

BOROSIL®**Borosil Glass Works Limited**

CIN : L99999MH1962PLC012538

Registered & Corporate Office :1101, Crescenzo, G-Block, Opp. MCA Club, Bandra Kurla Complex,
Bandra (E), Mumbai - 400 051, India.

T +91 22 6740 6300

W www.borosil.com

February 04, 2020

The DCS - CRD BSE Limited Corporate Relationship Department 1 st Floor, New Trading Ring, Rotunda Building, P. J. Towers, Dalal Street, Mumbai – 400 001	National Stock Exchange of India Limited Exchange Plaza, C-1, Block G, Bandra Kurla Complex, Bandra (East), Mumbai – 400 051
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Dear Sir /Madam,

Scrip Code: 502219**Symbol: BOROSIL****Series: EQ****Sub: Presentation on Company's performance for the quarter and nine months
ended December 31, 2019**Enclosed Presentation on Company's performance for the quarter and nine months
ended December 31, 2019.

You are requested to take the same on record.

Thanking you.

Yours faithfully,
For **Borosil Glass Works Limited****Manoj Dere**
General Manager – Secretarial

Encl: as above



Brand with a
50+ year
legacy

Market Leader in
Microwavable
Kitchenware in
India (Consumer
Products)

Market Leader in
Laboratory
Glassware in India
(Scientific &
Industrial Products)

YTD Q3FY20 Highlights – Sales

Rs. In Crores				
Segment	FY19	YTD Q3FY19	YTD Q3FY20	YTD Growth %
SIP				
- Labware	154.3	108.0	113.3	4.9%
- Klasspack	41.7	32.1	33.2	3.3%
Total SIP	196.0	140.1	146.4	4.5%
Consumerware				
- BGWL	203.1	164.3	221.9	35.1%
- Larah	146.9	119.6	125.4	4.8%
Total Consumerware	350.0	283.9	347.3	22.3%
Total	546.0	424.0	493.7	16.4%
Sales figures exclude intercompany Sales				

YTD Q3FY20 Highlights

Segment	FY19	YTD Q3FY19	YTD Q3FY20	Rs. In Crores
				Growth %
EBITDA from Operations				
- BGWL *	51.0	41.9	45.6	8.8%
- Larah	26.7	20.6	32.1	56.2%
- Klasspack	2.7	1.5	2.4	56.4%
Total	80.3	64.0	80.1	25.2%
EBITDA%	14.7%	15.1%	16.2%	
PAT (Including Income from Investments)				
- BGWL	57.7	45.1	51.0	13.2%
- Larah	-3.3	-1.9	7.4	
- Klasspack	-1.8	-1.4	-1.2	
Total	52.7	41.8	57.2	37.0%

Vyline EBITDA (not included above) for YTD Q3FY20 is Rs. 11.16 crores as compared to Rs. 11.36 crores in YTD Q3FY19.

	Rs. In Crores
	YTD Q3FY20
EDITDA as per Published Results	34.8
Add:	
a) Other income shown in the results includes operational income as well (Interest on overdue Debtors, Loans , Deposits and export incentives etc.)	6.6
b) Other expenses includes expenses related to other income as well.	4.3
* EBITDA from Operations -BGWL	45.6

Update on the Scheme of Amalgamation

- The Board had earlier approved scheme of amalgamation and arrangement involving the company, Gujarat Ltd (GBL), Fennel Investments, Vyline Glass Works Ltd and Borosil Limited (BL), with 1st October 2018 as appointed date.
- NCLT vide its Order pronounced on 15th January, 2020 sanctioned the said Scheme which is required to be filed with the Registrar of Companies within 30 days of the receipt of certified copy of the order. The scheme will be effective upon filing of the order with the Registrar of Companies.
- BGWL, housing the solar business, to be renamed Borosil Renewables Ltd and the consumer & scientific businesses will be demerged into Borosil Ltd. Borosil Limited will be listed on both the stock exchanges.
- Shareholder with 100 shares of BGWL, will own 100 shares of Borosil Renewables Ltd and 100 shares of Borosil Ltd upon implementation.
 - Record Date 1 for determining entitlement of GBL's shareholders to get BGWL's 1 share for every 2 shares held in GBL has been fixed as 18.02.2020.



Update on the Scheme of Amalgamation

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- Borosil Limited (BL) will house the consumer & scientific ware business of the company, including:
 - Consumer & Scientific businesses in the erstwhile BGWL
 - Opalware business already a part of BL
 - Operations of Vylene
 - Klasspack business as a ~80% subsidiary
 - Operations of Borosil Technologies as a 100% subsidiary
- Total equity shares in the company would be 11,40,21,817.
- BL to be listed on NSE and BSE. This process is expected to take 8-10 weeks from the date of allotment of share by BL.



Advantages of the Scheme

- Simplifies shareholding structure by eliminating cross holdings
- Eliminates Related Party Transactions between Vyline and Borosil
- Unlocks value of Gujarat Borosil for Borosil Limited shareholders as they will directly hold listed shares of Borosil Renewables (earlier GBL being a 25% subsidiary)
- Shareholders now free to participate in the business/es of their choice, either consumer & scientific or solar or both
- Rationalizes some administrative costs



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Performs Beautifully



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Consumer Products Division (CPD)



Consumer Product Division (CPD)

