

February 08, 2018

**BSE Limited**

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

Dear Sirs,

**Scrip Code: 502219**

**Sub: Presentation on Company's performance for the quarter ended December 31, 2017**

Enclosed presentation on Company's performance for the quarter ended December 31, 2017.

You are requested to take the same on record.

Thanking you.

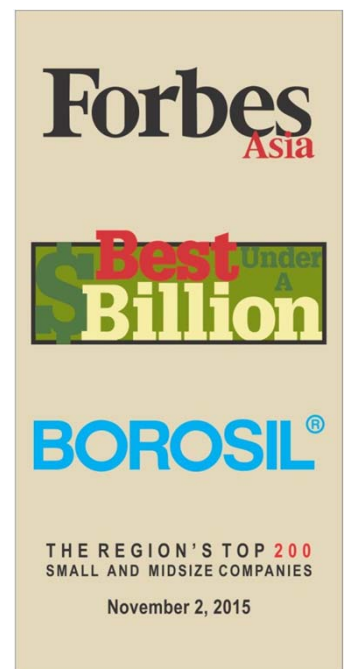
Yours faithfully,  
For Borosil Glass Works Limited



Gita Yadav  
Company Secretary

Encl: as above





*Borosil Glass Works Limited*

**BOROSIL®**

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)

**Borosil Glass Works Limited****BOROSIL®****YTD Q3FY18 Highlights – Sales**

| Rs. In Crores        |              |              |              |              |
|----------------------|--------------|--------------|--------------|--------------|
| Segment              | FY17         | YTD Q3FY17   | YTD Q3FY18   | YTD Growth % |
| <b>Labware</b>       |              |              |              |              |
| - BGWL (SIP+Others)  | 137.3        | 89.0         | 93.6         | 5.2%         |
| - Klasspack* #       | 20.5         | 13.5         | 26.2         | 94.7%        |
| <b>Total Labware</b> | <b>157.8</b> | <b>102.4</b> | <b>119.8</b> | <b>17.0%</b> |
| <b>Consumerware</b>  |              |              |              |              |
| - BGWL               | 129.7        | 102.8        | 114.7        | 11.6%        |
| - Hopewell*          | 87.3         | 65.8         | 78.9         | 20.0%        |
| <b>Total</b>         | <b>217.0</b> | <b>168.6</b> | <b>193.6</b> | <b>14.9%</b> |
| <b>Total</b>         | <b>374.8</b> | <b>271.0</b> | <b>313.5</b> | <b>15.7%</b> |

\* Sales figures exclude Sales to BGWL

# Sales Considered for the period for which Klasspack was held by BGWL

Organic growth is 8% in Labware and 12% overall (after adjusting for like to like sales in Klasspack).

**Borosil Glass Works Limited****BOROSIL®***YTD Q3FY18 Highlights*

|   |              |              |              | Rs. In Crores |
|---|--------------|--------------|--------------|---------------|
| Segment   | FY17         | YTD Q3FY17   | YTD Q3FY18   | Growth %      |
| <b><u>EBITDA from Operations</u></b>                  |              |              |              |               |
| - BGWL  | 39.9         | 26.5         | 36.0         | 35.7%         |
| - Klasspack #   | 2.6          | 1.9          | 3.8          |               |
| - Hopewell  | 0.8          | 0.6          | 9.5          |               |
| <b>Total</b>  | <b>43.2</b>  | <b>29.0</b>  | <b>49.3</b>  | <b>69.8%</b>  |
| <b>EBITDA%</b>  | <b>11.5%</b> | <b>10.7%</b> | <b>15.7%</b> |               |
| <b><u>PAT (Including Income from Investments)</u></b> |              |              |              |               |
| - BGWL  | 135.5        | 117.6        | 38.8         | -67.0%        |
| - Klasspack #   | 0.5          | 0.8          | 0.5          |               |
| - Hopewell  | -12.8        | -8.1         | -0.8         |               |
| <b>Total</b>  | <b>123.2</b> | <b>110.3</b> | <b>38.5</b>  | <b>-65.1%</b> |

# Sales Considered for the period for which Klasspack was held by BGWL.

Vyline EBITDA (not included above) for YTD Q3FY18 is Rs. 924 lacs as compared to Rs. 870 lacs in YTD Q3FY17.

