

# BOROSIL®

## Gujarat Borosil Limited

CIN : L26100MH1988PLC316817

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

T : +9122 6740 6300

F : +9122 6740 6514

W www.gujaratborosil.com Email : gborosil@borosil.com

February 18, 2020

### BSE Limited

1<sup>st</sup> Floor, New Trading Ring  
Rotunda Building  
P. J. Towers, Dalal Street Fort,  
Mumbai – 400001

**Scrip Code: 523768**

### Sub: Transcript of Institutional Investors and Analysts Conference Call

Dear Sirs,

We enclose transcript of conference call with Institutional Investors and Analysts which was held on February 04, 2020.

You are requested to take the same on record.

Thanking you.

Yours faithfully,  
**For Gujarat Borosil Limited**



**Kishor Talreja**  
**Ex- Company Secretary and Compliance Officer**  
**Membership no. FCS7064**

**Encl: As above**

### Works:

Ankleshwar-Rajpipla Road,  
Village Govali, Tal. Jhagadia,  
Dist. Bharuch- 393001,  
(Gujarat), India  
T +91 2645-258100  
F +91 2645-258235  
E aborosil@borosil.com



GUJARAT BOROSIL LIMITED

“Gujarat Borosil Limited  
Q3 FY2020 Results Conference Call”

February 04, 2020

GUJARAT BOROSIL LIMITED

 Edelweiss



**ANALYST:** MR. PRAVEEN SAHAY - EDELWEISS BROKING LIMITED

**MANAGEMENT:** MR. PRADEEP KHERUKA – CHAIRMAN - GUJARAT  
BOROSIL LIMITED  
MR. ASHOK JAIN – WHOLE TIME DIRECTOR - GUJARAT  
BOROSIL LIMITED  
MR. RAJESH CHAUDHARY - WHOLE TIME DIRECTOR –  
BOROSIL GLASS WORKS LIMITED  
MR. SUNIL KUMAR ROONGTA – CHIEF FINANCIAL  
OFFICER - GUJARAT BOROSIL LIMITED

**Moderator:** Ladies and gentlemen, good day and welcome to the Gujarat Borosil Limited Earnings Call hosted by Edelweiss Broking Limited. 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 “\*” then “0” on your touchtone phone. Please note that this conference is being recorded. I now hand the conference over to Mr. Praveen Sahay. Thank you and over to you Sir!

**Kshitij Kaji:** Thank you everyone and thank you for joining to earnings call of Gujarat Borosil Limited. On behalf of Edelweiss Broking, I would like to welcome the management team of Gujarat Borosil to discuss the result and the outlook. We have with us Mr. Pradeep Kheruka, Chairman of the company, Mr. Ashok Jain, Whole Time Director, Mr. Sunil Kumar Roongta, CFO and Mr. Rajesh Chaudhary, Whole Time Director. Now I would like to request the management for their opening remarks and post which we can open the floor for Q&A. Over to you Sir!

**Pradeep Kheruka:** Thank you. Good afternoon and welcome to Gujarat Borosil’s Q3 FY2020 investor call. Thank you for joining me and my colleagues. Gujarat Borosil announced its financial results for Q3 FY2020 yesterday. We have updated the investor presentation and uploaded it on our company website and that of the stock exchange. I will begin by touching upon the highlights of the company’s performance and other developments and would then welcome your questions.

As most of you are aware, the Borosil Group of Companies was undergoing a scheme of amalgamation and arrangement for which various statutory approvals are required. We have now got a nod from NCLT. The scheme comes into effect upon filing of the certified order with the Registrar of Companies. This is expected to happen by February 12, 2020. The appointed date shall be October 1, 2018, which means all the financial impact of accounts has to be given as of that date.

The company management had considered feedback from investors and we are glad that we have been able to action out an investor expectation. The implementation of the scheme will now eliminate various cross holdings amongst companies in the group. It will also reduce related party transactions in the group.

Shareholders will now hold shares directly in each the solar business and in the Consumer and Scientific ware business thus unlocking value. A shareholder with two shares in Gujarat Borosil will get one share in Borosil Renewables, which will be housing the solar business and one share in Borosil Limited, which will house the Consumer and Scientific ware business.

