



## BOROSIL LIMITED

Borosil Limited (“Company” or “Issuer”) was originally incorporated as a private limited company under the provisions of Companies Act, 1956 as ‘Hopewell Tableware Private Limited’ pursuant to certificate of incorporation dated November 25, 2010 issued by the Registrar of Companies, Rajasthan at Jaipur. Our Company was converted from ‘Hopewell Tableware Private Limited’ to ‘Hopewell Tableware Limited’ and a fresh certificate of incorporation dated July 19, 2018, consequent upon conversion to a public limited company, was issued by Registrar of Companies, Maharashtra at Mumbai (the “RoC”). Thereafter, the name of our Company was changed to ‘Borosil Limited’, and a fresh certificate of incorporation dated November 20, 2018 was issued by the RoC. For details of changes in our Registered Office and a brief history of our Company, see “General Information” on page 228.

CIN: L36100MH2010PLC292722

Registered and Corporate Office: 1101, 11<sup>th</sup> Floor, Crescenzo, G-Block, Opp. MCA Club, Bandra Kurla Complex, Bandra (East), Mumbai – 400051, Maharashtra, India  
Tel.: +91 22 6740 6300; Email: bl.secretarial@borosil.com Website: www.borosil.com.

Issue of up to [●] equity shares of face value of ₹ 1 each of our Company (the “Equity Shares”) at a price of ₹ [●] per Equity Share (the “Issue Price”), including a premium of ₹ [●] per Equity Share, aggregating up to ₹ [●] lakhs (the “Issue”). For further details, see “Summary of the Issue” on page 35.

**THE ISSUE IS BEING UNDERTAKEN IN RELIANCE UPON CHAPTER VI OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018, AS AMENDED (THE “SEBI ICDR REGULATIONS”), SECTION 42 AND SECTION 62 OF THE COMPANIES ACT, 2013, AS AMENDED (THE “COMPANIES ACT, 2013”), READ WITH RULE 14 OF THE COMPANIES (PROSPECTUS AND ALLOTMENT OF SECURITIES) RULES, 2014, AS AMENDED (THE “PAS RULES”), AND OTHER APPLICABLE PROVISIONS OF THE COMPANIES ACT, 2013 AND THE RULES MADE THEREUNDER, EACH AS AMENDED.**

The Equity Shares of our Company are listed on the National Stock Exchange of India Limited (the “NSE”) and the BSE Limited (the “BSE” and together with NSE, the “Stock Exchanges”). The closing prices of the Equity Shares on the NSE and the BSE as on June 21, 2024, were ₹ 340.80 and ₹ 341.35 per Equity Share, respectively. Our Company has received *in-principle* approvals pursuant to Regulation 28(1)(a) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the “SEBI Listing Regulations”) for listing of the Equity Shares to be issued pursuant to this Issue, from each of BSE and NSE on June 24, 2024. Our Company shall make applications to the Stock Exchanges for obtaining final listing and trading approvals for the Equity Shares to be issued pursuant to this Issue. The Stock Exchanges assume no responsibility for the correctness of any statements made, opinions expressed or reports contained herein. Admission of the Equity Shares to be issued pursuant to this Issue for trading on the Stock Exchanges should not be taken as an indication of the merits of our Company or the Equity Shares.

**OUR COMPANY HAS PREPARED THIS PRELIMINARY PLACEMENT DOCUMENT SOLELY FOR PROVIDING INFORMATION IN CONNECTION WITH THE PROPOSED ISSUE. THE ISSUE AND THE DISTRIBUTION OF THIS PRELIMINARY PLACEMENT DOCUMENT TO ELIGIBLE QIBs (AS DEFINED HEREINAFTER) IS BEING MADE IN RELIANCE UPON CHAPTER VI OF THE SEBI ICDR REGULATIONS, SECTION 42 OF THE COMPANIES ACT, 2013 READ WITH RULE 14 OF THE PAS RULES AND OTHER APPLICABLE PROVISIONS OF THE COMPANIES ACT, 2013 AND OTHER RULES MADE THEREUNDER. THIS PRELIMINARY PLACEMENT DOCUMENT SHALL BE CIRCULATED TO ONLY SUCH ELIGIBLE QIBs WHOSE NAMES ARE RECORDED BY OUR COMPANY, PRIOR TO MAKING AN INVITATION TO SUBSCRIBE TO THE EQUITY SHARES. THIS PRELIMINARY PLACEMENT DOCUMENT IS PERSONAL TO EACH PROSPECTIVE INVESTOR AND DOES NOT CONSTITUTE AN OFFER OR INVITATION OR SOLICITATION OF AN OFFER TO THE PUBLIC OR ANY OTHER PERSON OR CLASS OF INVESTORS WITHIN OR OUTSIDE INDIA OTHER THAN TO QUALIFIED INSTITUTIONAL BUYERS AS DEFINED IN THE SEBI ICDR REGULATIONS. YOU ARE NOT AUTHORIZED TO AND MAY NOT (1) DELIVER THIS PRELIMINARY PLACEMENT DOCUMENT TO ANY OTHER PERSON; OR (2) REPRODUCE THIS PRELIMINARY PLACEMENT DOCUMENT, IN ANY MANNER WHATSOEVER; OR (3) RELEASE ANY PUBLIC ADVERTISEMENTS OR UTILIZE ANY MEDIA, MARKETING OR DISTRIBUTION CHANNELS OR AGENTS TO INFORM THE PUBLIC AT LARGE ABOUT THE ISSUE. ANY DISTRIBUTION OR REPRODUCTION OF THIS PRELIMINARY PLACEMENT DOCUMENT IN WHOLE OR IN PART IS UNAUTHORIZED. FAILURE TO COMPLY WITH THIS INSTRUCTION MAY RESULT IN A VIOLATION OF THE SEBI ICDR REGULATIONS, THE COMPANIES ACT, 2013 AND THE RULES MADE THEREUNDER OR OTHER APPLICABLE LAWS OF INDIA AND OTHER JURISDICTIONS.**

**INVESTMENT IN EQUITY SHARES INVOLVES A HIGH DEGREE OF RISK AND PROSPECTIVE INVESTORS SHOULD NOT INVEST IN THE ISSUE UNLESS THEY ARE PREPARED TO TAKE THE RISK OF LOSING ALL OR PART OF THEIR INVESTMENT. PROSPECTIVE INVESTORS ARE ADVISED TO CAREFULLY READ “RISK FACTORS” BEGINNING ON PAGE 42 BEFORE MAKING AN INVESTMENT DECISION RELATING TO THE ISSUE. EACH PROSPECTIVE INVESTOR IS ADVISED TO CONDUCT ITS OWN DUE DILIGENCE ON US AND THE EQUITY SHARES AND CONSULT ITS OWN ADVISORS ABOUT THE PARTICULAR CONSEQUENCES OF AN INVESTMENT IN THE EQUITY SHARES BEING ISSUED PURSUANT TO THIS PRELIMINARY PLACEMENT DOCUMENT AND THE PLACEMENT DOCUMENT.**

A copy of this Preliminary Placement Document (which includes disclosures prescribed under Form PAS-4 (as defined hereinafter) has been delivered to the Stock Exchanges and a copy of the Placement Document (which will include disclosures prescribed under Form PAS-4) will be delivered to the Stock Exchanges. Our Company shall also make the requisite filings with the RoC, within the stipulated period as required under the Companies Act, 2013 and PAS Rules. This Preliminary Placement Document has not been reviewed by the Securities and Exchange Board of India (“SEBI”), the Reserve Bank of India (“RBI”), the Stock Exchanges or any other listing or regulatory authority and is intended only for use by Eligible QIBs. This Preliminary Placement Document has not been and will not be filed as a prospectus with the RoC and will not be circulated or distributed to the public in India or any other jurisdiction and the Issue will not constitute a public offer in India or any other jurisdiction.