Product Range & Positioning

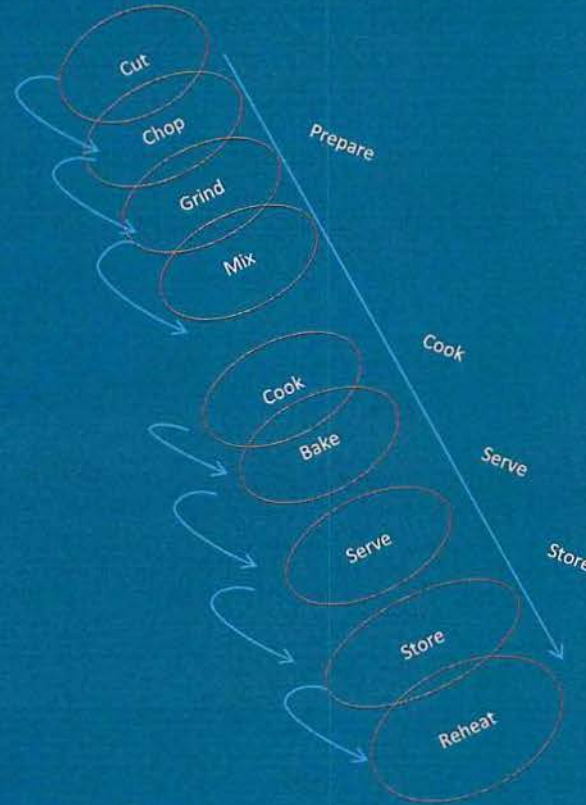
Ally for the progressive homemaker



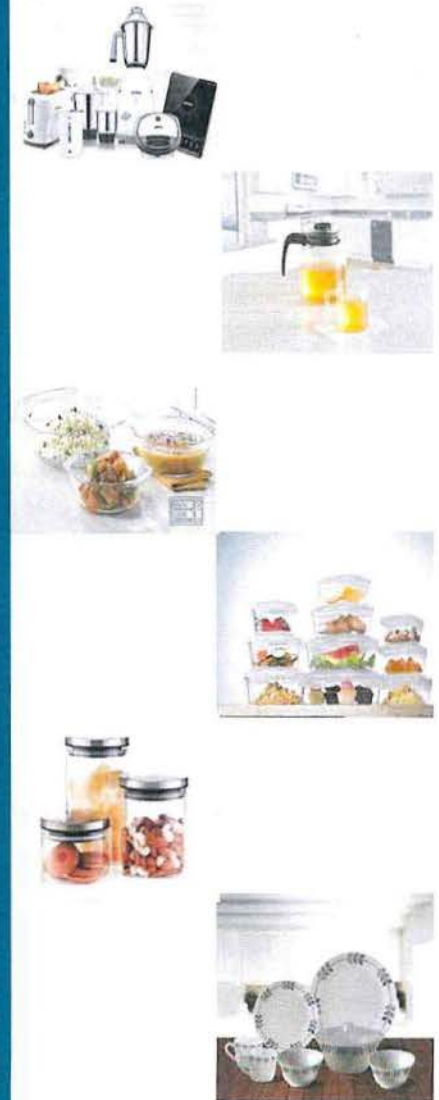
Everyday



Entire process of Cooking & Serving



Modern, contemporary



Expanding from being synonymous with microwaveable glass to storage ,tableware and appliances

Consumer Product Division (CPD)

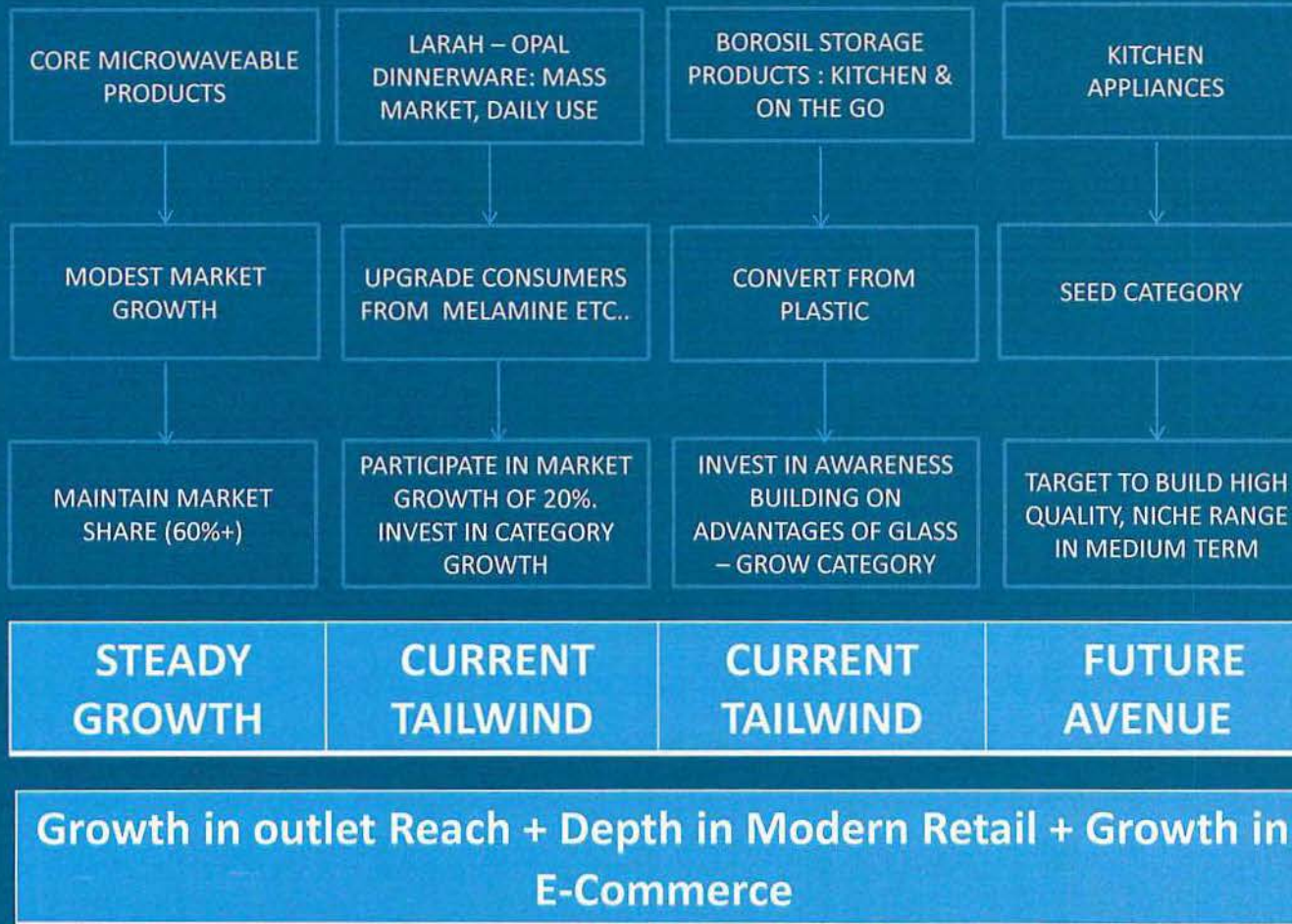
Opportunity

Category	Total Market Size (Cr.)	Market Growth %
Glass Microwavables	100	10%
Tumblers	440	10%
Storage	700	15% to 20%
Opalware	500	20%
Tea / coffee	400 (incl. ceramicware)	15%
Appliances	9000	10%

- Estimated market share of Microwavables is 60%.
- Tumblers universe consists of Borosilicate glass & Soda Lime glass, Borosil primarily markets Borosilicate Glasses.
- Opportunity to convert from plastic to glass in opalware & storage
- Note : Market size, growth & share are internal estimates



**CONSUMER PRODUCTS PORTFOLIO –
GROWTH PILLARS**



Consumer Product Division (CPD)

Strength to leverage Opportunities

- New product capabilities
 - New product range has received wide market acceptance
 - New Products (introduced in last 3 years) share of Total Sales ~20%
- Borosil is the gold standard on quality
- Strong channel loyalty
- Investment in brand building
 - Few established brands in the category

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Larah – Opal Dinner Ware

- Larah FY19 revenue INR 147 cr - growth of 47%
 - No 2 player in high growth category
- Large opportunity in Opal dinner ware
 - Microwaveable, Light, Strong, Chip resistant
 - Ideal for mass market daily use
 - Market dominated by a single player
- Capacity expansion completed in FY18
 - Likely to service revenue of ~INR 180 crores
 - Improved product quality with consistency
 - Enhanced yields / reduced wastage
- Margin Improvement initiatives for the medium term
 - Better yields from new production lines (implemented)
 - New Fulfilment Centre to optimize truck utilization
 - Product mix and measured price increases
 - Operating leverage with scale on advertising & fixed overheads