The record date to determine the shareholders inter alia of the company who shall be allotted shares of BGWL under the scheme will be February 18, 2020. The company will stand dissolved and trading of the company’s securities shall stop with effect from February 14, 2020. The next milestone for us is

to get the shares of Borosil Limited listed on NSE and BSE. We are given to understand that this could take about 8 to 10 weeks.

Coming to operations, as we have discussed in previous quarters our first furnace SG1 was servicing us on an extended life as against the designed life of 6 years we had extracted output for nine-and-a-half years. Towards the end, the efficiency dropped significantly adversely impacting operating results. After commissioning the new furnace SG2, which went into commercial production from August 1, 2019, the old furnace was shutdown from August 18, 2019 and sent into repair and rebuilt. Our team has been able to complete the cold repair in good time and the furnace is now back in production with increased capacity of 210 tonnes per day from December 2, 2019. The quality of output meets standards and has been accepted by customers. Both furnaces are now in operation giving the company a combined capacity of 420 tonnes per day. This is expected to generate revenue of about 450 Crores to 475 Crores from FY2021 onwards.

Sales prices have remained under pressure over one year from October 2018 to September 2019 owing to higher supplies at lower prices from China and Malaysia. Ex-factory realization for the company during Q3 FY2020 was lower than in Q3 FY2019 by about 10%. However, prices from the month of October 2019 started to show some improvement and we are hopeful that with pickup in module manufacturing activity in the country we could see some strengthening in prices. With production from two furnaces and better prices the operating results from December have shown a marked improvement and the margins are returning to normal.

Net revenue from operations year-to-date Q3 FY2020 was Rs.177 Crores, a growth of 14.4% over year-to-date Q3 FY2019. EBITDA during year-to-date Q3 FY2020 was Rs.20 Crores, a decline of 45% over the corresponding period in the previous year. This adverse performance is, as explained earlier, owing to lower unit sales realizations as well as the lower efficiency and shutdown of furnace 1 during the first half of the year. EBITDA during Q3 FY2020 improved to 14.7% of revenue and we expect to be able to push this higher with stable production from both the furnaces as well as improvement in unit realizations in the quarter ahead of us. Consequent to a lower EBITDA during the nine months ended December 2019, the company incurred a post tax loss of Rs.10.1 Crores as compared to a profit after tax of Rs.9.2 Crores during year-to-date Q3 FY2019. The company incurred a higher cost on interest and depreciation largely on account of commissioning its new project in August 2019. Production and sales from this expansion are now reaching to full capacity. This is expected to earn higher EBITDA, which would in turn absorb the higher burden of interest and depreciation.

Now to summarize a few developments in the solar industry, I will dwell upon the major announcement affecting the solar power industry. The Union Budget presented on February 1, 2020 announced imposition of basic customs duty on imports of solar cells and modules at 20%. The HS codes for these items have been separated. Currently, there is a safeguard duty, which is at a reduced

rate of 15% from January 30, 2020 and will be in force till July 29, 2020. It appears that the safeguard duty currently applicable on both cells and modules at 15%, will be in force till its expiry on July 29, 2020 after which it may be allowed to lapse. The revised rate of basic customs duty of 20% may come into effect from that date. We will have to wait for the exact notifications in this regard.

Secondly the government plans to expand PM KUSUM to provide 2 million farmers (increased from 1.75 million at present) to set up standalone solar agricultural pumps and 1.5 million (increased from 1 million at present) farmers to set up grid connected pumps. Under the programme farmers with barren lands would be able to generate solar power to sell to the grid. A large solar capacity is proposed to be developed along the railway tracks on lands owned by the Indian Railways. The above announcements will attract fresh investments into setting up capacities for manufacturing. The other developments are the manufacturing linked tender for 6 gigawatts issued by SECI has finally got oversubscribed with a bid of 7 gigawatt after the purchase price was raised. This tender mandates successful bidders to set a manufacturing capacity of at least 2 gigawatts of solar cells and modules in the country. The company will have visibility of additional glass demand for this. The activity under CPSU scheme and KUSUM scheme has started to rise and the demand for glass is growing very fast on these sectors. We are witnessing increased demand for thinner solar glass in 2 mm, 2.5 mm globally and additionally for 2.8 mm in the domestic market.