BGWL PAT for FY17 and Q3FY17 includes a compensation of Rs. ~90.9 crores on acquisition of land in Mumbai by the Municipal Corporation of Greater Mumbai ("MCGM"). Without this exceptional item PAT growth is 45% for BGWL and 98% for Total.

## *Borosil Glass Works Ltd.*

### *Significant Corporate Developments*

- Sub-division (Split) of face value of shares from Rs. 10 to 10 shares of Re. 1 each.
  - Trading started on 14<sup>th</sup> September, 2017
  - Provides greater access to retail shareholders
- Development of a Scheme of Employee Stock Option Plan (ESOP)
  - Align management incentives to long term shareholder value
- The Company has applied for listing of its equity shares on National Stock Exchange of India Ltd. (NSE). Their approval is awaited.

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Performs Beautifully



## *Borosil Glass Works Ltd.*

### *Divestment of Non-Core Assets*

- Strategic divestment of non-core assets
- Valuation was done by Knight Frank to benchmark current market
- Quotes received from multiple buyers through Cushman and Wakefield India Pvt. Ltd.
- On February 8, 2018, the Board approved sale of non core real estate assets for INR ~68 Crores.
- Transaction will be completed in due course.



Consumer Products Division (CPD)



## Consumer Product Division (CPD)

### Product Range & Positioning

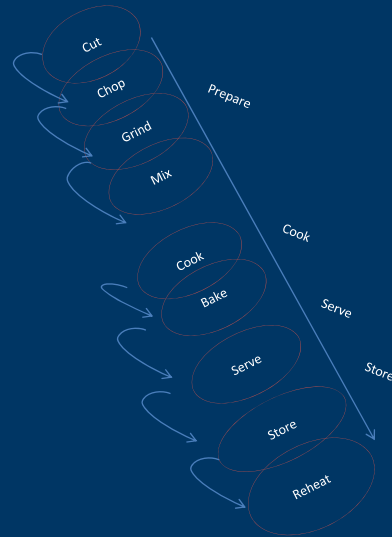
Ally for the progressive homemaker



Everyday



Entire process of Cooking & Serving



Modern, contemporary



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

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Performs Beautifully



## 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.
- Borosil has entered the other categories recently.
- Note : Market size, growth & share are internal estimates

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## Consumer Product Division (CPD)

### Emerging Growth Opportunities

- Lifestyle change towards convenience & improved presentation
  - Upgrading from steel & unorganized / unbranded market towards premium products
- Rise of the middle class aspirational customer base
- Innovation possibilities in product categories
- Focus on hygienic & healthy products
  - Movement from plastic to glass
- Opportunities in multiple distribution channels
  - (E.g.: Modern Retail Outlets, E-commerce etc.)

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Performs Beautifully



## 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
  - Proven by quick acceptance of Larah
- Investment in brand building
  - Few established brands in the category

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## Consumer Product Division (CPD)

### Acquisition of Hopewell (Larah)

- Acquired 100% in January 2016
- Brand Larah
  - Lifestyle Opal dinnerware
  - Microwavable, Light, Strong, Chip-resistant for daily use
- Targets mass market customers for daily use
- Market dominated by a single player
  - Opportunity to invest & grow Larah into a strong brand
- Sales and distribution channel synergy – higher throughput
- Brand revenue FY17 : INR 87 crores (net of Excise duty)
- Revenue Q3FY18 : INR 79 crores (net of Excise duty) as compared to INR 66 crores in Q3FY17.