Storage Range

- Indian kitchen storage dominated by plastic and steel
 - Very low penetration of glass storage
- Awareness of Glass as a superior option on the rise
 - No health hazard as in some types of plastic
 - Transparent as against opaque steel & plastic getting stained and translucent over time
 - Looks as good as new for extended period of time
 - Good design ensures stack-ability & space optimization
- High grade steel designs for on-the-go products like flasks & hot food cases an opportunity
- Investing in storage range as a new pillar of growth

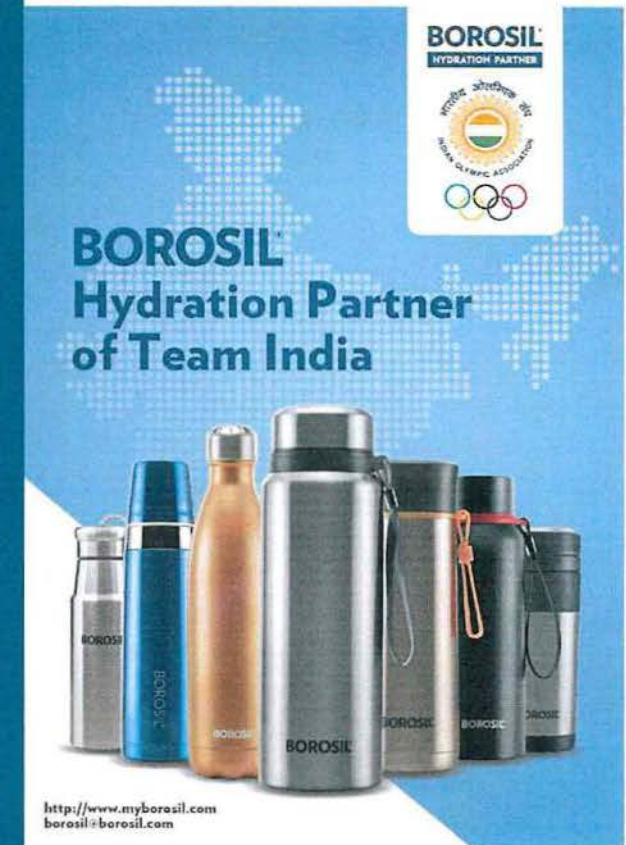


Consumer Product Division (CPD)

National Sponsors of Indian Olympic Association

- Official Hydration Partner to Team India.
- Association upto year 2024.
- An exclusive partner in the Hydration category - Stainless Steel Flasks, Bottles, Glass bottles, Glass Jugs.
- Rights for:
 - Marketing communications and collaterals.
 - Limited edition bottles on Olympic theme.
 - Image rights of athletes for brand endorsements

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Consumer Product Division (CPD)

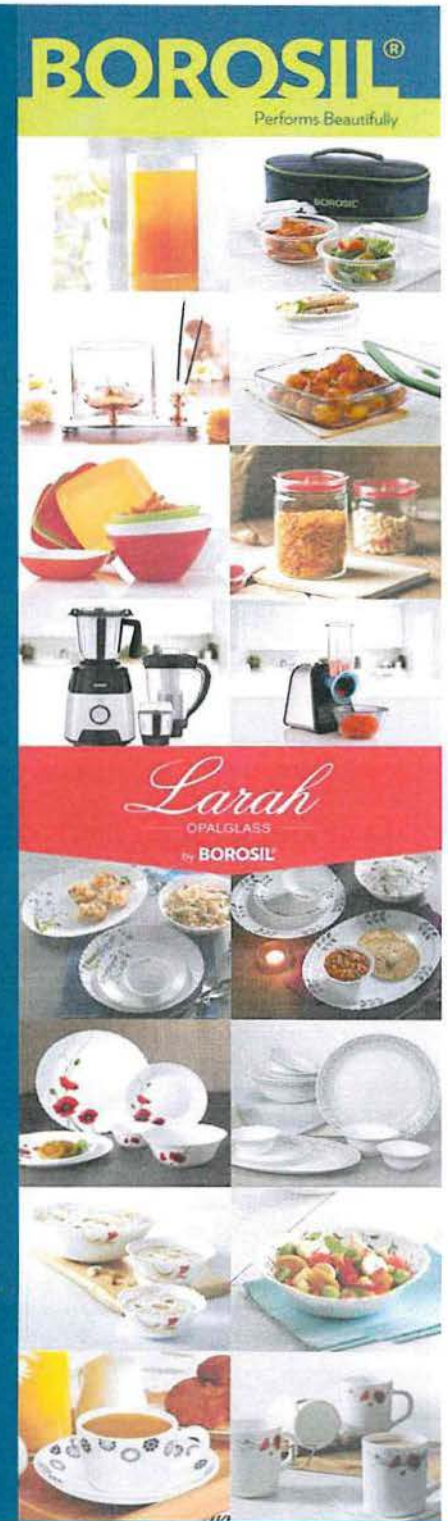
Multiple Distribution Channels

- Serviced by 200 distributors & 14K independent retail outlets (GT) : ~50% - 55% sales
 - Can expand to 15K to 18K outlets
- Listed with most Modern Retail chains : ~20% sales
 - Increase depth & list more products from range
- Retailed through leading E-Commerce market-places : ~8%-10% sales
 - Opportunity to grow through e-comm. exclusive ranges
- B2B Institutional customers and CSD sales: ~20% sales



Consumer Product Division (CPD)

Key Modern Trade Partners

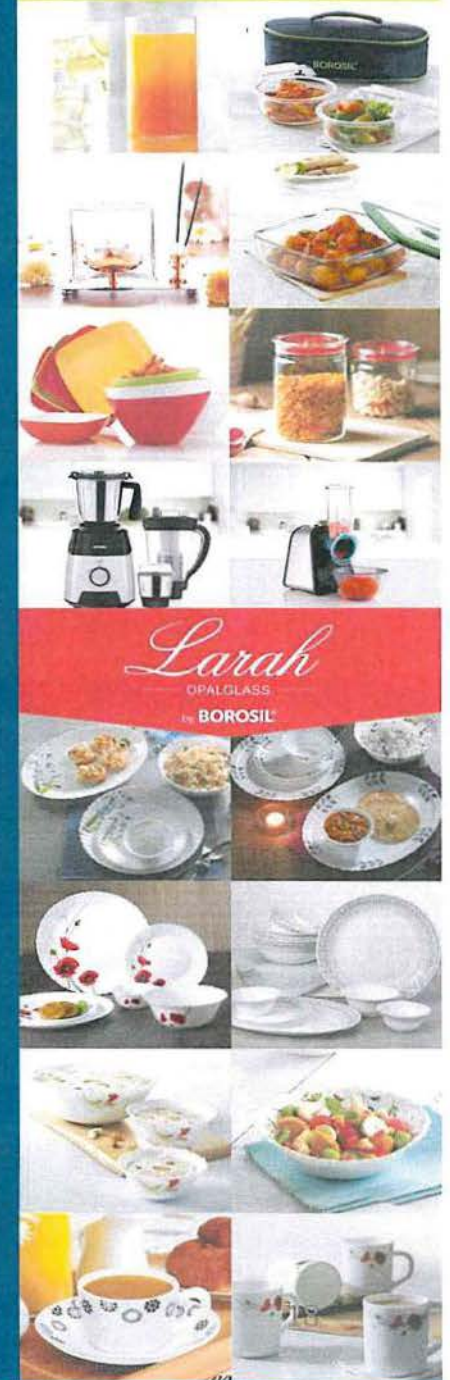


Consumer Product Division (CPD)

