5%



## Quarterly – Profit & Loss

Particulars (INR mn)	Q1		Q2		Q3		Q4	
	FY14	FY15	FY14	FY15	FY14	FY15	FY14	FY15
<b>Net sales</b>	367.9	351.6	338.5	352.9	333.5	368.3	414.1	422.1
Total expenses	314.7	333.7	303.1	315.1	290.4	341.8	383.7	379.0
Operating profit	53.3	17.9	35.3	37.8	43.1	26.5	30.4	43.2
OPM (%)	14.5%	5.1%	10.4%	10.7%	12.9%	7.2%	7.3%	10.2%
Other income	0.8	1.9	1.4	0.9	0.5	0.8	11.9	3.8
Depreciation	5.7	8.7	6.0	8.9	6.0	7.5	5.9	8.0
Interest	4.9	5.0	5.9	4.9	7.5	5.5	5.4	8.2
PBT	43.5	6.1	24.9	24.9	30.1	14.4	31.0	30.7
Tax	14.1	0.7	6.8	7.4	9.4	4.4	7.1	10.5
<b>Adj. PAT</b>	29.4	5.4	18.1	17.5	20.7	10.0	23.8	20.2
<b>EPS</b>	3.62	0.65	2.23	2.01	2.53	1.15	2.91	2.3



## Profit & Loss – Key indicators

Particulars (INR mn)	FY12	FY13	FY14	FY15
<b>Net sales</b>	<b>1,083.2</b>	<b>1,094.0</b>	<b>1,454.0</b>	<b>1494.9</b>
Growth in net sales (%)	14.8%	1.0%	32.9%	2.8%
Operating profit	174.9	97.7	162.6	125.4
OPM (%)	16.1%	8.9%	11.2%	8.4%
Other income	17.0	20.6	14.1	7.4
Depreciation	18.7	21.5	23.5	33.0
Interest	11.2	18.8	23.6	23.6
PBT	162.0	78.1	129.6	76.2
PBT (%)	15.0%	7.1%	8.9%	5.1%
Tax	46.5	21.0	37.4	23.0
<b>Adj. PAT</b>	<b>115.5</b>	<b>57.1</b>	<b>92.1</b>	<b>53.2</b>
PAT (%)	10.7%	5.2%	6.3%	3.6%
<b>EPS</b>	<b>14.2</b>	<b>7.0</b>	<b>11.0</b>	<b>6.1</b>