Invitations, offers and sales of the Equity Shares to be issued pursuant to this Issue shall only be made pursuant to this Preliminary Placement Document together with the Application Form, the Placement Document and the Confirmation of Allocation Note (each as defined hereinafter). For further details, please see the section titled “Issue Procedure” on page 179. The distribution of this Preliminary Placement Document or the disclosure of its contents without the prior consent of our Company to any person, other than Eligible QIBs to whom this Preliminary Placement Document is specifically addressed, and persons retained by such Eligible QIBs to advise them with respect to their purchase of Equity Shares is unauthorized and prohibited. Each prospective investor, by accepting delivery of this Preliminary Placement Document, agrees to observe the foregoing restrictions and make no copies of this Preliminary Placement Document or any documents referred to in this Preliminary Placement Document.

The information on the websites of our Company, or any other website directly or indirectly linked to the websites of our Company, or the website of the Book Running Lead Manager (as defined hereinafter) or its affiliates, does not constitute nor form part of this Preliminary Placement Document and prospective investors should not rely on such information contained in, or available through, any such websites for their investment in this Issue.

The Equity Shares offered in the Issue have not been and will not be registered under the United States Securities Act of 1933, as amended (the “U.S. Securities Act”), or the securities laws of any state of the United States and may not be offered or sold in the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and any applicable state securities laws. The Equity Shares offered in the Issue are being offered and sold only outside the United States in “*offshore transactions*”, as defined in and in reliance on Regulation S under the U.S. Securities Act (“*Regulation S*”) and the applicable laws of the jurisdiction where those offers and sales are made. For the selling restrictions in certain other jurisdictions, see the section titled, “*Selling Restrictions*” on page 196 of this Preliminary Placement Document. Also see, “*Transfer Restrictions and Purchaser Representation*” on page 203 of this Preliminary Placement Document for information about transfer restrictions that apply to the Equity Shares sold in the Issue.

BOOK RUNNING LEAD MANAGER



ICICI SECURITIES LIMITED

This Preliminary Placement Document is dated June 24, 2024

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## NOTICE TO INVESTORS

Our Company has furnished and accepts full responsibility for all of the information contained in this Preliminary Placement Document and confirms that to the best of its knowledge and belief, having made all reasonable enquiries, this Preliminary Placement Document contains all information with respect to our Company, and its Subsidiary and the Equity Shares which our Company considers material in the context of the Issue. The statements contained in this Preliminary Placement Document relating to our Company, and its Subsidiary and the Equity Shares are, in all material respects, true and accurate and are not misleading, and the opinions and intentions expressed in this Preliminary Placement Document with regard to our Company, and its Subsidiary and the Equity Shares are honestly held, have been reached after considering all relevant circumstances and are based on reasonable assumptions and information presently available to us. There are no other facts in relation to our Company, and its Subsidiary and the Equity Shares, the omission of which would, in the context of the Issue, make any statement in this Preliminary Placement Document misleading in any material respect. Further, our Company has made all reasonable enquiries to ascertain such facts and to verify the accuracy of all such information and statements. Unless otherwise stated, all information in this Preliminary Placement Document is provided as of the date of this Preliminary Placement Document and neither our Company nor the BRLM have any obligation to update such information to a later date.

ICICI Securities Limited (the “**Book Running Lead Manager**” or the “**BRLM**”) has not separately verified all of the information contained in this Preliminary Placement Document (financial, legal or otherwise). Accordingly, neither the BRLM nor any of its shareholders, employees, counsel, officers, directors, representatives, agents, associates or affiliates make any express or implied representation, warranty or undertaking, and no responsibility or liability is accepted by the BRLM or any of its shareholders, employees, counsel, officers, directors, representatives, agents, associates or affiliates as to the accuracy or completeness of the information contained in this Preliminary Placement Document or any other information supplied in connection with the Issue or the distribution of the Equity Shares. Each person receiving this Preliminary Placement Document acknowledges that such person has neither relied on the BRLM nor any of its shareholders, employees, counsel, officers, directors, representatives, agents, associates or affiliates other than our Company in connection with such person’s investigation of the accuracy of such information or such person’s investment decision, and each such person must rely on its own examination of our Company and the merits and risks involved in investing in the Equity Shares.

This Preliminary Placement Document is being furnished on a confidential basis solely for the purpose of enabling prospective Eligible QIBs to consider subscribing for the particular securities described herein. Distribution of this Preliminary Placement Document to any person other than the Eligible QIBs specified by the Book Running Lead Manager or its representatives, and those persons, if any, retained to advise such investor with respect thereto, is unauthorised, and any disclosure of its contents, without prior written consent of our Company, is prohibited. Any reproduction or distribution of this Preliminary Placement Document, in whole or in part, and any disclosure of its contents to any other person is prohibited. Each prospective investor, by accepting delivery of this Preliminary Placement Document, agrees to observe the foregoing restrictions and make no copies of this Preliminary Placement Document or any offering material in connection with the Equity Shares.

No person is authorised to give any information or to make any representation not contained in this Preliminary Placement Document and any information or representation not so contained must not be relied upon as having been authorised by, or on behalf of the BRLM. The delivery of this Preliminary Placement Document at any time does not imply that the information contained in it is correct as of any time subsequent to its date.

The information contained in this Preliminary Placement Document has been provided by our Company and from other sources identified herein. The distribution of this Preliminary Placement Document or the disclosure of its contents without the prior consent of our Company to any person, other than Eligible QIBs whose names are recorded by our Company prior to the invitation to subscribe to the Issue in consultation with the Book Running Lead Manager or their representatives and those retained by Eligible QIBs to advise them with respect to their subscription of the Equity Shares, is unauthorized and prohibited. Each prospective investor, by accepting delivery of this Preliminary Placement Document, agrees to observe the foregoing restrictions and to make no copies of this Preliminary Placement Document or any documents referred to in this Preliminary Placement Document. Any reproduction or distribution of this Preliminary Placement Document in the United States, in whole or in part, and any disclosure of its contents to any other person is prohibited.