Some Key Institutional Customers



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Scientific & Industrial Products (SIP)

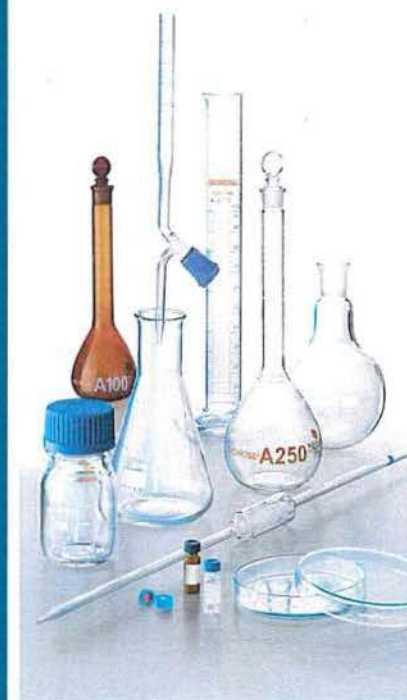


Scientific & Industrial Products (SIP)

Opportunity

- **Offers Scientific & Laboratory equipment**
 - Glassware, Instruments, Liquid handling systems
- Used in Pharma, Biotechnology, Microbiology, Food & Soil testing, Educational Institutions etc
- Laboratory tools & equipment under the brand
LABQUEST
"BOROSIL"
- **Markets to scientists (end users) as consumers of Lab products**
 - Not a typical B2B / institutional business
- **Primary glass packaging for pharma industry**
 - Glass ampoules, vials

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*The market leader in
Laboratory Glassware*

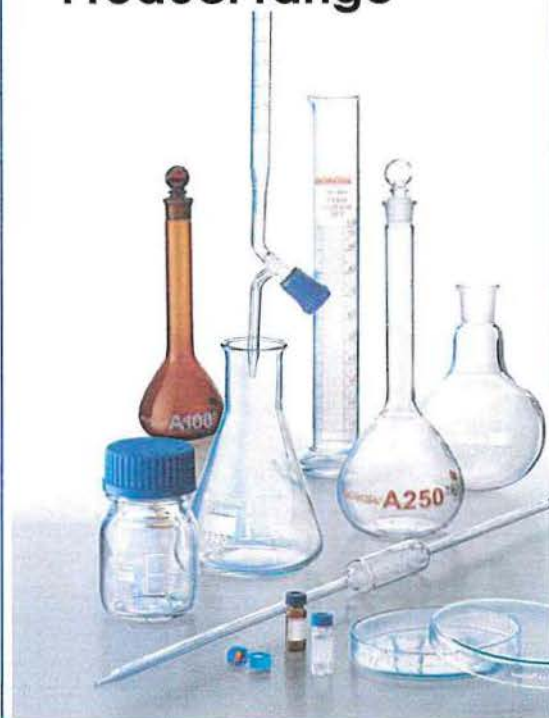
Scientific & Industrial Products (SIP)

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Product Range

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Product range



- Beakers
- Test Tubes
- Conical Flasks



- Bottles
- Volumetric Flasks
- Pipettes



- Burettes
- Petri Dishes
- Cylinders



- Condensers
- Desiccators
- Round Bottom Flask



Scientific & Industrial Products (SIP)

- **Market size**

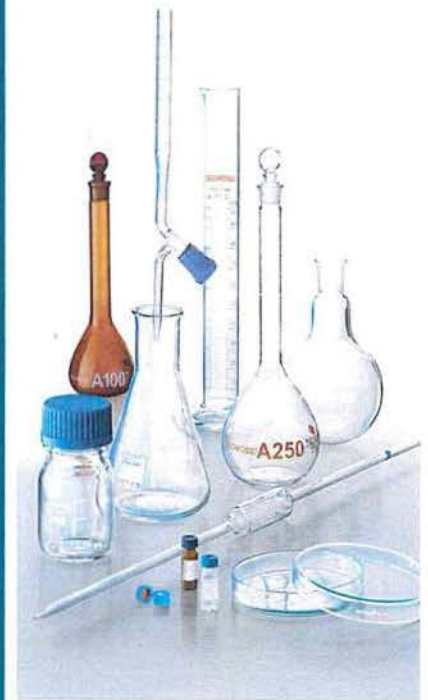
- Lab Glass (Domestic) INR 235 Cr, growth 8-10%
- Lab Glass (International) INR 4000 Cr, growth 0-2%
- Lab Glass (ME/Africa/ SEA) INR 80 Cr, growth 15%
- Lab instruments (Domestic) INR 150 Cr, growth 8-10%
- Pharma Packaging (Tubular Glass): INR 500 Cr, growth 10-12%

- **Market share**

- Labglass (Domestic) ~64% (Fragmented competition)
- Labglass (International): Recent market entry, FY19 revenue: INR 12.3 Cr.
- Lab Instruments : Recent market entry through “LabQuest”
- Pharma Packaging (Tubular Glass): Klasspack FY19 revenue: INR 41.7 Cr .

Note: Market size & growth are internal estimates

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*The market leader in
Laboratory Glassware*

**SCIENTIFIC & INDUSTRIAL PRODUCTS
PORTFOLIO – GROWTH PILLARS**



Scientific & Industrial Products (SIP)

Emerging Growth Opportunities

- Growth in the customer industries in India (Pharma)
- Benchtop instruments to existing pharma customers (LabQuest) – import substitution
- Exports of lab glassware to ME/SEA/Africa
- Entered the primary glass packaging for pharma through Klasspack in 2016.

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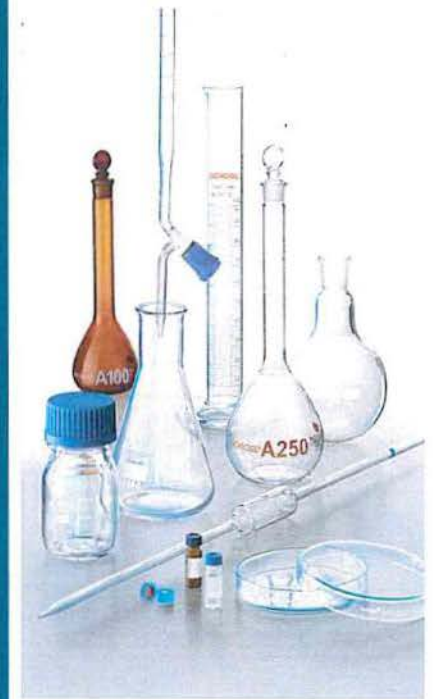
LABQUEST
BOROSIL

Scientific & Industrial Products (SIP): Laboratory Glassware

Strong Barriers to Entry

- **Meeting wide product range customer need**
 - Single supplier convenient for laboratory for multiple critical yet low ticket SKUs
 - Not easily replicable by competition
- **Quick & on-time delivery of SKU range**
 - Investment in inventory, 6 warehouses & dealer network
 - Well managed Inventory more than offsets loss of sale
- **Products meet international quality benchmarks**
- **Strong customer relationships**
 - Low propensity of customer to switch

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*The market leader in
Laboratory Glassware*

Scientific & Industrial Products (SIP)

Acquisition of Klasspack

- Acquired 60.3% in July 2016
 - Increased holding to 79.53%.
- Glass Ampoules & Tubular Glass Vials for packaging pharmaceutical products
 - Complements Borosil's analytical vials range (used in the lab)
- Provides Borosil's Pharmaceutical Customers
 - credible 2nd alternative for their packaging needs
- Long lead times to pass stringent quality benchmarks, a significant barrier to more entrants
- Revenue FY19: INR 41.7 Crores (growth 15%)

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BOROSIL
KLASSPACK
pharmaceutical packaging

Glass Ampoules
Tubular Glass Vials



Scientific & Industrial Products (SIP)

Key Customers

Cipla

Caring for life



Mylan

Seeing
is believing



LUPIN

PHARMACEUTICALS, INC.