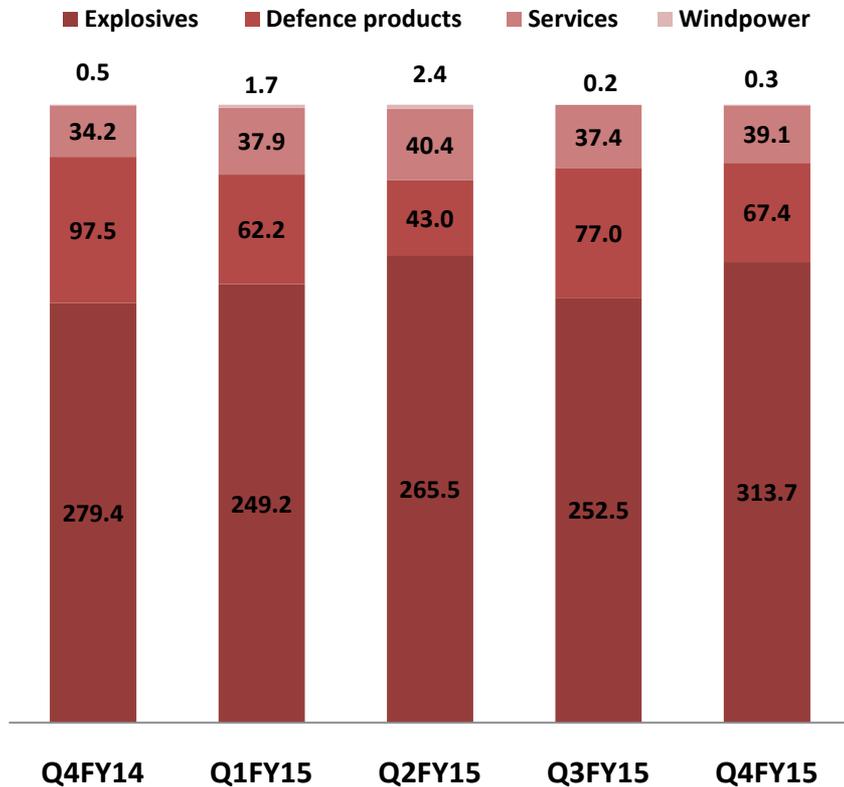
## Balance sheet – Key indicators

Particulars (INR mn)	FY12	FY13	FY14	FY15
Share capital	81.3	81.3	83.6	88.6
Reserves & surplus	373.7	403.3	488.7	530.5
Non-current liabilities	90.8	115.6	115.4	90.3
Current liabilities	235.1	298.9	385.6	423.2
<b>Total</b>	<b>780.8</b>	<b>899.0</b>	<b>1,073.3</b>	<b>1132.6</b>
Non-current assets	430.5	491.7	520.9	499.0
Current assets	350.3	407.3	552.4	633.7
<b>Total</b>	<b>780.8</b>	<b>899.0</b>	<b>1,073.3</b>	<b>1132.6</b>

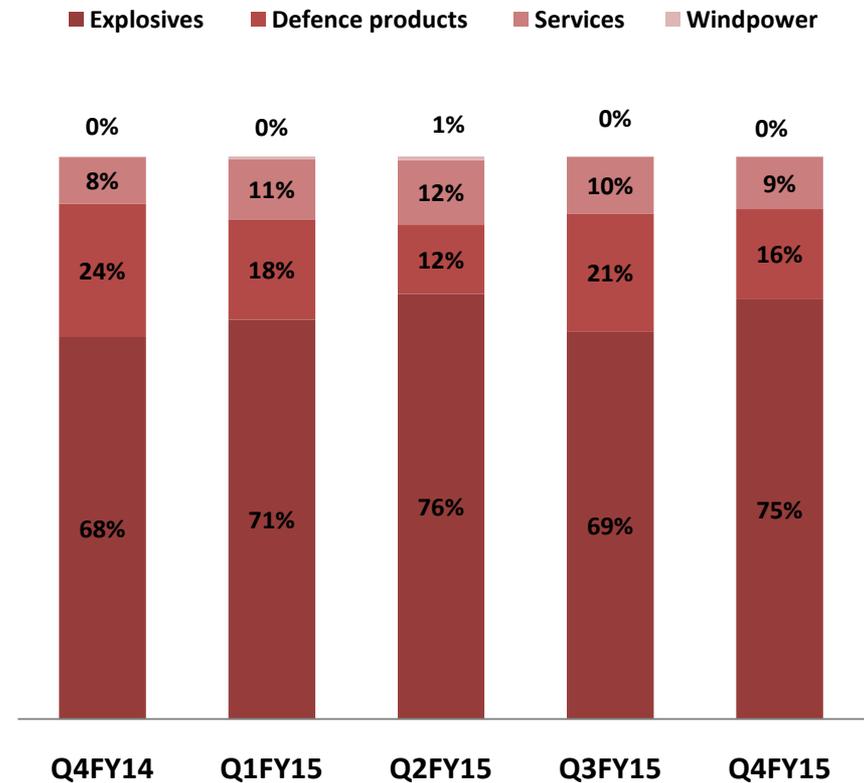


# Performance snapshot

## Revenue breakup (INR mn)



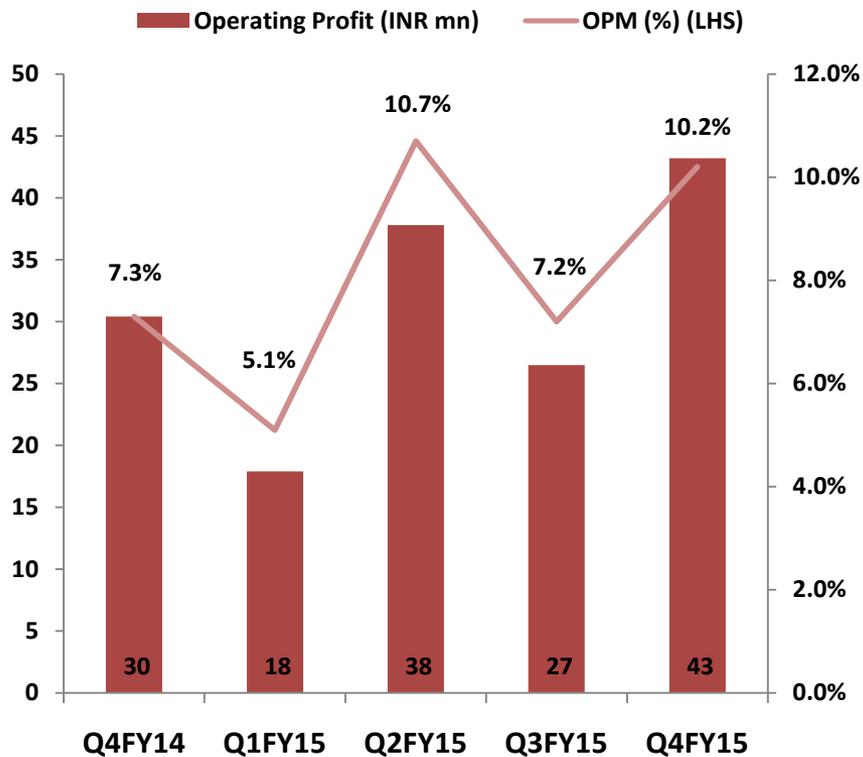
## Revenue breakup (%)