**The Equity Shares have not been approved, disapproved or recommended by any regulatory authority in any jurisdiction, including the United States Securities and Exchange Commission (“SEC”), any other federal or state authorities in the United States, the securities authorities of any non-United States**

**jurisdiction and any other United States or non- United States regulatory authority. No authority has passed on or endorsed the merits of this Issue or the accuracy or adequacy of this Preliminary Placement Document. Any representation to the contrary may be a criminal offence in certain jurisdictions.**

The Equity Shares offered in the Issue have not been and will not be registered under the U.S. Securities Act or the securities laws of any state of the United States and may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and any applicable U.S. state securities laws. The Equity Shares offered in the Issue are being offered and sold only outside the United States in “offshore transactions”, as defined in and in reliance on Regulation S under the U.S. Securities Act (“**Regulation S**”) and the applicable laws of the jurisdiction where those offers and sales are made. The equity Shares are transferable only in accordance with the restrictions described in “*Selling Restrictions*” and “*Transfer Restrictions and Purchaser Representations*” on pages 196 and 203, respectively. Subscribers and purchasers of the Equity Shares will be deemed to make the representations, warranties, acknowledgements and agreements set forth in “*Representations by Investors*”, “*Selling Restrictions*” and “*Transfer Restrictions and Purchaser Representations*” on pages 6, 196 and 203 respectively of this Preliminary Placement Document

The distribution of this Preliminary Placement Document and the issue of the Equity Shares in certain jurisdictions may be restricted by law. As such, this Preliminary Placement Document does not constitute, and may not be used for or in connection with, an offer or solicitation by anyone in any jurisdiction in which such offer or solicitation is not authorised or to any person to whom it is unlawful to make such offer or solicitation. In particular, no action has been taken by our Company or the BRLM which would permit an offering of the Equity Shares or distribution of this Preliminary Placement Document in any jurisdiction other than India where action for that purpose is required. Accordingly, the Equity Shares may not be offered or sold, directly or indirectly, and neither this Preliminary Placement Document nor any Issue materials in connection with the Equity Shares may be distributed or published in or from any country or jurisdiction that would require registration of the Equity Shares in such country or jurisdiction.

In making an investment decision, investors must rely on their own examination of our Company, the Equity Shares and the terms of the Issue, including the merits and risks involved. Investors should not construe the contents of this Preliminary Placement Document as legal, business, tax, accounting or investment advice. Investors should consult their own counsel and advisors as to business, legal, tax, accounting and related matters concerning the Issue. In addition, neither our Company nor the BRLM is making any representation to any offeree or subscriber of the Equity Shares regarding the legality of an investment in the Equity Shares by such offeree or subscriber under applicable laws or regulations.

**Each Bidder in the Issue is deemed to have acknowledged, represented and agreed that it is an Eligible QIB and is eligible to invest in India and in our Company under Indian laws, including Chapter VI of the SEBI ICDR Regulations and Section 42 (read with Rule 14 of the PAS Rules) and other applicable provisions of the Companies Act, 2013, and is not prohibited by SEBI or any other regulatory authority from buying, selling or dealing in securities. This Preliminary Placement Document contains summaries of certain terms of certain documents, which are qualified in their entirety by the terms and conditions of such documents and disclosures included in the section titled “*Risk Factors*” on page 42.**

The information on our Company’s website at [www.borosil.com](http://www.borosil.com) or any website directly or indirectly linked to our Company’s website or the website of the BRLM, its associates or its affiliates, or the website of the Stock Exchanges does not constitute or form part of this Preliminary Placement Document. Prospective investors should not rely on any such information contained in, or available through, any such websites.



## **NOTICE TO INVESTORS IN CERTAIN OTHER JURISDICTIONS**

This Preliminary Placement Document is not an offer to sell securities and is not soliciting an offer to subscribe to or buy securities in any jurisdiction where such offer, solicitation, sale or subscription is not permitted. For information relating to investors in certain other jurisdictions, see “*Selling Restrictions*” and *Transfer Restrictions and Purchaser Representations*” on pages 196 and 203 respectively.

## REPRESENTATIONS BY INVESTORS

All references to “you” and “your” in this section are to the prospective investors in the Issue. By Bidding for and/or subscribing to any Equity Shares under this Issue, you are deemed to have made the representations, warranties, acknowledgements, and agreements set forth in the sections titled “*Notice to Investors*”, “*Selling Restrictions*” and “*Transfer Restrictions and Purchase Representations*” on pages 3, 196 and 203, respectively, and you are deemed to have represented, warranted, acknowledged and agreed to our Company and the Book Running Lead Manager, as follows:

1. Your decision to subscribe to the Equity Shares to be issued pursuant to the Issue has not been made based on any information relating to our Company which is not set forth in this Preliminary Placement Document;
2. You are a “Qualified Institutional Buyer” as defined in Regulation 2(1)(ss) of the SEBI ICDR Regulations and not excluded pursuant to Regulation 179(2)(b) of the SEBI ICDR Regulations, having a valid and existing registration under applicable laws and regulations of India, and undertake to (i) acquire, hold, manage or dispose of any Equity Shares that are Allotted (hereinafter defined) to you in accordance with Chapter VI of the SEBI ICDR Regulations, the Companies Act, 2013, to the extent applicable, and all other applicable laws; and (ii) comply with all requirements under applicable law, including reporting obligations, requirements/ making necessary filings, if any, in connection with the Issue;
3. You are eligible to invest in India under applicable law, including the FEMA Rules (as defined hereinafter) and any notifications, circulars or clarifications issued thereunder, and have not been prohibited by SEBI, RBI or any other regulatory authority, statutory authority or otherwise, from buying, selling or dealing in securities or otherwise accessing capital markets in India. Additionally, you are aware that, in terms of the SEBI FPI Regulations, you are not permitted to acquire 10% or more of the post-Issue Equity Share capital of our Company;
4. If you are not a resident of India, but you confirm that you are an Eligible FPI (and are not an individual, corporate body or family office) as defined in this Preliminary Placement Document and have a valid and existing registration with SEBI under the applicable laws in India and are eligible to invest in India under applicable law, including the FEMA Rules, and any notifications, circulars or clarifications issued thereunder. You will make all necessary filings with appropriate regulatory authorities, including RBI, as required pursuant to applicable laws. You have not been prohibited by SEBI, RBI or any other regulatory authority, from buying, selling or dealing in securities or otherwise accessing the capital markets. You confirm that you are not a FVCI or a non-resident multilateral or bilateral development financial institution;
5. You are eligible to invest in and hold the Equity Shares of our Company in accordance with the Consolidated FDI Policy and FEMA Rules, read along with the press note no. 3 (2020 Series), dated April 17, 2020, issued by the Department for Promotion of Industry and Internal Trade, Government of India and the related amendments to the FEMA Rules. You confirm that neither is your investment as an entity from a country which shares a land border with India nor is the beneficial owner of your investment situated in or is a citizen of such country (in each which case, investment can only be through the Government approval route);
6. You will provide the information as required under the Companies Act, 2013 and the PAS Rules for record keeping by our Company, including your name, complete address, phone number, e-mail address, permanent account number and bank account details and such other details as may be prescribed or otherwise required even after the closure of the Issue;
7. If you are Allotted Equity Shares pursuant to the Issue, you shall not sell the Equity Shares so acquired, for a period of one year from the date of Allotment (hereinafter defined), except on the Stock Exchanges. Please note additional requirements or requirements apply if you are in certain other jurisdictions and in accordance with any other resale restrictions applicable to you. For details, see “*Selling Restrictions*” and “*Transfer Restrictions and Purchaser Representations*” on pages 196 and 203 respectively;
8. You are aware that this Preliminary Placement Document has not been, and will not be, filed as a prospectus with the RoC under the Companies Act, 2013, the SEBI ICDR Regulations or under any other