We are well poised to serve this demand. We have also introduced antiglare glass for airport application and the product has been certified by a very reputed Swiss laboratory. The demand for this glass is expected to rise from both domestic as well as overseas markets.

In conclusion, we remain positive and confident about the medium and long-term outlook for the solar industry and Gujarat Borosil which is soon to be renamed as Borosil Renewables Limited. Putting the new plant into commercial production, and refurbishing the old furnace led to some planned erosion of profitability during year-to-date Q3 financial year 2020. The team did a good job in getting the furnaces operational in very good time. The team has also sold the entire volume, which was doubled overnight successfully and with better prices.

Demand for the company's products is good and is rising. As we prepare to enter a new financial year in two months' time, the company is well placed to record robust sales growth with healthy EBITDA margins. That is the summary of our performance and developments during Q3, year-to-date, financial year 2020. With that background I would welcome questions from you. Thank you.

**Moderator:** Thank you very much. The first question is from the line of Rishabh Parekh from Sunidhi Ventures. Please go ahead.

**Binoy Jeriwala:** I am Binoy. I have three questions. One is on the price realization. You said that the price has started recovering from October onwards, is it?

- Pradeep Kheruka:** That is right.
- Binoy Jeriwala:** October to December what would be the exact increases in the prices?
- Pradeep Kheruka:** Well the increase would be close to 3% to 4% of the price.
- Binoy Jeriwala:** Sir, you mentioned the tender of 6 gigawatt that is being awarded by SECI. Could you just elaborate a bit more on this, how does it work and you said 2 gigawatts has been mandated to be manufactured in India, if you could just elaborate a bit more on this?
- Pradeep Kheruka:** What has happened is that SECI had issued a tender in which they revised the buying price to Rs.2.95 paise to the best of my knowledge per unit of power produced by the successful bidder and in order for the bidder to sell this power at Rs.2.95 to SECI, the bidder was required to setup 2 gigawatts of manufacturing capacity within the country. So, I am saying the power generating capacity, I mean the means of production to generate the power, which essentially means the cells and the modules. So, when 2 gigawatts of cells and modules, new capacity is coming up within the country, it will mean that the demand for that glass will increase in India. Whether we meet it or it comes from exports will depend upon the user but at least we shall have that much market visibility for our production.
- Binoy Jeriwala:** Understood, you mean imports right Sir?
- Pradeep Kheruka:** I am saying that the successful bidder is allowed to sell power of up to 6 gigawatts from an installation of 6 gigawatts to SECI. The contract is to sell power at Rs.2.95 paise, that is the contract. Now for the person to be even considered to be permitted to bid for that contract that person has to undertake that of the 6 gigawatts, which they will sell, 2 gigawatts are going to come from capacity which has been made in India. So that means they can purchase 4 gigawatts of power generating modules capability from outside India, they can import that and set it up, but 2 gigawatts have to be from within India. New capacity of 2 gigawatts means that clearly, they have a glass requirement for up to 2 gigawatts of modules in India.
- Binoy Jeriwala:** What is the timeframe for this order?
- Pradeep Kheruka:** It is over a period of three years.
- Binoy Jeriwala:** Sir, the last question was on the EBITDA margin. Once these prices stabilise what could be the steady state EBITDA margin when you are running at the full capacity?
- Pradeep Kheruka:** I am not allowed to give you the exact number because I have not disclosed it to the board but I can at best say it will be normalized.