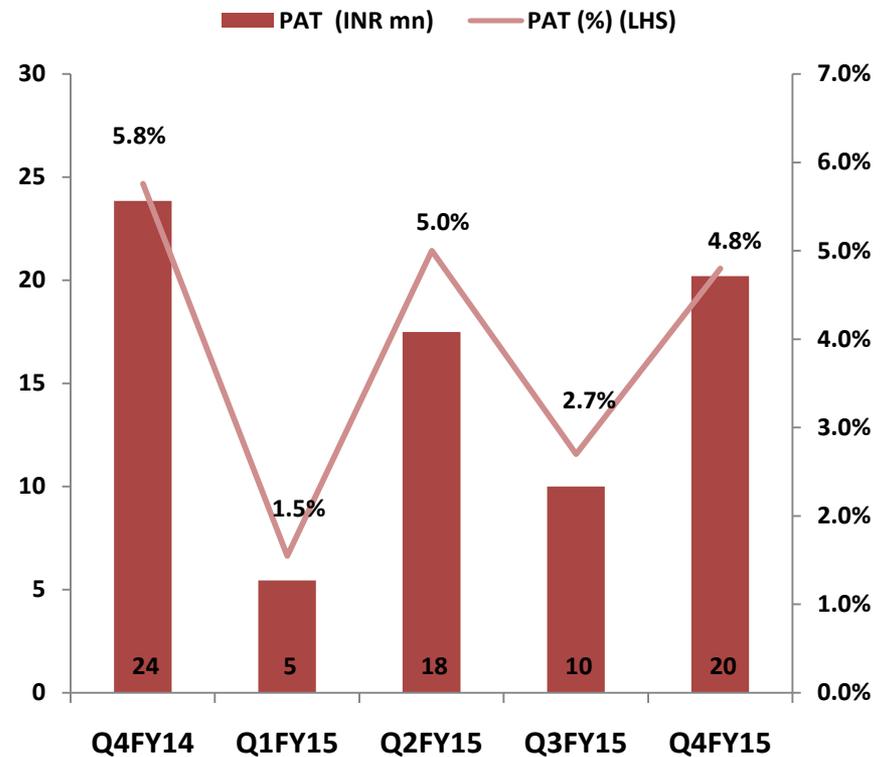


# Performance snapshot

## Operating profit



## PAT and PAT margins (%)



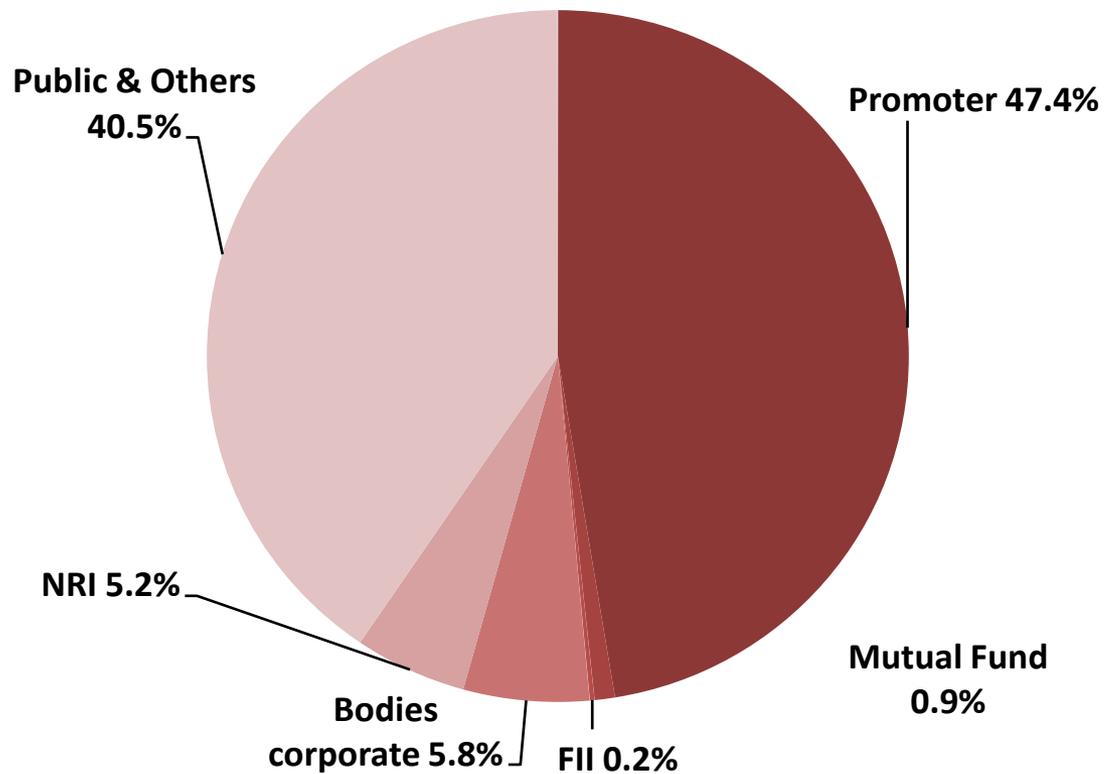


## Key performance highlights

- ❖ The Ministry of defence is in process to make major changes in defence offset policy; seeks to link it to Make in India policy
- ❖ Defence manufacturing in India is at inflection point, with capital expenditure opportunity of \$ 245 billion through next decade, at 30 % of total capex, the defence offset market is estimated at \$ 75 Billion for local suppliers (*Source: CII, Business Standard*)
- ❖ The Company received licence for Mob Dispersion Devices, Site Mixed Explosives, Ammunition, Rockets and Missiles, Mines related to defence, Bombs and Cartridge explosives from department of Industrial policy and promotion (DIPP)
- ❖ Current order book stands at about INR 800 mn for Explosives, INR 900 mn for Defense products and INR 150 mn for services