law in force in India and, no Equity Shares will be offered in India or overseas to the public or any members of the public in India or any other class of investors other than Eligible QIBs. You acknowledge that this Preliminary Placement Document has not been reviewed, verified or affirmed by SEBI, the RoC, the Stock Exchanges or any other regulatory or listing authority and is intended only for use by Eligible QIBs. The Placement Document shall be filed with the Stock Exchanges for record purposes only and be displayed on the websites of our Company and the Stock Exchanges;

9. You are entitled to subscribe for and acquire the Equity Shares under the laws of all relevant jurisdictions applicable to you and that you have fully observed such laws and you have all necessary capacity and have obtained all necessary consents and authorisations, as may be required and complied with and shall comply with all necessary formalities to enable you to participate in the Issue and to perform your obligations in relation thereto (including without limitation, in the case of any person on whose behalf you are acting, all necessary consents and authorizations to agree to the terms set out or referred to in this Preliminary Placement Document), and will honour such obligations;
10. Neither our Company, nor the Book Running Lead Manager nor any of their respective shareholders, directors, officers, employees, counsels, representatives, agents or affiliates are making any recommendations to you or advising you regarding the suitability of any transactions it may enter into in connection with the Issue and your participation in the Issue is on the basis that you are not, and will not, up to the Allotment of the Equity Shares, be a client of the Book Running Lead Manager. Neither the Book Running Lead Manager nor any of its shareholders, directors, officers, employees, counsels, representatives, agents or affiliates has any duty or responsibility to you for providing the protection afforded to their clients or customers or for providing advice in relation to the Issue and are not in any way acting in any fiduciary capacity;
11. All statements other than statements of historical fact included in this Preliminary Placement Document, including, without limitation, those regarding our financial position, business strategy, plans and objectives of management for future operations (including development plans and objectives relating to our business), are forward-looking statements. Such forward-looking statements involve known and unknown risks, uncertainties and other important factors that could cause actual results to be materially different from future results, performance or achievements expressed or implied by such forward-looking statements. Such forward-looking statements are based on numerous assumptions regarding our present and future business strategies and environment in which we will operate in the future. You should not place undue reliance on forward-looking statements, which speak only as of the date of this Preliminary Placement Document. Neither our Company, nor the Book Running Lead Manager or any of their respective shareholders, directors, officers, employees, counsels, representatives, agents or affiliates assumes any responsibility to update any of the forward-looking statements contained in this Preliminary Placement Document;
12. You are aware that the Equity Shares are being offered only to Eligible QIBs on a private placement basis and are not being offered to the general public, or any other category of investors other than the Eligible QIBs and the Allotment shall be on a discretionary basis at the discretion of our Company in consultation with the Book Running Lead Manager;
13. You have made, or been deemed to have made, as applicable, the representations, warranties, acknowledgments and undertakings as set out under “*Selling Restrictions*” and “*Transfer Restrictions and Purchaser Representations*” on pages 196 and 203 respectively;
14. You have been provided a serially numbered copy of this Preliminary Placement Document, and have read it in its entirety, including the “*Risk Factors*” on page 42;
15. In making your investment decision, you have (i) relied on your own examination of our Company, and its Subsidiary and the terms of the Issue, including the merits and risks involved, (ii) made and will continue to make your own assessment of our Company, its Subsidiary and the Equity Shares and the terms of the Issue based on such information as is publicly available, (iii) consulted your own independent counsels and advisors or otherwise have satisfied yourself concerning, the effects of local laws (including tax laws), (iv) relied solely on the information contained in this Preliminary Placement Document and no other disclosure or representation by our Company or any other party, and (v) relied upon your own investigation and resources in deciding to invest in the Issue;

16. Neither the Book Running Lead Manager nor any of its shareholders, directors, officers, employees, counsels, representatives, agents or affiliates, has provided you with any tax advice or otherwise made any representations regarding the tax consequences of purchase, ownership and disposal of the Equity Shares (including the Issue and the use of proceeds from the Equity Shares). You will obtain your own independent tax advice and will not rely on the Book Running Lead Manager or any of its shareholders, directors, officers, employees, counsels, representatives, agents or affiliates, when evaluating the tax consequences in relation to the Equity Shares (including, in relation to the Issue and the use of proceeds from sale of the Equity Shares). You waive, and agree not to assert any claim against, either of the Book Running Lead Manager or any of its shareholders, directors, officers, employees, counsels, representatives, agents or affiliates, with respect to the tax aspects of the Equity Shares or as a result of any tax audits by tax authorities, wherever situated;
17. You are a sophisticated investor and have such knowledge and experience in financial business and investment matters as to be capable of evaluating the merits and risks of the investment in the Equity Shares and you and any managed accounts for which you are subscribing to the Equity Shares (i) are each able to bear the economic risk of the investment in the Equity Shares, (ii) will not look to our Company and/or the Book Running Lead Manager or any of their respective shareholders, directors, officers, employees, counsels, representatives, agents or affiliates, for all or part of any such loss or losses that may be suffered in connection with the Issue, including losses arising out of non-performance by our Company of any of its respective obligations or any breach of any representations and warranties by our Company, whether to you or otherwise, (iii) are able to sustain a complete loss on the investment in the Equity Shares, (iv) have no need for liquidity with respect to the investment in the Equity Shares, and (v) have no reason to anticipate any change in your or their circumstances or any accounts for which you are subscribing, financial or otherwise, which may cause or require any sale or distribution by you or them of all or any part of the Equity Shares. You are seeking to subscribe to the Equity Shares in the Issue for your own investment and not with a view to resell or distribute;
18. If you are acquiring the Equity Shares for one or more managed accounts, you represent and warrant that you are authorized in writing, by each such managed account to acquire the Equity Shares for each managed account and make the representations, warranties, acknowledgements, undertakings and agreements herein for and on behalf of each such account, reading the reference to 'you' to include such accounts;
19. You are not a 'promoter' of our Company (as defined under the SEBI ICDR Regulations or the Companies Act, 2013), and are not a person related to the Promoters (as defined hereinafter), either directly or indirectly and your Bid (hereinafter defined) does not directly or indirectly represent any Promoters or members of the Promoter Group (as defined under the SEBI ICDR Regulations) of our Company or persons or entities related thereto;
20. You have no rights under a shareholders' agreement or voting agreement entered into with the Promoters or members of the Promoter Group, no veto rights or right to appoint any nominee director on the Board of Directors of our Company, other than the rights, if any, acquired in the capacity of a lender not holding any Equity Shares (a QIB who does not hold any Equity Shares and who has acquired the said rights in the capacity of a lender shall not be deemed to be a person related to our Promoters);
21. You are eligible to Bid for and hold Equity Shares so Allotted together with any Equity Shares held by you prior to the Issue. You further confirm that your aggregate holding after the Allotment of the Equity Shares shall not exceed the levels permissible as per any applicable law;
22. To the best of your knowledge and belief, your aggregate holding, together with other Eligible QIBs in the Issue that belong to the same group or are under common control as you, pursuant to the Allotment under the Issue shall not exceed 50% of the Issue Size (as defined hereinafter). For the purposes of this representation:
  - a. Eligible QIBs "belonging to the same group" shall mean entities where (a) any of them controls, directly or indirectly, through its subsidiary or holding company, not less than 15% of the voting rights in the other; (b) any of them, directly or indirectly, by itself, or in combination with other persons, exercise control over the others; or (c) there is a common director, excluding nominee and independent directors, amongst an Eligible QIBs, its subsidiary or holding company and any other Eligible QIB; and