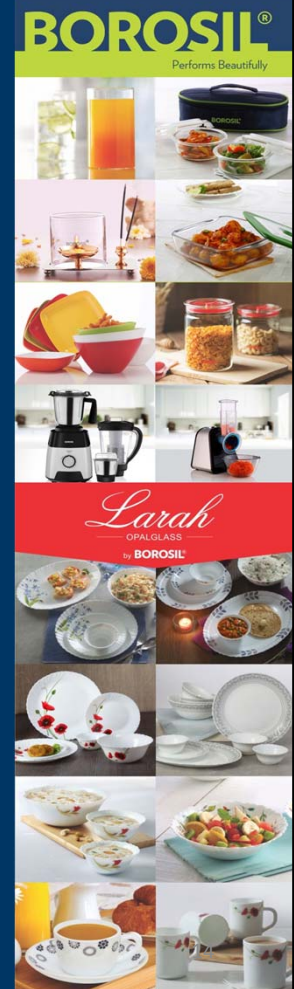
## *Margin Improvement & Capacity Expansion*

- Larak records growth of 20% in YTD Q3FY18
- Expanding capacity with new furnace & other machinery
  - Likely to service 50% additional sales
  - Improve product quality
  - Enhance yields / reduce wastage
- Plan to create additional warehouse space
  - Optimize truck utilization by combining Larak & other Borosil products
- Investment of ~ INR 110 crores
- Implementation
  - upgraded Larak factory in Q4FY18
  - new warehouse by Q3FY19
- Significant margin improvement in Larak expected



## Consumer Product Division (CPD)

### Key Modern Trade Partners



## Consumer Product Division (CPD)

*Some Key Institutional Customers*





# BOROSIL®

*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
- Introducing Laboratory tools & equipment under the brand **LABQUEST** BY **BOROSIL**
- *Markets to scientists (end users) as consumers of Lab products*
  - Not a typical B2B / institutional business

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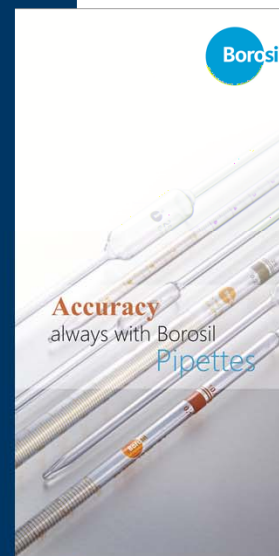


The market leader in  
Laboratory Glassware

## Scientific & Industrial Products (SIP)

### Product Range

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## Scientific & Industrial Products (SIP)

- **Market size**

- Lab Glass (Domestic) INR 220 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) ~60% (Fragmented competition)
- Labglass (International): Recent market entry, FY17 revenue: INR 9.2 Cr
- Lab Instruments : Recent market entry through "LabQuest"
- Pharma Packaging (Tubular Glass): Klasspack FY17 revenue: INR 20.5 Cr (Aug'16 to Mar.'17)

Note: Market size & growth are internal estimates

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The market leader in  
Laboratory Glassware

Pioneers in Speciality Glass

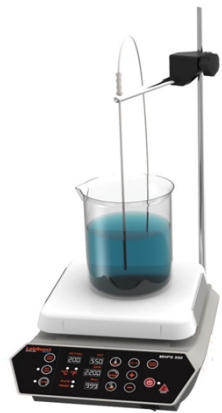


## *Scientific & Industrial Products (SIP)*

### *Emerging Growth Opportunities*

- Growth in the customer industries in India (Pharma)
- Import substitution
- New product to same customers (**LabQuest**)
- Exports to ME/SEA/Africa

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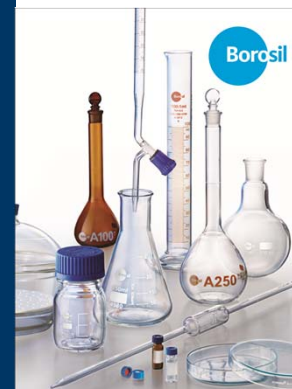
**LABQUEST**  
BOROSIL

## Scientific & Industrial Products (SIP)

### 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
- 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 for Aug to Mar'17: INR 20.5 Crores
- Revenue Q3FY18: INR 26.2 Crores as compared to INR 21.7 Crores in Q3FY17.