- ❖ Dr. A.N. Gupta, CMD of the company has been given Asia Pacific Entrepreneurship Award 2015 in the Outstanding Category on March 21, 2015 in New Delhi



## Share Holding (Mar'15)





## About PEL - Technology oriented management

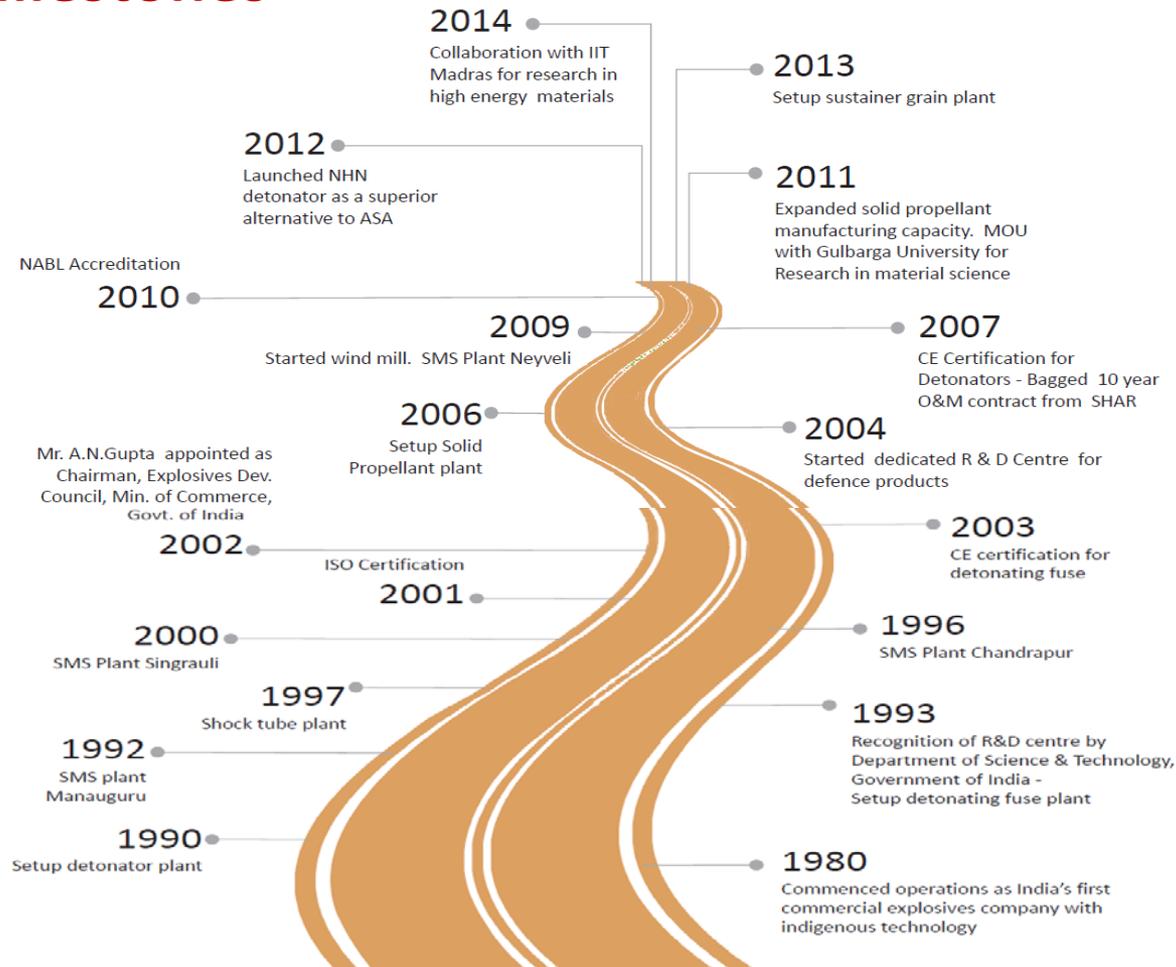
- ❖ Promoted by first-generation technocrat Dr. A. N. Gupta.  
M.E. (Mining Engineering)  
Recipient of 'Pickering and ISM Medal' from Indian School of Mines, Dhanbad
- ❖ Executive Director – Mr. T. V. Chowdary,  
Chemical engineer with 31 years experience in production of chemicals, explosives and solid propellants
- ❖ Director (Production) – Dr. N. V. Srinivasa Rao,  
M.Sc, Ph.D. (Chemistry) with 35 years of experience in production of explosives & accessories and chemicals
- ❖ Director (Marketing) – Mr. Vikram Mahajan  
M.Tech and MBA in Marketing with about 27 years of experience in army and extensive knowledge on opportunities in defence sector