DR. REDDY'S

RANBAXY
LABORATORIES LIMITED



ALKEM



Incepta



glenmark

A new way for a new world

Zy+us

dedicated
to *life*



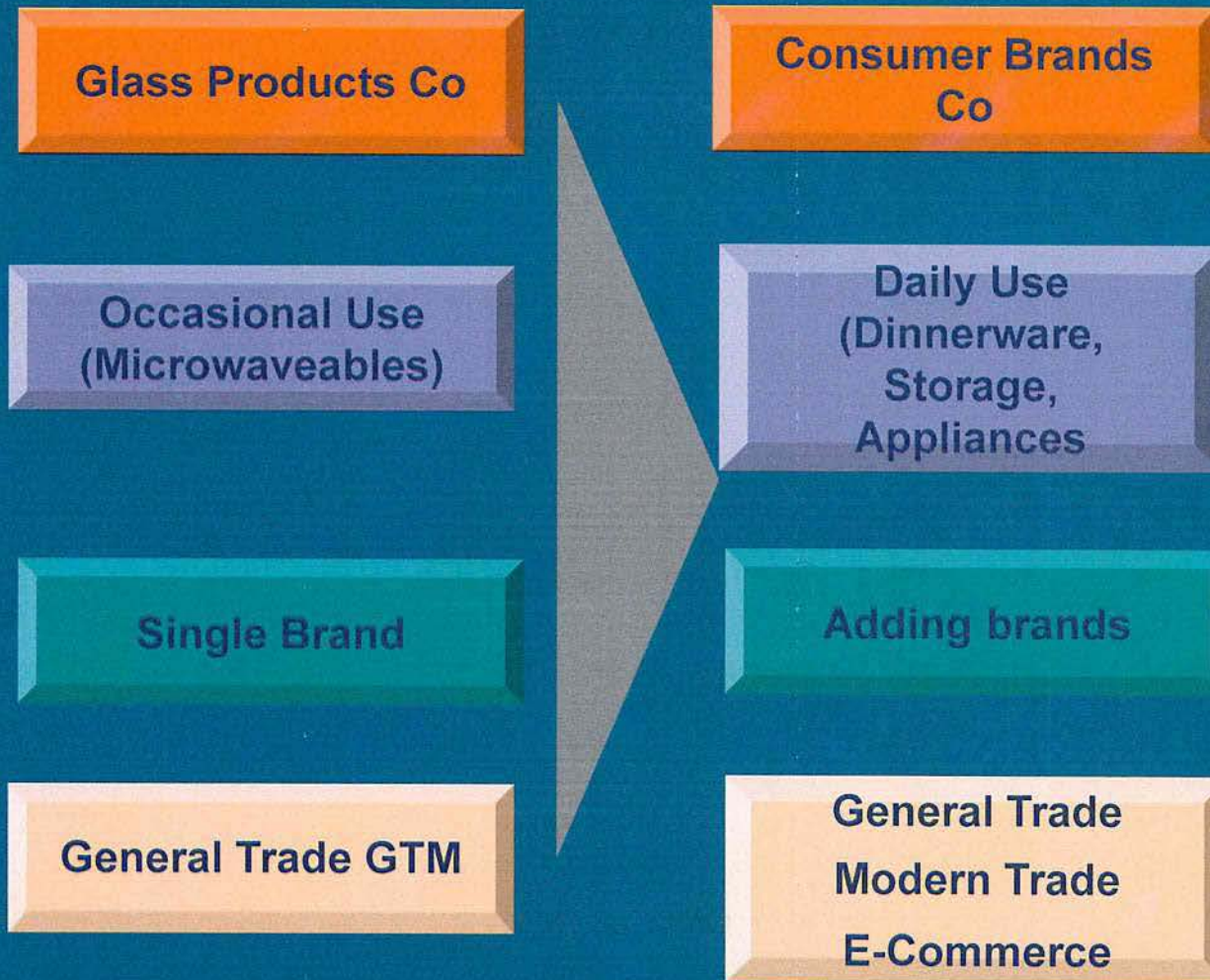
TEVA PHARMACEUTICALS

- **Strong brand equity**
 - Sustained growth momentum & margins
- **Strong steady SIP business to support growth in CPD business**
- **Established network of happy channel partners**
 - Over 200 distributors / 14,000 retailers
- **Strong Balance Sheet with cash surplus**
 - Ability to invest in brand building
 - Acquisitions to supplement organic growth