- Binoy Jeriwala:** So, in the earlier years we have done about 20% to 22% kind of EBITDA margin, can we fairly assume that to be safe on that side?
- Pradeep Kheruka:** My best answer is it will be normalized. So, yes probably you might be somewhere close to the answer.
- Binoy Jeriwala:** Thank you so much. I will come back in the queue if I have questions.
- Moderator:** Thank you. The next question is from the line of Naveen Bothra who is an individual investor. Please go ahead.
- Naveen Bothra:** Congratulations Sir for completing the expansion project well ahead of time and also rebuild of the plant in a record time. My first question is regarding the China Corona Virus issue; are you seeing any impact on this, this year on our products and all?
- Pradeep Kheruka:** Fortunately, by God's grace there is no impact whatsoever on our production or anything that we have to do because we do not import anything from China with reference to our production of solar glass, so we are unrelated to that. Having said that, we do have some input in the matter, which is that within the group companies we have a lot of imports from China and there were some goods that were supposed to be shipped out from China the shipment date was February 3. So, we received the message from the Chinese suppliers on February 1 saying that their holidays have been extended by one week because they were having the Chinese New Year holiday and they were supposed to reopen on third. So, they are under lock down, so their holiday has been extended to February 10 and on February 10 the office will reopen, they will go to the office and tell us what is the status. So that does not mean that the goods which were supposed to be shipped on February 3, will be shipped on February 10. They are just saying they will go to the office on February 10 and they will tell us what is the status. So, one thing is evident that there is some disruption going on in China now, because according to news reports unfortunately regrettably the spread of virus has been going on quite seriously.
- Naveen Bothra:** Will it impact our business positively due to this disruption in China because they will not be able to supply glass wares and all those things which we are making or it will be muted quarter?
- Pradeep Kheruka:** We cannot rule out the possibility that shipments of solar glass from China might be delayed. We cannot rule out that possibility, because we are hearing that a lot of workers had gone home for the Chinese New Year and they might not be allowed to reenter certain cities and so on and so forth. So the fact is that there is a lot of disruption in China and what kind of impact that disruption is going to take place can only be known after maybe a week or so hopefully.

**Naveen Bothra:** About the merger scheme, can you give us the last date for the trading of our company shares Gujarat Borosil that will be merged into Borosil Glassworks. How much time will it take for listing - 10 days, 15 days or much more time? Borosil Glass will remain the same?

**Pradeep Kheruka:** It is like this that our first record date is the February 18. So, record date one means that as a result of the amalgamation of various companies, three companies to be precise into Borosil that includes Gujarat Borosil also. Borosil Glassworks Limited will be issuing shares to the shareholders of those three companies. Borosil Glassworks Limited with effect from Feb 12, it is expected that the name change will take place and it will become Borosil Renewables. So, for every two shares which a Gujarat Borosil's shareholder held in Gujarat Borosil, he/she will be issued one share in the resultant company, Borosil Renewables. .

**Naveen Bothra:** My question is regarding the continuity of listing. For how much days Gujarat Borosil shares will be not traded on stock exchanges because Borosil Glassworks I think will take around seven to ten days for issuing the shares in Borosil Renewable.

**Pradeep Kheruka:** Correct. Actually, after Feb 14, I do not think anybody can trade into Gujarat Borosil shares because that will be the last date of trading and the number of shares held on that day will be the ones which are going to be considered for issue of shares on the record date. So, the issue of shares will take certain time because we have a lot of shareholders and once these shares have been issued then there will be a record date 2 which will be in the middle of March. On record date 2, Borosil Limited will issue shares in Borosil Limited to the shareholders of Borosil Renewables Limited. Only after that will they be in a position to apply for the listing. That means after record date 2, this could take a total of eight to 10 weeks from now. So, maybe one and a half months after record date 2, would be the time taken to list Borosil Limited. Our people are very, very prepared. So, I hope that there will be no unnecessary delay. However that is difficult to predict.

**Naveen Bothra:** Sir, within record date 1 and record date 2 I think Borosil Glass will be listed presently will remain the same and on record date 2, I think it will get demerged?