- b. 'Control' shall have the same meaning as is assigned to it under Regulation 2(1)(e) of the SEBI Takeover Regulations.
23. You are aware that (i) applications for in-principle approval, in terms of Regulation 28 of the SEBI Listing Regulations, for listing and admission of the Equity Shares and for trading on the Stock Exchanges, were made and approval has been received from each of the Stock Exchanges, and (ii) final applications will be made for obtaining listing and trading approvals from the Stock Exchanges, and that there can be no assurance that such approvals will be obtained on time or at all. Neither our Company nor the Book Running Lead Manager nor any of their respective shareholders, directors, officers, employees, counsels, representatives, agents or affiliates shall be responsible for any delay or non-receipt of such final listing and trading approvals or any loss arising therefrom;
24. You shall not undertake any trade in the Equity Shares credited to your beneficiary account with the Depository Participant until such time that the final listing and trading approvals for the Equity Shares are issued by the Stock Exchanges;
25. You are aware that in terms of the requirements of the Companies Act, 2013 upon Allocation, our Company will be required to disclose names and percentage of post-Issue shareholding of the proposed Allottees in the Placement Document. However, disclosure of such details in relation to the proposed Allottees in the Placement Document will not guarantee Allotment to them, as Allotment in the Issue shall continue to be at the sole discretion of our Company, in consultation with the Book Running Lead Manager;
26. You agree in terms of Section 42 of the Companies Act, 2013 and Rule 14 of the PAS Rules, that our Company shall make necessary filings with the RoC as may be required under the Companies Act, 2013;
27. You acknowledge that this Preliminary Placement Document does not, and the Placement Document shall not confer upon or provide you with any right of renunciation of the Equity Shares offered through the Issue in favour of any person;
28. You are aware that if you, together with any other Eligible QIBs belonging to the same group or under common control, are Allotted 5% or more of the Equity Shares in this Issue, our Company shall be required to disclose the name of such Allottees and the number of Equity Shares Allotted to the Stock Exchanges and the Stock Exchanges will make the same available on their website and you consent to such disclosures being made by our Company;
29. You are aware and understand that the Book Running Lead Manager has entered into a Placement Agreement with our Company, whereby the Book Running Lead Manager has, subject to the satisfaction of certain conditions set out therein, severally and not jointly, undertaken to use their reasonable efforts to seek to procure subscription for the Equity Shares on the terms and conditions set out therein;
30. The contents of this Preliminary Placement Document are exclusively the responsibility of our Company and that neither the Book Running Lead Manager nor any person acting on its or their behalf or any of the counsels or advisors to the Issue has or shall have any liability for any information, representation or statement contained in this Preliminary Placement Document or any information previously published by or on behalf of our Company and will not be liable for your decision to participate in the Issue based on any information, representation or statement contained in this Preliminary Placement Document or otherwise. By accepting participation in the Issue, you agree to the same and confirm that the only information you are entitled to rely on, and on which you have relied in committing yourself to acquire the Equity Shares is contained in this Preliminary Placement Document, such information being all that you deem necessary to make an investment decision in respect of the Equity Shares, and you have neither received nor relied on any other information, representation, warranty or statement made by, or on behalf of, the Book Running Lead Manager or our Company or any other person and neither the Book Running Lead Manager nor our Company or any of their respective affiliates, including any view, statement, opinion or representation expressed in any research published or distributed by them, and the Book Running Lead Manager and its affiliates will not be liable for your decision to accept an invitation to participate in the Issue based on any other information, representation, warranty, statement or opinion;
31. Neither the Book Running Lead Manager nor any of its affiliates have any obligation to purchase or acquire all or any part of the Equity Shares purchased by you in the Issue or to support any losses directly

or indirectly sustained or incurred by you for any reason whatsoever in connection with the Issue, including non-performance by our Company of any of its obligations or any breach of any representations and warranties by our Company, whether to you or otherwise;