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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

**Zydus**  
dedicated to life

**TEVA**  
TEVA PHARMACEUTICALS

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*BGWL Key Enablers & Capabilities***BOROSIL®**

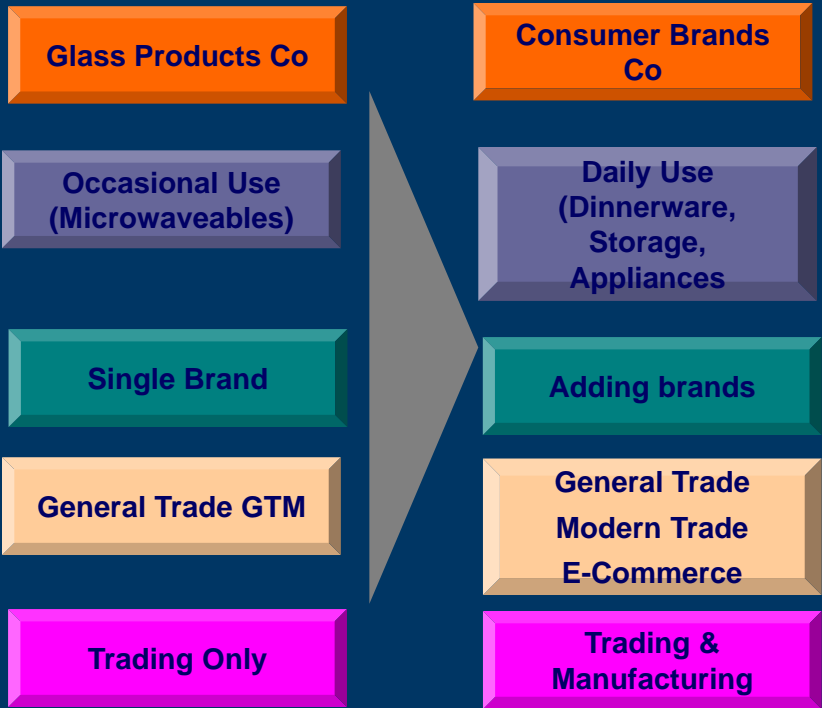
- **Strong brand equity**
  - Sustained growth momentum & margins
- **Strong steady SIP business to support growth in CPD business**
- **Established network of happy channel partners**
  - Over 200 distributors / 10,000 retailers
- **Strong Balance Sheet with cash surplus**
  - Ability to invest in brand building
  - Acquisitions to supplement organic growth
- **GST implementation could support organized players**

**Borosil Glass Works Limited***Journey over last 5 years***BOROSIL®**

|                            | 2012-13 | 2016-17 | CAGR% |
|----------------------------|---------|---------|-------|
| Brands                     | 1       | 4       |       |
| Sales (INR Cr.)            | 135     | 375     | 29%   |
| Operating EBITDA (INR Cr.) | 12      | 43      | 38%   |