**Pradeep Kheruka:** The demerging is happening on February 12 simultaneously. It is on the same day as it is getting merged that business is getting demerged. The only question is regarding the issue of shares. There is a physicality. First, the shareholders of all the companies which have merged into Borosil Glassworks Limited have to be issued shares by the company i.e. Borosil Glassworks Limited, which is being renamed Borosil Renewables. When that entire exercise is over then the full new list of shareholders of Borosil Renewables will be issued shares of Borosil Limited. After Borosil Limited has issued shares accordingly and they have got the entire list of shareholders available with them, they will present that list to the various authorities who will list those shares on the BSE and NSE. In the meantime, the shares which are already listed which means the shares of Borosil Glassworks Limited will continue to be listed. Nothing will happen to that listing.



- Naveen Bothra:** That is clear. Second question is regarding the volume growth this quarter vis-à-vis the last quarter of September quarter?
- Pradeep Kheruka:** In this quarter compared to the last quarter, well we actually had production only for one month in December 2019 from both the furnaces. The first furnace was not functioning at all in October and for much of November. We started rolling out glass on November 18th or thereabouts.
- Ashok Jain:** I can add here. The volume growth is about 30% in Q3 compared to Q2. The growth has come only in the month of December because both the furnaces started operation only in December. So, going forward the volume will actually more than double compared to the Q2 of last year. From here on two furnaces will operate as against one.
- Pradeep Kheruka:** In January we have not seen any hiccups. January has been on the same lines as December - may be slightly better.
- Naveen Bothra:** Thank you.
- Moderator:** Thank you. The next question is from the line of Rishab Parekh from Sunidhi Securities. Please go ahead.
- Rishab Parekh:** Sir, just a clarification. You said that in the PM KUSUM Scheme, there was a module of at least 2 gigawatts have to be manufactured in India, but does this explicitly also state that glasses, solar glass also has to be manufactured in India?
- Pradeep Kheruka:** First of all, there is no requirement by the Government of India at any place which says that the glass has to be made from India. Secondly regarding PM KUSUM Scheme, that 2 gigawatts is a different scheme, which will be government SECI scheme. That is a SECI scheme which is separate and in addition to the KUSUM Scheme. In the KUSUM Scheme the cells and modules both have to be manufactured in India and that is a very large scheme. So far as our company is concerned, when a module is being manufactured in India, we have visibility of that demand. When the module is being imported from China the glass has already been used from China. So, there we lose the business altogether, but when the module is being made in India, we at least have an opportunity of bidding for that and selling to that manufacturer.
- Rishab Parekh:** Thank you so much.
- Moderator:** Thank you. The next question is from the line of Mr. Praveen Sahay. Please go ahead.
- Praveen Sahay:** Sir, can you give some numbers on the opportunity size on which the company is looking forward to in the couple of years way forward?

- Pradeep Kheruka:** I will ask Mr. Ashok Jain to answer that question.
- Ashok Jain:** Whatever installations are taking place in the country, out of that certain portion is by way of imported modules. So that does not give us any opportunity to serve that demand. Whatever module manufacturing takes place in the country is where we can supply our glass to. So, this activity of manufacturing in India is growing very fast in the last two years. Earlier 80% to 85% of the modules were getting imported, but now what we see is only about 30% of the modules are getting imported. So, more and more modules are getting manufactured in the country. So, if you really ask me the size of the manufacturing activity taking place in the country it is close to 5.5 gigawatts to 6 gigawatts. Our furnaces are equipped to sell glass for only up to 2.5 gigawatts worth of modules. So even at full capacity, we are only about 40% of the manufacturing, which is taking place in the country, and we are the sole manufacturers of solar glass in India.
- Praveen Sahay:** What is the price differential versus imported?
- Ashok Jain:** We cater to two types of customers. The first set is of very large customers for whom we have to really match the landed cost of imports or where price can be 2% to 3% higher than the landed cost of imports. This first set comprises about 50% of our business. There are other segments where this kind of challenge is not there. There we can command a premium of up to about 10%.
- Praveen Sahay:** Thank you Sir.
- Moderator:** Thank you. The next question is from the line of Neeraj Marathe from HU Consultancy. Please go ahead.
- Neeraj Marathe:** Sir, I am a bit confused on the basic customs duty as well as the safeguard duty. So, we had a certain basic custom duty on solar cells and modules which was 20% and we had a safeguard duty also which was earlier 20% brought down to 15%. Has this current budget, if I can understand it right, the basic custom duty has been removed? It has been brought down to zero?
- Pradeep Kheruka:** No, it is not like that. The basic customs duty on cells and modules has been raised to 20%. That is one point. It was earlier 10% it is now 20%. Now there is a clause in the Customs Act, which gives exemption to any customs duty on the import of renewable power equipment, any equipment which is designed to generate power from a renewable source. So, that exempts it from these duties so the 10% was earlier exempted. So that is a separate issue. Now there is a safeguard duty. The safeguard duty was in phases and the last phase was 15% which was going to start off from the January 31, 2020 and carry on till I think the July 29, 2020 thereabouts. So, as of now the imports of solar cells and modules are subject to duty of 15% and this will lapse, we believe on July 29, 2020. Now in the meantime, it appears that the government is going to remove this exemption from duty which has been in the books, in the Customs Act since many, many years since 1999 when there was no production whatsoever in India. So at that time, they did not want to tax imports of equipment for