32. You acknowledge that (i) an investment in the Equity Shares involves a high degree of risk and that the Equity Shares are, therefore, a speculative investment, (ii) you have sufficient knowledge, sophistication and experience in financial and business matters so as to be capable of evaluating the merits and risk of the purchase of the Equity Shares, and (iii) you are experienced in investing in private placement transactions of securities of companies in a similar stage of development and in similar jurisdictions and have such knowledge and experience in financial, business and investments matters that you are capable of evaluating the merits and risks of your investment in the Equity Shares;
33. You are subscribing to the Equity Shares to be issued pursuant to the Issue in accordance with applicable laws and by participating in this Issue, you are not in violation of any applicable law, including but not limited to the SEBI Insider Trading Regulations, the Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices relating to Securities Market) Regulations, 2003 and the Companies Act, 2013;
34. Either (i) you have not participated in or attended any investor meetings or presentations by our Company or its agents with regard to our Company or this Issue ("**Company Presentations**"); or (ii) if you have participated in or attended any Company Presentations: (a) you understand and acknowledge that the Book Running Lead Manager may not have the knowledge of the statements that our Company or its agents may have made at such Company Presentations and are therefore unable to determine whether the information provided to you at such meetings or presentations included any material misstatements or omissions, and, accordingly you acknowledge that Book Running Lead Manager has advised you not to rely in any way on any such information that was provided to you at such meetings or presentations, and (b) you confirm that, to the best of your knowledge, you have not been provided any material information that was not publicly available;
35. You understand that the Equity Shares have not been and will not be registered under the U.S. Securities Act or with any securities regulatory authority of any state of the United States and accordingly, may not be offered or sold within the United States, except pursuant to an exemption from the registration requirements of the U.S. Securities Act and applicable state securities laws;
36. If you are outside the United States, you are subscribing for the Equity Shares in an "offshore transaction" as defined in and in reliance on Regulation S and in compliance with laws of all jurisdictions applicable to you, and are not our Company's or the BRLM's affiliate or a person acting on behalf of such an affiliate;
37. You are not acquiring or subscribing for the Equity Shares as a result of any "general solicitation" or "general advertising" (as those terms are defined in Regulation D under the U.S. Securities Act) or "directed selling efforts" (as defined in Regulation S) and you understand and agree that offers and sales are being made in reliance on an exemption to the registration requirements of the U.S. Securities Act. You understand and agree that the Equity Shares are transferable only in accordance with the restrictions described under the sections titled "*Selling Restrictions*" and "*Transfer Restrictions and Purchaser Representations*" on pages 196 and 203, respectively;
38. Each of the representations, warranties, acknowledgements and agreements set out above shall continue to be true and accurate at all times up to and including the Allotment, listing and trading of the Equity Shares in the Issue. You agree to indemnify and hold our Company and the Book Running Lead Manager and their respective affiliates and their respective directors, officers, employees and controlling persons harmless from any and all costs, claims, liabilities and expenses (including legal fees and expenses) arising out of or in connection with any breach of the foregoing representations, warranties, acknowledgements, agreements and undertakings made by you in this Preliminary Placement Document. You agree that the indemnity set out in this paragraph shall survive the resale of the Equity Shares by, or on behalf of, the managed accounts;
39. Our Company, the Book Running Lead Manager, their respective affiliates, directors, officers, employees and controlling persons and others will rely on the truth and accuracy of the foregoing representations, warranties, acknowledgements and undertakings, which are given to the Book Running Lead Manager

on their own behalf and on behalf of our Company, and are irrevocable;

40. You agree that any dispute arising in connection with the Issue will be governed by and construed in accordance with the laws of Republic of India, and the courts in Mumbai, India shall have sole and exclusive jurisdiction to settle any disputes which may arise out of or in connection with this Preliminary Placement Document and the Placement Document;
41. The Bid made by you would not result in triggering a tender offer under the SEBI Takeover Regulations and you shall be solely responsible for compliance with all other applicable provisions of the SEBI Takeover Regulations; and
42. You have no right to withdraw your Application Form or revise your Bid downwards after the Issue Closing Date (as defined hereinafter).



## OFFSHORE DERIVATIVE INSTRUMENTS

Subject to compliance with all applicable Indian laws, rules, regulations, guidelines, and approvals in terms of Regulation 21 of the SEBI FPI Regulations and the SEBI circular dated November 5, 2019 on operational guidelines for FPIs, designated depository participants and eligible foreign investors (the “**FPI Operational Guidelines**”), FPIs, including the affiliates of the Book Running Lead Manager, who are registered as Category I FPIs can issue, subscribe and deal in offshore derivative instruments (as defined under the SEBI FPI Regulations, i.e., as any instrument, by whatever name called, which is issued overseas by a FPI against securities held by it in India, as its underlying) (all such offshore derivative instruments are referred to herein as “**P-Notes**”) and persons who are eligible for registration as category I FPIs can subscribe to or deal in such P-Notes, provided that in the case of an entity that has an investment manager who is from the Financial Action Task Force member country, such investment manager shall not be required to be registered as a Category I FPI. The above-mentioned Category I FPIs may receive compensation from the purchasers of such P-Notes. In terms of Regulation 21 of SEBI FPI Regulations, P-Notes may be issued only by such persons who are registered as Category I FPIs and they may be issued only to persons eligible for registration as Category I FPIs, subject to exceptions provided in the SEBI FPI Regulations and compliance with ‘know your client’ requirements, as specified by SEBI and subject to compliance with such other conditions as may be specified by SEBI from time to time. An Eligible FPI shall also ensure that no transfer of any instrument referred to above is made to any person unless such FPIs are registered as Category I FPIs and such instrument is being transferred only to persons eligible for registration as Category I FPIs subject to requisite consents being obtained in terms of Regulation 21 of SEBI FPI Regulations. P-Notes have not been, and are not being offered, or sold pursuant to this Preliminary Placement Document and the Placement Document. This Preliminary Placement Document does not contain any information concerning P-Notes or the issuer(s) of any P-Notes, including, without limitation, any information regarding any risk factors relating thereto.

Subject to certain relaxations provided under Regulation 22(4) of the SEBI FPI Regulations, investment by a single FPI including its investor group (multiple entities registered as FPIs and directly or indirectly, having common ownership of more than 50% or common control) is not permitted to be 10% or more of our post-Issue Equity Share capital on a fully diluted basis. The SEBI has issued the FPI Operational Guidelines to facilitate implementation of the SEBI FPI Regulations. In terms of the FPI Operational Guidelines, the above-mentioned restrictions shall also apply to subscribers of offshore derivative instruments and two or more subscribers of offshore derivative instruments having common ownership, directly or indirectly, of more than 50% or common control shall be considered together as a single subscriber of the offshore derivative instruments. Further, in the event a prospective investor has investments as an FPI and as a subscriber of offshore derivative instruments, these investment restrictions shall apply on the aggregate of the FPI and offshore derivative instruments investments held in the underlying company. Further, in accordance with Press Note No. 3 (2020 Series), dated April 17, 2020, read with the FDI Policy, issued by the Department for Promotion of Industry and Internal Trade, Government of India, investments where the entity is of a country which shares land border with India or where the beneficial owner of the Equity Shares is situated in or is a citizen of a country which shares land border with India, can only be made through the Government approval route, as prescribed in the FDI Policy and FEMA rules. These investment restrictions shall also apply to subscribers of offshore derivative instruments.

Affiliates of the BRLM which are Eligible FPIs may purchase, to the extent permissible under law, the Equity Shares in the Issue, and may issue P-Notes in respect thereof. Any P-Notes that may be issued are not securities of our Company and do not constitute any obligation of, claims on or interests in our Company. Our Company has not participated in any offer of any P-Notes, or in the establishment of the terms of any P-Notes, or in the preparation of any disclosure related to any P-Notes. Any P-Notes that may be offered are issued by and are the sole obligations of third parties that are unrelated to our Company. Our Company, and the BRLM does not make any recommendation as to any investment in P-Notes and does not accept any responsibility whatsoever in connection with any P-Notes. Any P-Notes that may be issued are not securities of the BRLM and do not constitute any obligations of or claims on the BRLM.

**Bidders interested in purchasing any P-Notes have the responsibility to obtain adequate disclosures as to the issuer(s) of such P-Notes and the terms and conditions of any such P-Notes from the issuer(s) of such P-Notes. Neither SEBI nor any other regulatory authority has reviewed or approved any P-Notes, or any disclosure related thereto. Bidders are urged to consult their own financial, legal, accounting and tax advisors regarding any contemplated investment in P-Notes, including whether P-Notes are issued in compliance with applicable laws and regulations.**

Please also see “*Selling Restrictions*” and “*Transfer Restrictions and Purchaser Representations*” on pages 196 and 203, respectively.