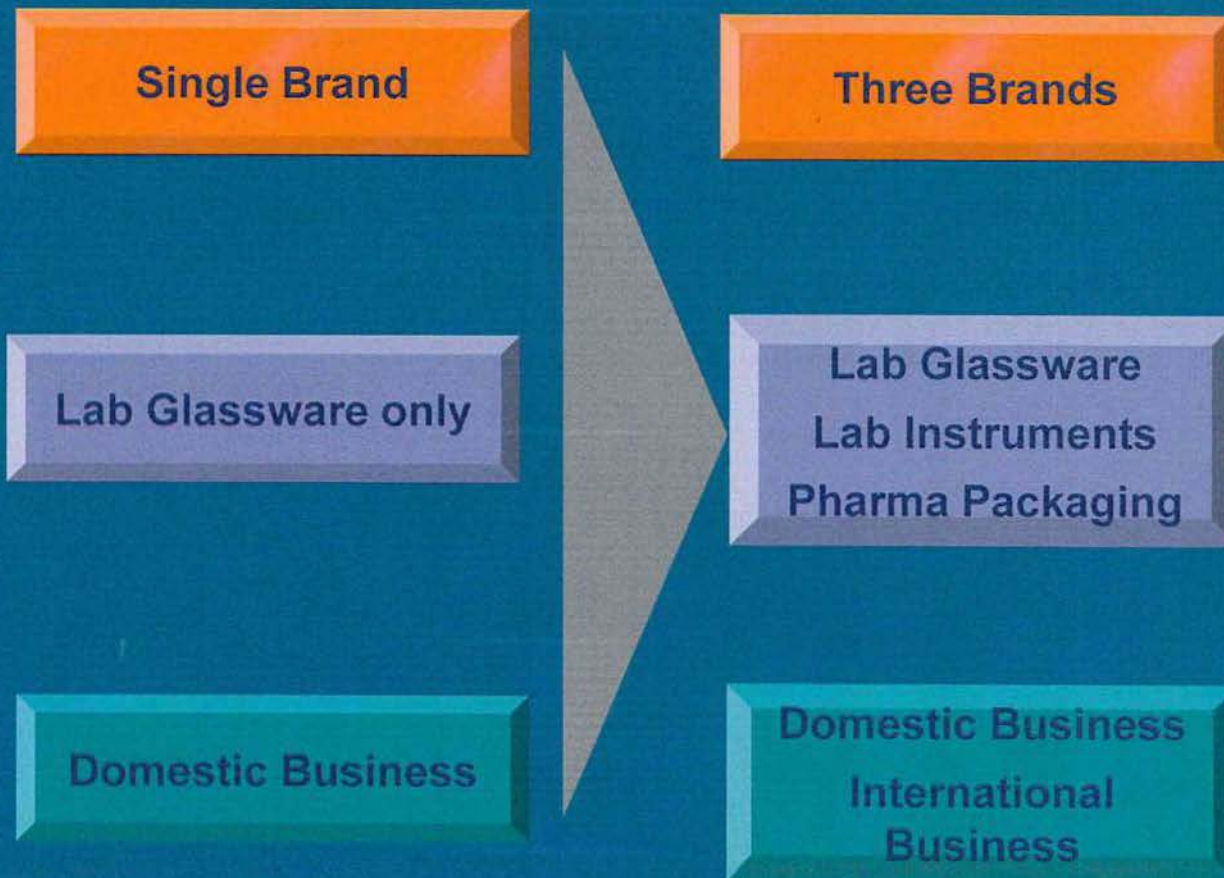
Journey over last 7 years

	2012-13	2018-19	CAGR%
Brands	1	4	
Sales (INR Cr.)	135	546	26%
Operating EBITDA (INR Cr.)	12	80	37%

Re-Imagining Borosil Consumer Products Division

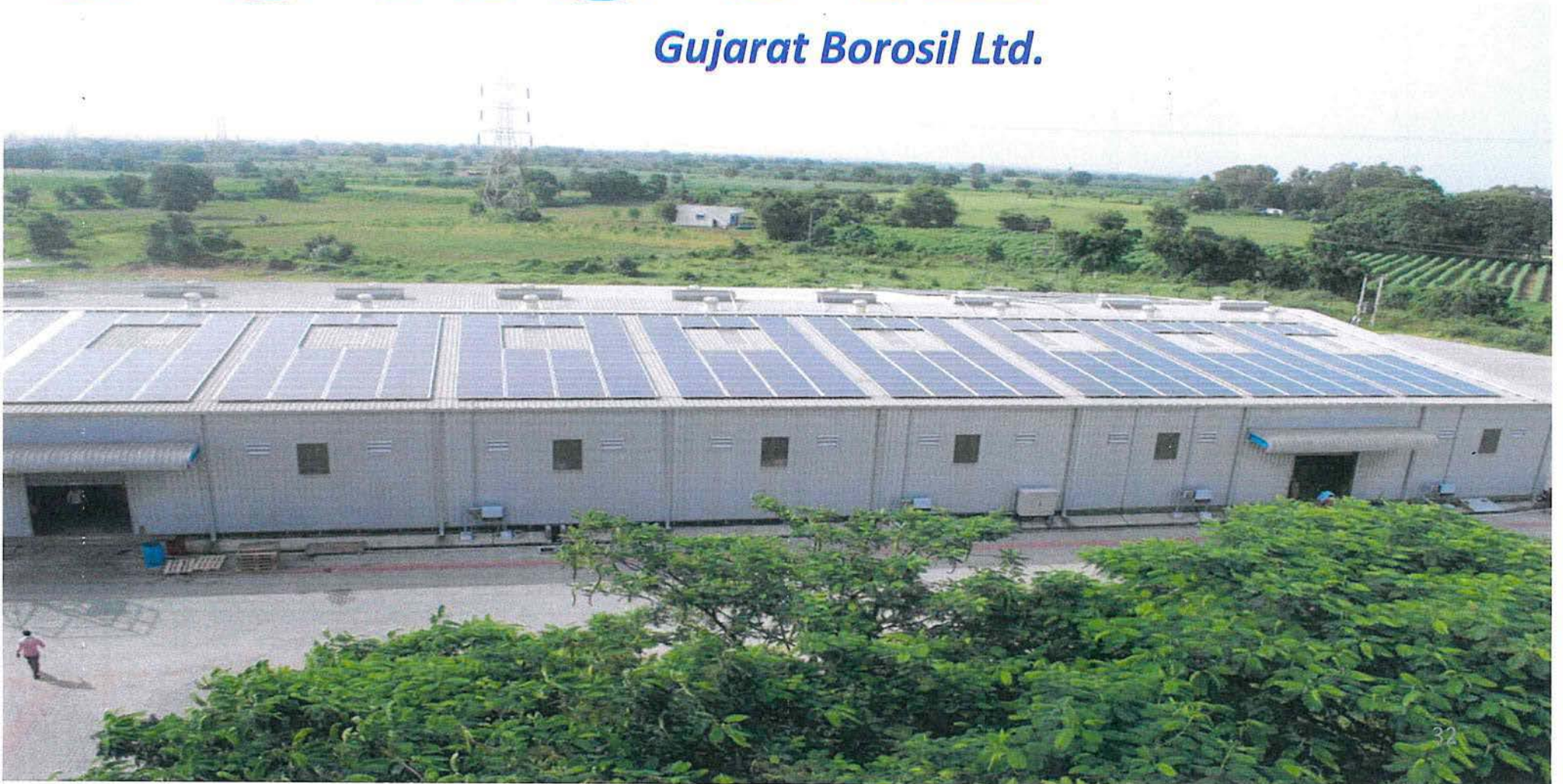


Re-Imagining Borosil SIP Division



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Gujarat Borosil Ltd.



Financial Highlights – YTD Q3FY20

Particular	Rs. In Crores			
	FY19	YTD Q3FY19	YTD Q3FY20	Growth %
Revenue From Operations	216.8	154.6	176.9	14.4%
EBITDA	45.4	36.4	20.0	-45.1%
Interest	13.3	10.0	14.0	-39.9%
Depreciation & Amortization	17.9	13.5	20.1	-49.3%
Profit Before Tax	14.2	12.9	-14.2	-210.0%
Profit After Tax	10.1	9.2	-10.1	-210.6%

The furnace designed to run for 6 years, completed a continuous production run of 9.5 years and was cool down on 18th August 2019 and started commercial production from 2nd December 2019 after re-build. We expect that, with the output from both furnaces, results will improve from the coming quarter.