Sharp research focus has lead PEL won several awards including the "Defence Technology Absorption Award 2007" from DRDO, presented by the Prime Minister of India

**PEL is built on a strong foundation of research and innovation**



# Major milestones





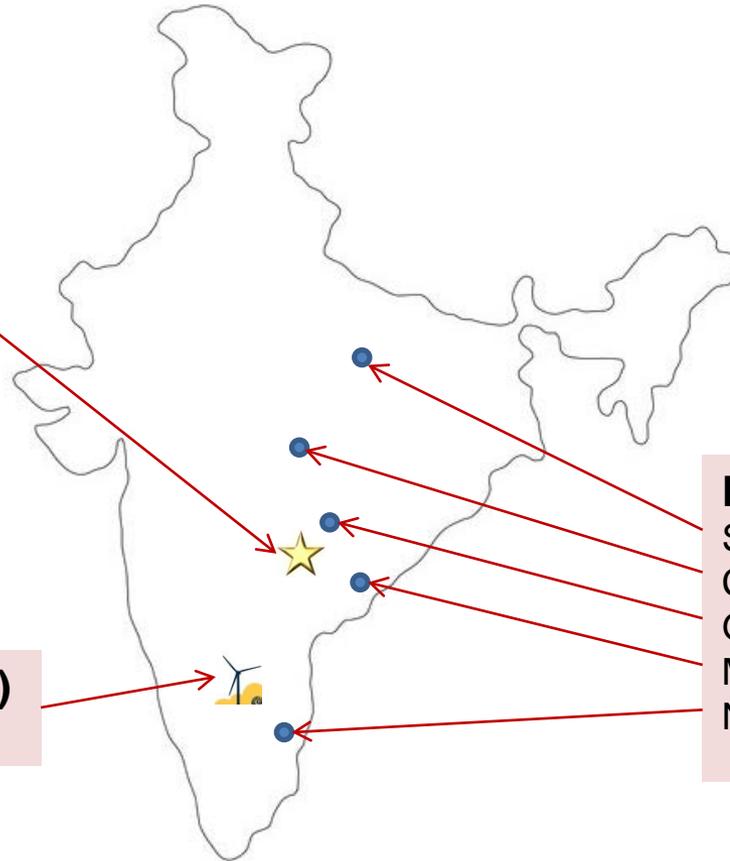
# Strategic presence across India

## Peddakandukur (Telangana)

Detonator, Detonating fuse, Packaged explosives, product research & Special Products Divisions

## Pushpathur (Tamil Nadu)

Windmill



## Bulk Explosives

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



## For further queries:

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