## **DISCLAIMER CLAUSE OF THE STOCK EXCHANGES**

As required, a copy of this Preliminary Placement Document has been submitted to each of the Stock Exchanges.

The Stock Exchanges do not in any manner:

- (a) warrant, certify or endorse the correctness or completeness of the contents of this Preliminary Placement Document;
- (b) warrant that the Equity Shares to be issued pursuant to the Issue will be listed or will continue to be listed on the Stock Exchanges; or
- (c) take any responsibility for the financial or other soundness of our Company, its Promoters, its management or any scheme or project of our Company,

and it should not for any reason be deemed or construed to mean that this Preliminary Placement Document has been cleared or approved by the Stock Exchanges. Every person who desires to apply for or otherwise acquire any Equity Shares may do so pursuant to an independent inquiry, investigation and analysis and shall not have any claim against the Stock Exchanges whatsoever, by reason of any loss which may be suffered by such person consequent to or in connection with, such subscription/ acquisition, whether by reason of anything stated or omitted to be stated herein, or for any other reason whatsoever.

## **PRESENTATION OF FINANCIAL AND OTHER FINANCIAL INFORMATION**

### **Certain Conventions**

In this Preliminary Placement Document, unless otherwise specified or the context otherwise indicates or implies, references to “you”, “your”, “offeree”, “purchaser”, “subscriber”, “recipient”, “investors”, “prospective investors” and “potential investor” are to the Eligible QIBs in the Issue and references to the “Issuer”, “the Company”, “our Company” refers to Borosil Limited and references to “we”, “us”, or “our” are to our Company together with its Subsidiary, on a consolidated basis.

Unless otherwise specified or the context otherwise requires, all references in this Preliminary Placement Document to (i) the ‘US’ or ‘U.S.’ or the ‘United States’ or the ‘U.S.A’ are to the United States of America and its territories and possessions; (ii) ‘India’ are to the Republic of India and its territories and possessions; and (iii) the ‘UK’ or ‘U.K.’ or the ‘United Kingdom’ are to the United Kingdom of Great Britain and its territories and possessions; and (iv) the ‘Government’ or ‘GoI’ or the ‘Central Government’ or the ‘State Government’ are to the Government of India, Central or State, as applicable.

In this Preliminary Placement Document, references to ‘INR’, ‘₹’, ‘Rs.’, ‘Indian Rupees’ and ‘Rupees’ are to the legal currency of India, references to “GBP” or “£”, are to the legal currency of United Kingdom and references to ‘USD’, ‘U.S. Dollars’ and ‘US\$’ are to the legal currency of the United States.

References to the singular also refer to the plural and one gender also refers to any other gender, wherever applicable. Unless stated otherwise, throughout this Preliminary Placement Document, all figures have been expressed in Rupees in ₹ lakhs.

In this Preliminary Placement Document, references to “Lakh” represents “100,000”, “million” represents “1,000,000”, “crore” represents “10,000,000”, and “billion” represents “1,000,000,000”.

Certain figures contained in this Preliminary Placement Document, including financial information, have been subject to rounding adjustments. Any discrepancies in any table between the totals and the sum of the amounts listed are due to rounding off. In certain instances, (i) the sum or percentage change of such numbers may not conform exactly to the total figure given, and (ii) the sum of the figures in a column or row in certain tables may not conform exactly to the total figure given for that column or row. Unless otherwise specified, all financial numbers in parenthesis represent negative figures.

### **Page Numbers**

Unless otherwise stated, all references to page numbers in this Preliminary Placement Document are to page numbers of this Preliminary Placement Document.

### **Financial and Other Information**

The financial year of our Company commences on April 1 of each calendar year and ends on March 31 of the following calendar year, and, unless otherwise specified or if the context requires otherwise. The terms “Fiscal”, “Financial Year”, “Fiscals” or “Fiscal Year”, refer to the 12 month period ending March 31 of that particular year. Unless stated otherwise, the financial data in this Preliminary Placement Document is derived from the Financial Statements.

This Preliminary Placement Document includes the following:

- a) Financial Year 2022 Audited Consolidated Financial Statements
- b) Financial Year 2023 Audited Consolidated Financial Statements
- c) Financial Year 2024 Audited Consolidated Financial Statements

(a), (b) and (c) are collectively referred to in this Preliminary Placement Document as the Audited Financial Statements. The Audited Financial Statements should be read along with the respective audit reports.

The National Company Law Tribunal, Mumbai Bench (“NCLT”) had sanctioned the Composite Scheme of Arrangement amongst Borosil Limited (“**Demerged Company**” or the “**Company**”), Klass Pack Limited (renamed as “**Borosil Scientific Limited**”) (“BSL” or “**Resulting Company**” or “**Transferee Company**”) and Borosil Technologies Limited (“BTL” or “**Transferor Company**”) and their respective shareholders and creditors (“**Scheme**”) through its order dated November 2, 2023 which inter alia provided for: (a) reduction and reorganization of share capital of BSL; (b) demerger of Scientific and Industrial Products Business from the Company into BSL and consequent issue of shares by BSL; and (c) amalgamation of BTL with BSL. The Appointed Date of the Scheme was April 1, 2022. The Scheme became effective from December 2, 2023. Pursuant to the Scheme, BSL, BTL and Goel Scientific Glass Works Limited have ceased to be subsidiary companies of the Company. The Financial Year 2024 Audited Consolidated Financial Statements have been prepared after giving effect of the Scheme from the Appointed Date however, the comparative figures of the year ended March 31, 2023 have been restated by the management to give effect of the Scheme.

However, the financial information derived from and arising out of the audited consolidated financial statements for the Financial Years 2023 and 2022 does not reflect the effect of the Scheme and accordingly also include the financial performance of the Scientific and Industrial Products Business and the consumer products businesses. Accordingly, the financial information for Financial Years 2023 and 2022 represents business, results of operations, cash flows and financial condition of the Company prior to giving effect of the Scheme. For further information on the restructuring please refer to “*Our Business – Group Restructuring Process*” and “*Risk Factors – Internal Risk Factors - Our audited consolidated financial statements for Financial Year 2024 reflects the impact of the demerger pursuant to the Scheme implemented by our Company*” appearing on pages 145 and 47, respectively.