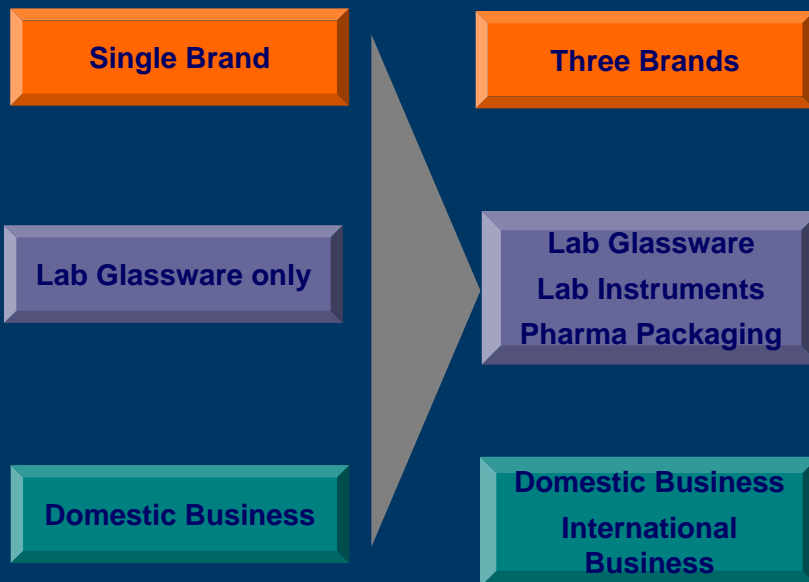
**Borosil Glass Works Limited**

Re-Imagining Borosil Consumer Products Division



**Borosil Glass Works Limited**

Re-Imagining Borosil SIP Division

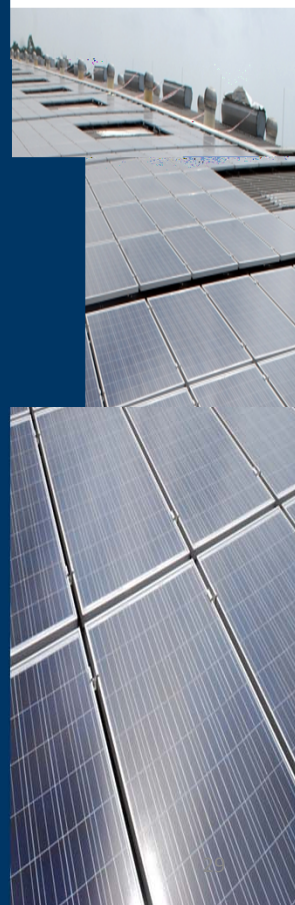
**BOROSIL®**

# BOROSIL®

*Gujarat Borosil Ltd.*

## Gujarat Borosil Limited (GBL)

### Financial Highlights – H1FY18

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| Segment                             | Rs. In Crores |              |              |               |
|-------------------------------------|---------------|--------------|--------------|---------------|
|                                     | FY17          | H1FY17       | H1FY18       | Growth %      |
| Revenue (Incl. of Excise duty)      | 188.3         | 89.9         | 92.2         | 2.6%          |
| <b>EBITDA</b>                       | <b>47.7</b>   | <b>20.2</b>  | <b>17.9</b>  | <b>-11.1%</b> |
| <b>EBITDA %</b>                     | <b>25.3%</b>  | <b>22.4%</b> | <b>19.5%</b> |               |
| <b>PAT</b>                          | <b>14.1</b>   | <b>4.7</b>   | <b>1.5</b>   | <b>-67.4%</b> |
| Operations in FY17 at full capacity |               |              |              |               |

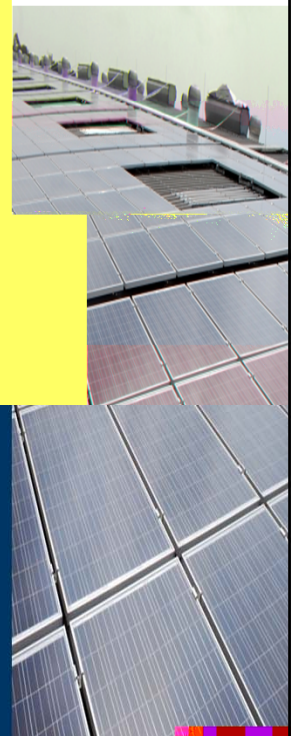


## Gujarat Borosil Limited (GBL)

**BOROSIL®**

### *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 looking to more than double existing capacity
  - Sales growth 17% CAGR FY12-17, with strong EBITDA margins (25% in FY17 )