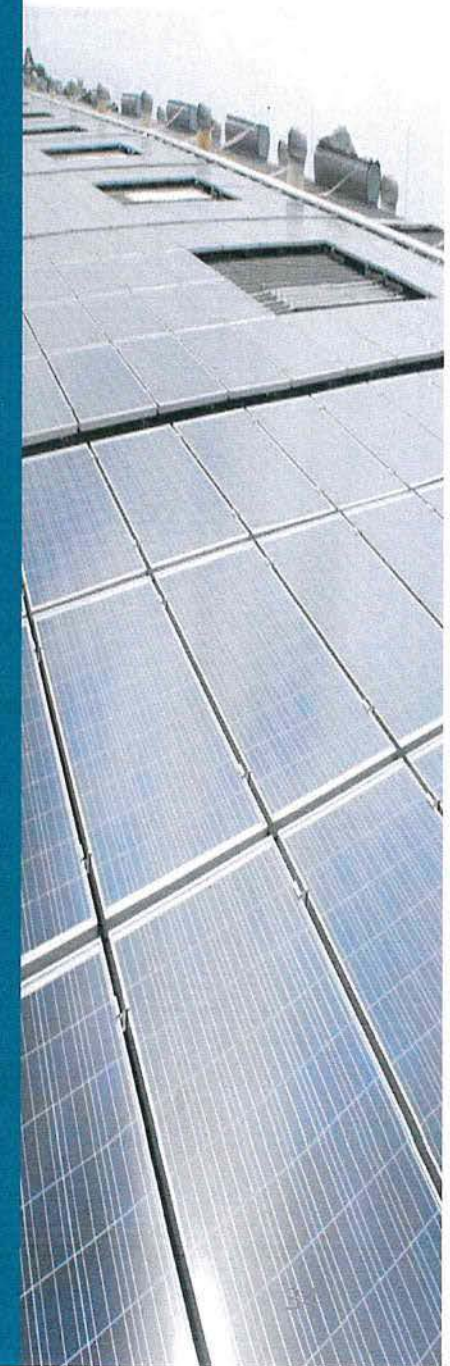


Gujarat Borosil Limited (GBL)

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Strong Growth Prospects

- **Strong Government impetus to solar energy with 100 GW capacity target by 2022**
 - Policy initiatives
- **Anti-dumping duty against Chinese solar glass imposed**
- Exports emerging as a growth kicker
- Top-tier Solar & Pattern Glass domestic & international clients
- Company has setup brownfield project and commercial production has started w.e.f. 01.08.2019
- Sales growth 14.6% CAGR FY13-19.

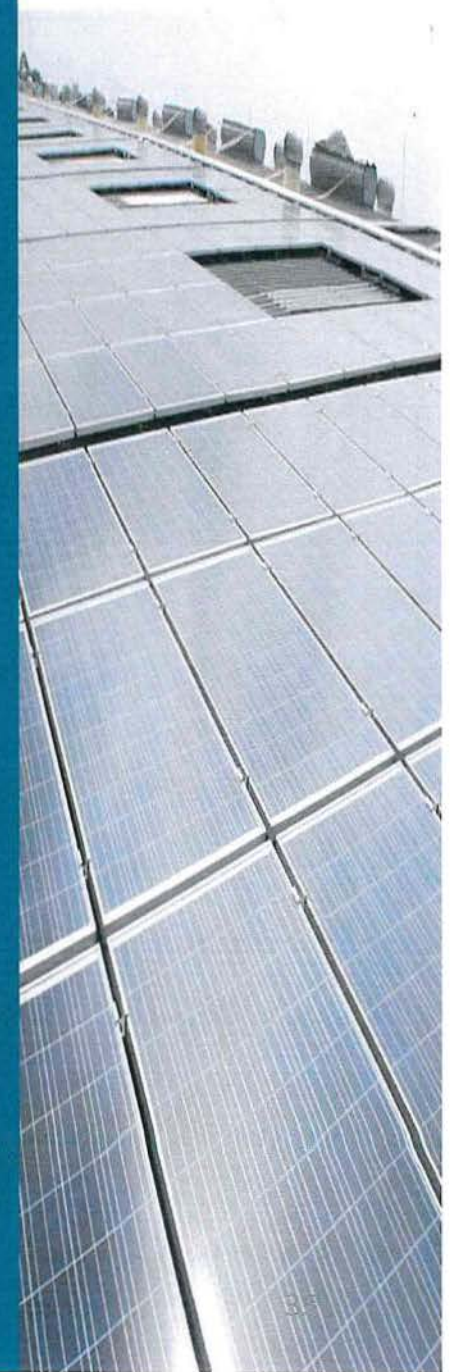


Gujarat Borosil Limited (GBL)

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Competitive Advantage

- **Market Leadership in Indian Solar Glass Market**
 - Cost competitive with China supplies
- **State of the art manufacturing with strong testing and R&D infrastructure**
 - High degree of product innovation to drive down total cost of ownership for end customers
 - Implemented facility for tempering thinner (2mm) glass that has high potential in domestic & international markets
- **Preferred brand of High quality Solar glass**
 - Lowest iron content, world's only antimony-free glass
 - Anti-reflective coating
 - High light transmissions & highest glass efficiency
 - High resistance to Potentially Induced Degradation



Gujarat Borosil Limited (GBL)

BOROSIL®

Key Customers - Domestic

WAAREE®
One with the Sun

EMMVEE

TATA
TATA POWER SOLAR

PV POWER TECH

MicroSun

Topsun®
Future is Secured

बीएच ई एल
BHEL
Maharaja Company

LANCO

vikram solar

GOLDI GREEN™
SOLAR PV MODULES

HHV



Gujarat Borosil Limited (GBL)

Key Customers – International

BOROSIL®



Spain



Kenya



Croatia



Spain



Italy



Italy



US



US



Germany



Kenya



Italy



Greece



Germany



Scheme of Amalgamation

Scheme of Amalgamation & Demerger amongst Related Companies :

A. Companies to be merged in BGWL

- Vylene, a promoter held co & 3P manufacturer for BGWL
- Fennel Investments, an associate co with cross holdings
- Gujarat Borosil (25% equity held by the company) in solar glass business

B. Simultaneously demerger of

- Consumer and Scientific ware business into Borosil Ltd. (Formerly known as Hopewell Tableware Ltd.) - a 100% subsidiary of BGWL
 - Includes the Vylene business and BGWL's 79.53% ownership of Klasspack
- Resultant Structure:
 - BGWL will be renamed Borosil Renewables Ltd. and house the Solar Business
 - Borosil Limited will house the Consumer ware and Scientific ware businesses
 - No cross holdings
 - Both companies to be independently listed

New Shareholding

- Upon merger, shareholders of Gujarat Borosil (GBL) will receive 1 BGWL share for 2 GBL shares held
- On demerger into Borosil Limited (BL), shareholders of BGWL will receive 1 BL share for 1 BGWL share held.
- BGWL will be renamed Borosil Renewables Ltd.