manufacturing power from a renewable source. So, it is expected that this exemption is going to be withdrawn.

**Ashok Jain:** So, from the date the government notifies this removal of exemption, 20% duty will become applicable.

**Neeraj Marathe:** I just wanted to clarify because there were certain newspaper articles, which explicitly mentioned government removing 20% customs duty, the basic customs duty.

**Pradeep Kheruka:** Yes, I saw one of those myself, but I have not seen any official notification to that effect. I have only seen the newspaper article and I think that was only meant to express that the old exemption from 1999 being in place, there will be no impact of that duty as of now.

**Neeraj Marathe:** Got your point. Thank you so much.

**Moderator:** Thank you. The next question is from the line of Naveen Bothra from Individual Investor. Please go ahead.

**Naveen Bothra:** My question is regarding the PAT levels as on December end and out of finance cost of around 7 Crores, how much is for the Borosil Glass component?

**Ashok Jain:** The debt level in the company, which is basically towards setting up of this second plant which is expansion plant, is a term loan of INR 94 Crores on which we are paying interest. There is certain small amount of working capital we have taken on which there is interest to that extent. The other part is interest on ICD and preferential shares taken from Borosil Glass Works Limited. This is around INR 4 Crores out of the total of INR 7 crore.

**Naveen Bothra:** Previous quarter out of 7 Crores that is 4 Crores.

**Pradeep Kheruka:** That is right.

**Naveen Bothra:** Absolute debt levels as of December end of the expansion project that you are giving?

**Ashok Jain:** That is what I mentioned. INR 94 Crores is the loan amount, which we have taken for the new plant. For the rebuild of the earlier furnace, we have not taken any borrowing. It has been done from internal accruals.