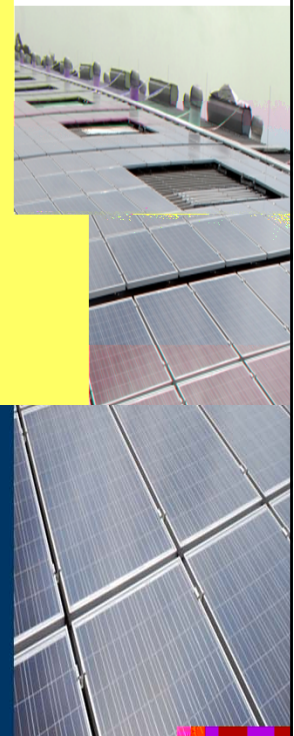


## Gujarat Borosil Limited (GBL)

**BOROSIL®**

### Competitive Advantage

- *Market Leadership in Indian Solar Glass Market*
  - Cost competitive with China supplies
- *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
- *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



## 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

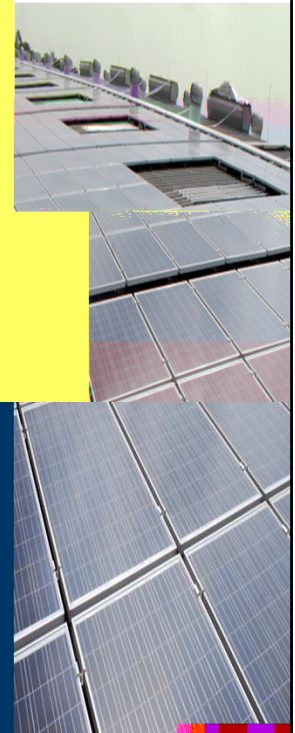
**BHEL**  
Maharatna Company

**LANCO**

**vikramsolar**

**GOLDI GREEN™**  
SOLAR PV MODULES

**HHV**



## Gujarat Borosil Limited (GBL)

### Key Customers – International

**IGSolar**

Spain

**ING'SOL**  
zing lives

Kenya

**SOLVIS**  
Living with the Sun

Croatia

**TERMICOL**

Spain

**Sunerg**  
SOLAR ENERGY

Italy

**WARIS**

Italy

**heliodyne**  
SOLAR HOT WATER

US

**SUN EARTH INC.**

US



**ASTRONERGY**

Germany



**ubbink**

Kenya

**ECOPROGETTI**

Italy

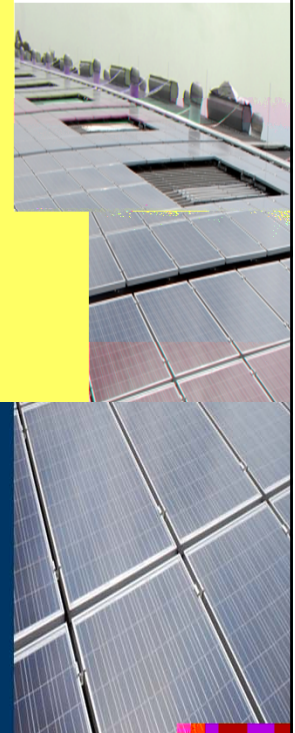


**papacemmanovel**

Greece

**AXSun**  
„Deutsche Module mit Charakter“  
Germany

**BOROSIL®**



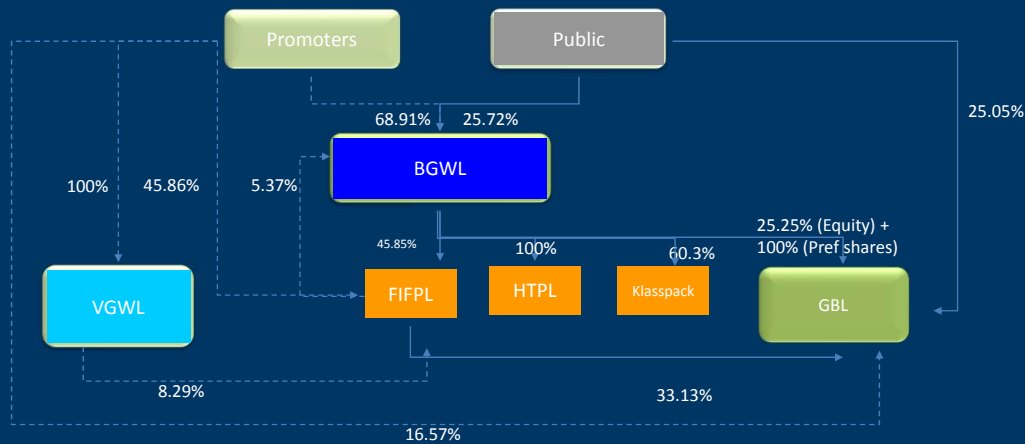
**Borosil Glass Works Limited*****Proposed Scheme of Amalgamation*****BOROSIL®****Company has proposed Scheme of Amalgamation with Related Companies :**

- Hopewell Tableware, 100% subsidiary in Consumer Products business
