

June 19, 2018

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 Ltd 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: Intimation of Analysts/ Institutional Investors Conference Call**

Pursuant to Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, please note that the Company, as part of its investors engagement activities is planning to have a conference call with the Institutional Investors and Analysts today i.e. Tuesday, June 19, 2018 at 3:30 p.m. *inter alia* to discuss on proposed issue of bonus shares and the Composite Scheme of Amalgamation and Arrangement, as already intimated to Stock Exchange yesterday.

A Note, (attached herewith) will be circulated to the Analysts/Institutional Investors in advance before conference call. The conference call detail is also attached.

The aforesaid information is also available on the Company's website i.e. www.borosil.com.

The transcript will be shared with you.

You are requested to take the same on record.

Yours faithfully,

For Borosil Glass Works Limited

Gita Yadav

Company Secretary

Encl: As above

INVESTOR UPDATE dated June 19, 2018

BOROSIL GLASS WORKS, GUJARAT BOROSIL & RELATED COMPANIES – NEW SCHEME OF RESTRUCTURING:

As Shareholders are aware, in Q3FY17 the Board of Borosil Glass Works Ltd (BGWL) approved a scheme of amalgamation to transfer all the assets and liabilities of Hopewell Tableware Pvt Ltd (HTPL), Fennel Investment and Finance Pvt Ltd (FIFPL) and Vyline Glass Works Ltd (VGWL) into BGWL on November 25, 2016 which was subsequently approved by the shareholders of the company on November 16, 2017.

The objective of the amalgamation being elimination of cross holdings among the companies leading to simplification of the group structure. Further, a key rationale is also reduction in related party transactions in the current operations including the procurement of products by BGWL from VGWL. The merger of HTPL, FIFPL and VGWL would have lead to consolidation of the entities and business operations of HTPL and VGWL with BGWL resulting in reduction in costs for administration, legal and compliance and lead to greater general administrative efficiency and optimal utilization of various resources. The Scheme of amalgamation is currently pending approval at NCLT. This has taken longer than anticipated.

Meanwhile, the company has been interacting with the investor community and has received positive feedback about the simplified structure and reduction of related party transactions. BGWL currently holds 25.25% of the equity shares of Gujarat Borosil Ltd (GBL). Upon the implementation of the Scheme of amalgamation, it was envisaged that GBL would become a 58.38% subsidiary of BGWL. GBL is in the business of manufacturing and marketing tempered glass for the solar power industry. GBL participates in a very different sector and is a B2B business while BGWL focuses on building brands and selling through a strong network of distributors and retailers and is a B2C business. The two companies have been managed by separate operating teams. Given the distinct nature of these businesses, many investors preferred to see a separation of their shareholding. Eliminating the cross holdings among group companies and decoupling the shareholding of BGWL and GBL would meet this objective.

In view of the above background, the boards of BGWL and GBL respectively on June 18, 2018 approved a new scheme for restructuring shareholding. It is now proposed to merge VGWL, FIFPL and GBL into BGWL and demerge the Scientific and Industrial products and Consumer products business of BGWL and all investments and surplus assets of BGWL (except to the extent of INR 125 crores required for the purpose of expansion of solar business) along-with business of VGWL and the assets and liabilities of FIFPL (hereinafter collectively referred to as 'the Demerged Undertaking'), into Hopewell Tableware Private Limited, a 100% subsidiary of BGWL. BGWL's 60.3% holding in Klasspack Pvt. Ltd, being also in the business of Scientific and Industrial products, will also be included in the Demerged Undertaking. It is proposed to

rename HTPL to Borosil Limited, which will then be listed separately on BSE Limited and the National Stock Exchange of India Limited (NSE). It is also proposed that pursuant to amalgamation, BGWL will house the solar glass business and shall be renamed to Borosil Renewables Ltd.

The proposed restructuring would:

- Result in simplification of the group structure by eliminating cross holdings;
- Confer shares in each business to each existing shareholder of all the companies thereby giving them an opportunity to participate in both the businesses i.e. scientific & industrial products and consumer products businesses of BGWL and solar business of GBL. They will be able to decide whether to stay invested or monetize their investment in either of the businesses thereby unlocking value;
- Enable each business to pursue growth opportunities and offer distinct investment opportunities to potential investors; and
- Result in economies in business operations, provide optimal utilization of resources and greater administrative efficiencies.

The board of BGWL has approved the withdrawal of the current Scheme of amalgamation that is pending for approval by NCLT.

The BGWL Board at its meeting held on 18th June 2018, has recommended an issue of bonus shares in the ratio of 3:1 (i.e. three bonus shares for every one share currently held), subject to approval of its shareholders.

SSPA & Co, Chartered Accountants, a reputed valuation firm, were appointed to arrive at the exchange ratios and determine the number of shares to be issued by BGWL to the shareholders of VGWL, FIFPL and GBL upon merger of these companies into BGWL and for shares to be issued by HTPL upon demerger of the Demerged Undertaking to the shareholders of BGWL. Based on the report submitted by them, the share exchange ratios (considering the equity post the proposed issue of bonus shares by BGWL) have been arrived at as under:

Share exchange ratio on amalgamation of VGWL with BGWL

“200 (Two hundred) Equity Shares of BGWL of INR 1 each fully paid up for every 81 (Eighty one) equity shares of VGWL of INR 10 each fully paid up.”