**Naveen Bothra:** So, it is roughly around 100 Crores as of December?

**Ashok Jain:** Yes, you can take this approximately.

- Naveen Bothra:** Regarding the raw material cost has gone up 50% as compared to the September quarter so is it completely due to the closure and restart of the earlier furnace?
- Ashok Jain:** Raw material cost is reflecting couple of extraordinary items. One is that we had imported certain glass, which we wanted to temper and sell it to our customers because we did not have enough glass available. So, that glass is also included in the raw material consumption. Then we have also sold certain old cullet which we did not want to use, so that has been sold, so it is not basically consumption, but it is getting reflected in revenue on the other side and here it is appearing as consumption. If you remove these extraordinary items the consumption is normal and in line with the earlier period data which is close to 25% of the sales.
- Naveen Bothra:** The demand is quite robust and we are not able to completely supply expected demand, so is there thinking at the board level about the new expansion that we might be planning this year?
- Pradeep Kheruka:** We cannot rule it out is the only thing I can say. The matter has to be discussed at the board, but there is no doubt that the demand is robust and yes, we were able to do our furnace, the one that we have now, the new one, at a much reduced cost. If we go in for any further expansion that will also be at a much reduced cost.
- Naveen Bothra:** Thank you Sir. All the best.
- Moderator:** Thank you. The next question is from the line of Kiran Paranjape an individual investor. Please go ahead.
- Kiran Paranjape:** Thank you for taking my call. I have a question about this demerger, merger and listing. Whatever I have understood on February 14, the shares of Gujarat Borosil would cease to trade on the stock exchanges, but Borosil Glass would continue its listing and Borosil Glass the company name would change to Borosil Renewables, so does that mean after let us say second half of February the listed company on the stock exchanges would be Borosil Renewables and not Borosil Glass, is that my understanding correct?
- Pradeep Kheruka:** Absolutely correct.
- Kiran Paranjape:** Then further down the line Borosil Limited would get demerged and get listed and that would take as we said eight to 10 weeks.
- Pradeep Kheruka:** The consumer and scientific business of the current Borosil Glass Works will get demerged into Borosil Limited, with effect from February 12 itself. So, the business and the running of the company is independent from the listing of its shares. So, all the business of Borosil Glassworks Limited will continue as Borosil Limited from February 12. As of the first record date of Feb 18, 2020 shareholders of all the companies merging into Borosil Glassworks Ltd will be issued shares of

Borosil Glassworks Ltd. Simultaneously, the consumer and scientific businesses of Borosil Glassworks will get demerged into Borosil Limited. What will remain in the company is only the solar glass business of the erstwhile Gujarat Borosil. The company will be renamed Borosil Renewables. Once Borosil Renewables has a finalized set of shareholders, it will share this list with Borosil Limited as of the second record date. This second record date is expected to be in mid-March. Borosil Limited will then issue its shares to these shareholders of Borosil Renewables. Borosil Limited will then approach the BSE and NSE with a request for getting its shares listed on the exchanges. We expect the formalities and the process of listing these shares to take 8 to 10 weeks.

**Kiran Paranjape:** Sir, here is my question. So basically, first we are merging the Gujarat Borosil into Borosil Glass and then we are demerging the Hopewell and Larah and Consumer and SIP portion out, does it mean that second half of February the listed company which is today is Borosil Glass tomorrow is Borosil Renewables is nothing but today's Gujarat Borosil.

**Pradeep Kheruka:** In effect, you are right. From the standpoint of shareholding, because certain business is going to be continuing in the shares of Borosil Glassworks Limited, now in future known as Borosil Renewables Limited. So, let us say, as on February 12 the original shareholders of Borosil Glassworks Limited alone will be holding the shares in which they will be able to trade. Now on record date of February 18 those ranks of shareholders of Borosil will be swelled, they will be increased by the addition of shareholders who were formerly shareholders let us say in Gujarat Borosil or the other companies being merged. They were not shareholders of Borosil to that extent, so fresh shares will be issued on February 18 to those people. So, as on February 18 the ranks of Borosil Renewables shareholders will greatly expand. When we have this new expanded list of shareholders then that updated register of shareholders will become the basis for the issue of shares by Borosil Limited to that expanded list of shareholders. So, once that has been issued which is going to take time, the new document from Borosil Limited comprising of each and every shareholder will be presented to the stock exchanges and to all the authorities and then the application for listing will be made.

**Kiran Paranjape:** Thank you. That is all from my side.

**Moderator:** Thank you. The next question is from the line of Rishabh Parekh from Sunidhi Securities. Please go ahead.

**Rishabh Parekh:** Small clarification, you said some of the inputs that you are importing from China have been held back because of this Corona Virus issue.

**Pradeep Kheruka:** That is not in Gujarat Borosil. It is in our group company, Borosil Glass Works.

**Rishabh Parekh:** Thank you so much.

**Moderator:** Thank you. As there are no further questions, I would now like to hand the conference over to the management for closing comments.

**Pradeep Kheruka:** Thank you very much participants. It was a pleasure talking to you and I look forward to a good quarter and I look forward to taking this call again three months from now. Till then I wish you good luck and happy investing.

**Moderator:** Thank you. On behalf of Edelweiss Broking Limited that concludes this conference. Thank you for joining us. You may now disconnect your lines.