- Vylene, a promoter held co & 3P manufacturer for BGWL
- Fennel Investments, an associate co with cross holdings
- Advised by PWC
- Valuation by SSPA & Co, Fairness Report by Keynote Corporate Services Ltd.
- The Company has proposed 1st March, 2018 as appointed date for the said Scheme.
- Pending approval from National Company Law Tribunal (NCLT). Hearing scheduled for Feb 22, 2018.

## Borosil Glass Works Limited

### Current Holding Structure

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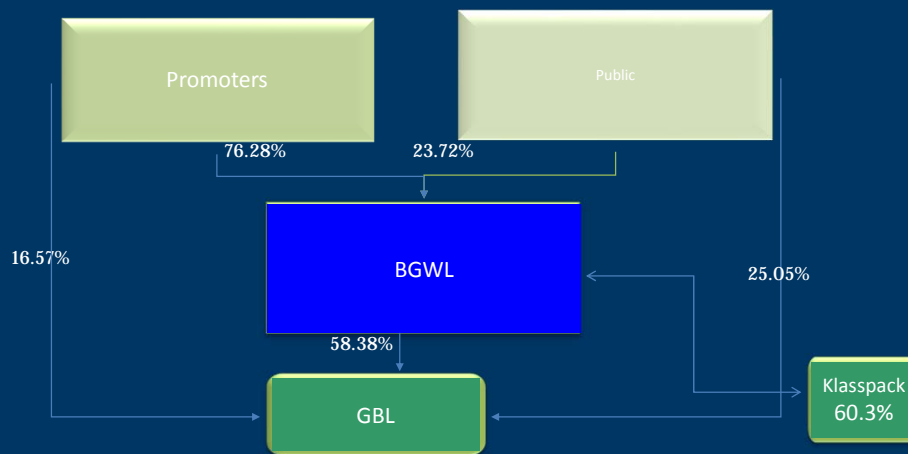
- Borosil Glass Works limited ('BGWL') and Gujarat Borosil Limited ('GBL'), listed on BSE,.
- Hopewell Tableware Private Ltd ('HTPL') is a wholly owned subsidiary of BGWL
- Vyline Glass Works Ltd ('VGWL') is held by Promoter of BGWL
- Fennel Investment & Finance Pvt Ltd ('FIFPL') is held by BGWL and Promoter of BGWL and is registered with RBI as NBFC and is itself a promoter of BGWL
- It is now proposed to merge/consolidate HTPL, VGWL and FIFPL with BGWL



## Borosil Glass Works Limited

**BOROSIL®**

### Resultant Holding Structure



Effective promoter and promoter group holding of BGWL to increase from 74.28% to 76.28% Scheme subject to all statutory approvals.