Share exchange ratio on amalgamation of FIFPL with BGWL

“200 (Two hundred) Equity Shares of BGWL of INR 1 each fully paid up for every 109 (One hundred nine) equity shares of FIFPL of INR 10 each fully paid up.”

Share exchange ratio on amalgamation of GBL with BGWL

“1 (One) Equity Share of BGWL of INR 1 each fully paid up for every 2 (Two) equity shares of GBL of INR 5 each fully paid up.”

Share entitlement ratio on demerger of Demerged Undertaking of BGWL into HTPL

“1 (One) Equity Share of HTPL of INR 1 each fully paid up for every 1 (One) equity share of BGWL of INR 1 each fully paid up.”

Further, the Fairness Opinion issued by M/s. Keynote Corporate Services Limited, an independent Category-I, Merchant Banker, based on the valuation report prepared by M/s. SSPA & Co., Chartered Accountants confirmed that the share exchange ratio on merger and share entitlement ratio on demerger is fair.

Effectively, upon implementation of the scheme, each shareholder of GBL owning 2 (two) shares will own 1 (one) share of BGWL to be renamed as Borosil Renewables Limited (or such other similar name as may be available) and also 1 (one) share of HTPL to be renamed as Borosil Limited (or such other similar name as may be available).

On the other hand, each shareholder of BGWL (including the shareholders of VGWL, FIFPL and GBL who get shares on merger into BGWL) owning 1 (one) share will also own 1(one) share of HTPL (to be renamed as Borosil Limited).

The Promoter shareholding in BGWL and GBL is currently 72.85% and 74.95% respectively. Post implementation of the above scheme, the Promoters will directly hold 70.50% in each of the companies.

Gujarat Borosil is the sole Indian manufacturer and marketer of solar glass from India. During FY18, it recorded a revenue of INR 198.1 crore and earned an EBDITA margin of 19.7%. In FY18 the company had incurred one-time costs of INR 5.37 crores on conducting trials for 2mm glass and temporarily suspending production on hot repair of its furnace. Adjusting for these exceptional items, the EBITDA was 22.4% and yielded an ROCE of 14.3%. About 82% of its sales came from India and the balance 18% from the export markets. The company is very optimistic about the future of the solar glass industry in India. The current production of the company is sufficient for 1 GW of solar PV modules, which is only 30% of the domestic consumption of solar glass, allowing significant headroom for expansion. There is a strong government impetus to increase the installed capacity of solar power generation in the country.

As against a current installed capacity of about 20 GW of solar energy, the government has set itself an objective of 100 GW by 2022. Solar accounted for approximately 45% of all new capacity generation added in India during 2017. This robust installation activity also made solar the single largest source of new power capacity additions in 2017. In August 2017, the government of India imposed anti-dumping duty on solar tempered glass from China. It has also initiated an investigation into solar tempered glass being dumped from Malaysia.

The company has a strong technical team and has been able to maintain a very competitive cost structure and healthy margins even in the face of dumping from China. It has also produced and tested the world's first 2mm tempered solar glass. This 2mm glass is expected to have a strong demand as it potentially improves transmission and reduces the cost of ownership for its customers, the module manufacturers. The shift to the use of 2 mm glass is expected to be beneficial to the company.

In view of the very strong future prospects, the company has decided to set up a new furnace with tempering facility of 210 TPD at the existing location. This project is expected to require an investment of about INR 235 crores.

As part of the scheme of merger and demerger, it is planned to allocate INR 125 crores of surplus cash with BGWL for the expansion of the solar business. The project funding will be met out of such amounts supplemented by borrowings.

As on March 31, 2018, BGWL had a cash surplus of INR 265 crores. Upon implementation of this new scheme, the business of BGWL will be left with INR 140 crores. The company's management believes that this surplus is sufficient to both fund BGWL's organic growth plans as well as keep a war chest ready to make strategic acquisitions to fuel inorganic growth.

The scheme is subject to the approval of various authorities including SEBI, the stock exchanges and NCLT and that of the shareholders. It is estimated that the process would be completed in about 12 months' time with an Appointed Date of October 01, 2018.

Upon completion, the solar business will not be a subsidiary of Borosil Limited. Borosil Limited will house the consumer products business and laboratory glassware and instrumentation business (without related party transactions with VGWL) and the pharmaceutical glass packaging business through Klasspack Pvt. Ltd (as 60.3% subsidiary). The solar business will have separate ownership and be housed in Borosil Renewables Ltd. Both companies will be traded on BSE and the NSE.



Axis House, C-2, Wadia International Centre, P.B Marg. Worli, Mumbai 400 025 (India)

Borosil Glass Works Limited

Investor Call on 19th Jun 2018 at 3:30 pm
hosted by Axis Capital Limited

We are pleased to host, on behalf of Borosil Glass Works Ltd., a **conference call for analysts and investors on Tuesday, 19th Jun 2018** following the corporate announcement on composite scheme of amalgamation and arrangement.

The call will be initiated with a brief management discussion followed by an interactive Question & Answer session. The management team will be represented by:

- **Mr. Shreevar Kheruka:** MD and CEO
- **Mr. Swadhin Tadia:** CFO
- **Mr. Rajesh Chaudhary:** Whole Time Director

Details of the conference call are:

Date	:	Tuesday, 19 th Jun 2018
Time	:	3:30 PM IST 6:00 PM HK/SG 11:00 AM UK 6:00 AM US (EDT)
Call Leader	:	Mr. Puneet Garg, Axis Capital Limited

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For further information please contact

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