Consequently:

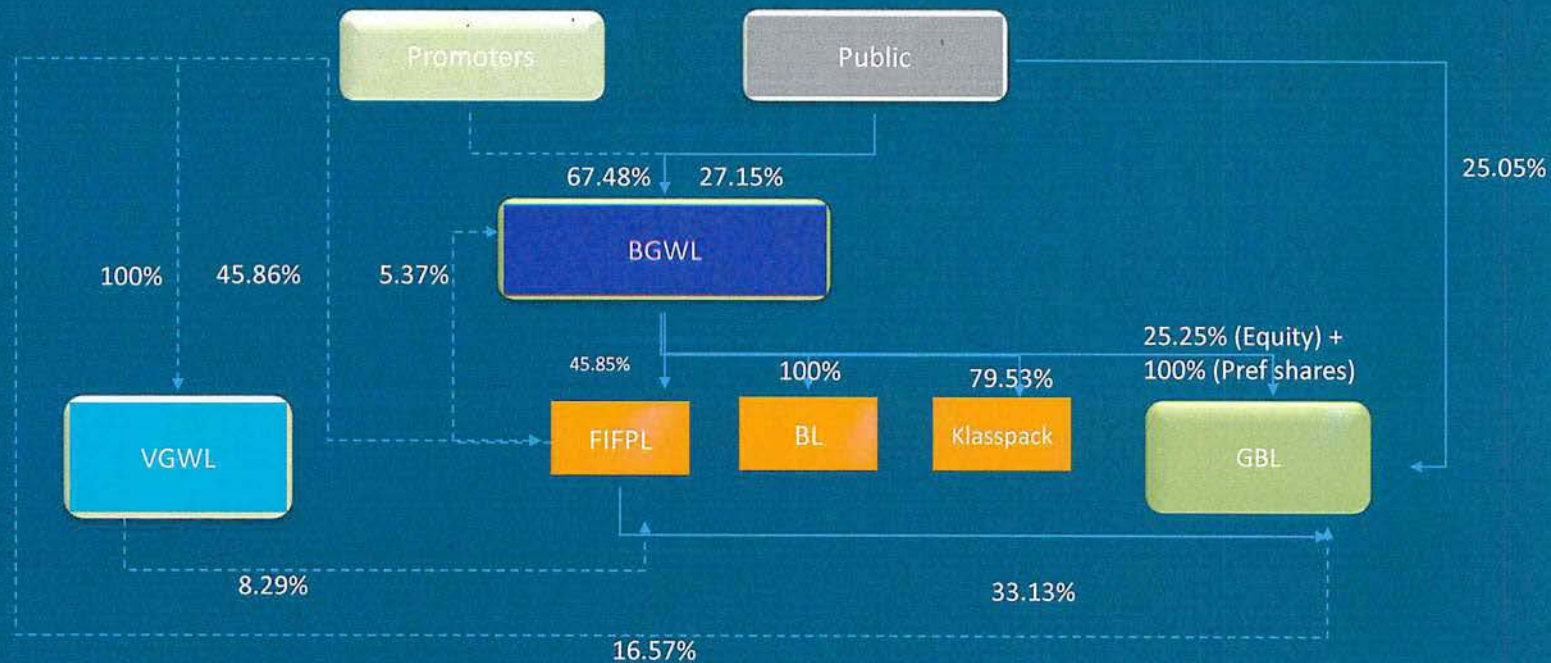
- Shareholder with 100 shares in BGWL today will own 100 shares in Borosil Limited and 100 shares in Borosil Renewables Ltd.
- Shareholder with 100 shares in GBL today will own 50 shares of Borosil Limited and 50 shares of Borosil Renewables Ltd.

Scheme Implementation

- Scheme was advised by PwC.
- Valuation by SSPA & Co. Fairness Report by Keynote Corporate Services Ltd.
- The appointed date is Oct 1, 2018.

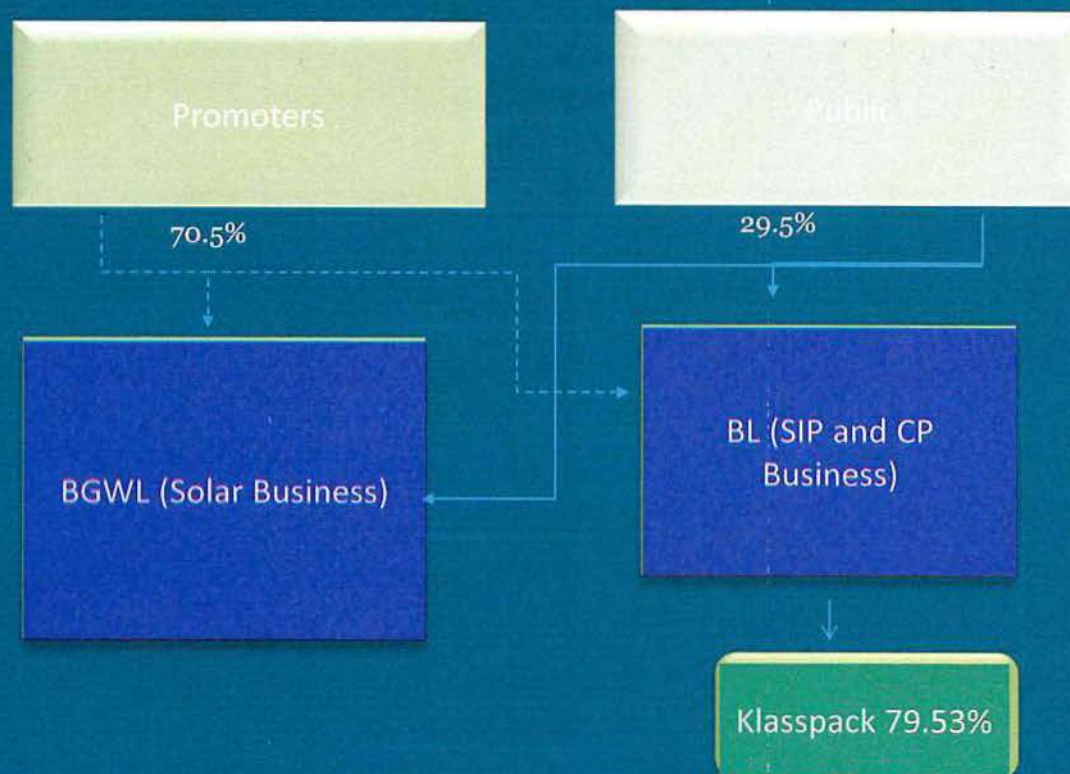
Borosil Glass Works Limited

Current Holding Structure



- Borosil Glass Works limited ('BGWL') (listed on BSE and NSE) and Gujarat Borosil Limited ('GBL') (listed on BSE).
- Borosil Limited (Formerly known as Hopewell Tableware Ltd)('BL") is a wholly owned subsidiary of BGWL
- Vylene Glass Works Ltd ('VGWL') is held by Promoter of BGWL
- Fennel Investment & Finance Pvt Ltd ('FIFPL') is held by BGWL and Promoter of BGWL and is registered with RBI as NBFC and is itself a promoter of BGWL
- It is now proposed to merge GBL, VGWL and FIFPL with BGWL and demerge SIP and CP business into BL followed by listing of BL.

Resultant Holding Structure



Effective promoter and promoter group holding of BGWL and GBL will come down to 70.5% as against current holding of BGWL 72.85% and GBL 74.95% subject to all statutory approvals.

Swap ratio :

- 200 shares of BGWL(Post bonus) against 81 equity shares of Vylene
- 200 shares of BGWL (Post Bonus) against 109 equity shares of Fennel
- 1 shares of BGWL(Post bonus) against 2 equity shares of GBL
- 1 shares of BL against 1 equity shares of BGWL

Disclaimer

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Thank you