#### Swap ratio :

- 40 shares of BGWL against 65 equity shares of Vylene
- 100 shares of BGWL for 207 equity shares of Fennel

**Borosil Glass Works Limited*****Transaction Rationale*****BOROSIL®****Reduces Related Party transactions**

- Vylene comes within company fold
- FY17 : EBITDA INR 12.3 Cr. PAT INR 3.1 Cr.
- Q3FY18 : EBITDA INR 9.2 Cr.

**Reduction in Cross Holdings and Simplicity of Structure****Synergies of business under a single entity**

- Reduction in admin, operative costs
- Greater administrative efficiency

**Gujarat Borosil will become a 58.38% subsidiary**

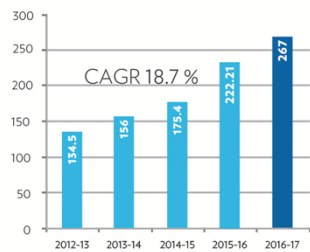
- Will continue to be managed by separate team

## Borosil Glass Works Limited

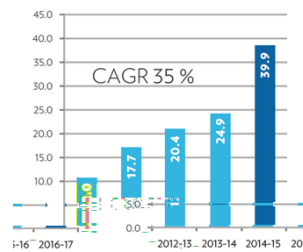
### Five Years Financial Highlights (Stand-alone)

**BOROSIL®**

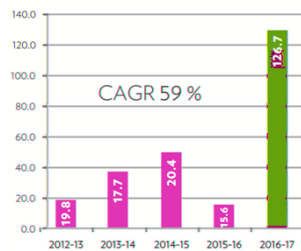
**Net Revenue from Operations**  
(₹ in crore)



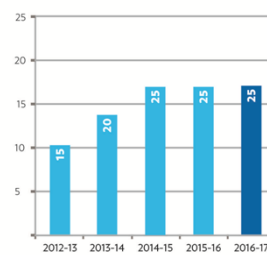
**EBITDA from operations**  
(₹ in crore)



**PAT**  
(Including income from investments)  
(₹ in crore)



**Dividend per share**  
(in ₹)



**Borosil Glass Works Limited**  
**Financial Highlights**  
**(Stand-alone)**

**BOROSIL®**

|   |            | 2016-2017     | 2015-2016 | 2014-2015 | 2013-2014 | 2012-2013 |
|---|------------|---------------|-----------|-----------|-----------|-----------|
| Revenue From Operations                           | (Rs. lacs) | <b>26,700</b> | 22,221    | 17,542    | 15,595    | 13,447    |
| Profit Before Tax                                 | (Rs. lacs) | <b>13,792</b> | 1,502     | 6,352     | 4,166     | 2,604     |
| Profit Before Tax as % on Revenue From Operations |            | <b>51.66</b>  | 6.76      | 36.21     | 26.72     | 19.37     |
| Tax expenses                                      | (Rs. lacs) | <b>1,123</b>  | (55)      | 1,437     | 452       | 621       |
| Profit After Tax                                  | (Rs. lacs) | <b>12,669</b> | 1,557     | 4,916     | 3,715     | 1,984     |
| Dividend  | (%)        | <b>250</b>    | 250       | 250       | 200       | 150       |
| Net Earnings per Share                            | (Rs.)      | <b>548.45</b> | 53.50     | 163.53    | 123.57    | 64.81     |
| Shareholders' Funds                               | (Rs. lacs) | <b>77,175</b> | 63,620    | 69,746    | 65,734    | 62,723    |
| Book Value per Share                              | (Rs.)      | <b>3,341</b>  | 2,754     | 2,320     | 2,187     | 2,087     |
| Return on Investment                              | (%)        | <b>17.56</b>  | 3.76      | 7.06      | 5.73      | 3.20      |

Figures for the year 2016-17 and 2015-16 are as per Ind AS compliant and for other years all the figures is shown as per previous GAAP.

# Disclaimer

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*Thank you*