Our Company prepares its financial statements in accordance with Ind AS, Companies Act, and other applicable statutory and/or regulatory requirements. Our Company publishes its financial statements in Indian Rupees. Ind AS differs from accounting principles with which prospective investors may be familiar in other countries, including IFRS and US GAAP and the reconciliation of the financial information to other accounting principles has not been provided. No attempt has been made to explain those differences or quantify their impact on the financial data included in this Preliminary Placement Document and investors should consult their own advisors regarding such differences and their impact on our Company’s financial data. The degree to which the financial information included in this Preliminary Placement Document will provide meaningful information is entirely dependent on the reader’s level of familiarity with Indian accounting policies and practices, Ind AS, the Companies Act and the SEBI ICDR Regulations. Any reliance by persons not familiar with Ind AS, the Companies Act, the SEBI ICDR Regulations and practices on the financial disclosures presented in this Preliminary Placement Document should accordingly be limited. Also see, “*Risk Factors – Internal Risk Factors- Significant differences exist between the Indian Accounting Standards (Ind AS) used to prepare our financial information and other accounting principles, such as the United States Generally Accepted Accounting Principles (U.S. GAAP) and the International Financial Reporting Standards (IFRS), which may affect investors’ assessments of our Company’s financial condition*” on page 65.

All the numbers in this Preliminary Placement Document have been presented in lakhs, unless stated otherwise. The amounts derived from financial statements included herein are presented in ₹ lakhs.

### **Non-GAAP Financial Measures**

Certain non-GAAP financial measures and certain other statistical information relating to our operations and financial performance such as EBITDA, EBITDA margin, EBITDA growth CAGR, PAT, PAT Margin, return on equity, return on capital employed, Debt to Equity Ratio, fixed asset turnover, net working capital days, operating cash flow and Gearing Ratio have been included in this Preliminary Placement Document. These may not be computed on the basis of any standard methodology that is applicable across the industry and therefore may not be comparable to financial measures and statistical information of similar nomenclature that may be computed and presented by other companies and are not measures of operating performance or liquidity defined by Ind AS and may not be comparable to similarly titled measures presented by other companies.

## INDUSTRY AND MARKET DATA

Information regarding market position, growth rates, other industry data and certain industry forecasts pertaining to our business contained in this Preliminary Placement Document consists of estimates based on data reports compiled by government bodies, data from other external sources and knowledge of the markets in which we compete. Unless stated otherwise, the statistical information included in this Preliminary Placement Document relating to the industry in which we operate has been reproduced from various trade, industry and government publications and websites more particularly described in the section titled “*Industry Overview*” on page 109.

The industry, market and economic data included in this Preliminary Placement Document has been derived from the report “*Industry Report on Kitchenware and Kitchen Appliances Market in India*” dated June 22, 2024 prepared exclusively for the Issue and released by Technopak Advisors Private Limited (“**Technopak Report**”), commissioned and paid by our Company in connection with the Issue. Technopak Advisors Private Limited (“**Technopak**”) was appointed pursuant to an engagement letter dated January 24, 2024. Technopak is not related in any manner to our Company, our Directors, our Key Managerial Personnel, members of our Senior Management, our Promoters, our Subsidiary or the Book Running Lead Manager to the Issue.

This data in the Technopak Report is subject to change and cannot be verified with certainty due to limits on the availability and reliability of the raw data and other limitations and uncertainties inherent in any statistical survey. In many cases, there is no readily available external information (whether from trade or industry associations, government bodies or other organizations) to validate market-related analysis and estimates, so we have relied on internally developed estimates. Similarly, while we believe its internal estimates to be reasonable, such estimates have not been verified by any independent sources and neither we nor the BRLM can assure Bidders as to their accuracy.

The extent to which the market and industry data used in this Preliminary Placement Document is meaningful depends on the reader’s familiarity with and understanding of the methodologies used in compiling such data. There are no standard data gathering methodologies in the industry in which we conduct our business, and methodologies and assumptions may vary widely among different industry sources. Such data involves risks, uncertainties and numerous assumptions and is subject to change based on various factors, including those discussed in the section titled “*Risk Factors – Internal Risk Factors- This Preliminary Placement Document contains information from third parties, including an industry report prepared by an independent third-party research agency, Technopak Advisors Private Limited (“Technopak”), which we have commissioned and paid for purposes of confirming our understanding of the industry exclusively in connection with the Issue*” on page 61.

### **Disclaimer of the Technopak Report**

The Technopak Report is subject to the following disclaimer:

*Only leading players are profiled and benchmarked for the purpose of the report and does not necessarily cover all types of players.*

*The information contained herein is of a general nature and is not intended to address the facts and figures of any particular individual or entity. The content provided here treats the subjects covered here in condensed form. It is intended to provide a general guide to the subject matter and should not be relied on as a basis for business decisions. No one should act upon such information without taking appropriate additional professional advice and/or thorough examination of the particular situation.*

*Technopak and its directors, employees, agents and consultants shall have no liability (including liability to any person by reason of negligence or negligent misstatement) for any statements, opinions, information or matters (expressed or implied) arising out of, contained in or derived from, or of any omissions from the information package and any liability whatsoever for any direct, indirect, consequential or other loss arising from any use of this information package and/or further communication in relation to this information package.*

## FORWARD-LOOKING STATEMENTS

Certain statements contained in this Preliminary Placement Document that are not statements of historical fact constitute “forward-looking statements”. Investors can generally identify forward-looking statements by terminology such as “aim”, “anticipate”, “believe”, “continue”, “can”, “could”, “estimate”, “expect”, “intend”, “may”, “objective”, “plan”, “potential”, “project”, “pursue”, “shall”, “should”, “will”, “would”, or other words or phrases of similar import. Similarly, statements that describe our strategies, objectives, plans or goals are also forward-looking statements. However, these are not the exclusive means of identifying forward-looking statements.

The forward-looking statements appear in a number of places throughout this Preliminary Placement Document and include statements regarding the intentions, beliefs or current expectations of our Company concerning, amongst other things, the expected results of operations, financial condition, liquidity, prospects, growth, strategies and dividend policy of our Company and the industry in which we operate. In addition, even if the result of operations, financial conditions, liquidity and dividend policy of our Company, and the development of the industry in which we operate, are consistent with the forward-looking statements contained in this Preliminary Placement Document, those results or developments may not be indicative of results or developments in subsequent periods.

All statements regarding our Company’s expected financial conditions, results of operations, business plans and prospects are forward-looking statements. These forward-looking statements include statements as to our Company’s business strategy, planned projects, revenue and profitability (including, without limitation, any financial or operating projections or forecasts), new business and other matters discussed in this Preliminary Placement Document that are not historical facts. These forward-looking statements contained in this Preliminary Placement Document (whether made by us or any third party), are predictions and involve known and unknown risks, uncertainties, assumptions and other factors that may cause the actual results, performance or achievements of our Company to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements or other projections. All forward-looking statements are subject to risks, uncertainties and assumptions about our Company that could cause actual results to differ materially from those contemplated by the relevant forward-looking statement. Important factors that could cause the actual results, performances and achievements of our Company to be materially different from any of the forward-looking statements include, among others:

- Fluctuations in raw material prices, especially steel, copper, soda ash and sodium silico fluoride prices, and disruptions in their availability may have an adverse effect on our business, results of operations, financial condition and cash flows.
- We are dependent on our distribution network in India and overseas to sell and distribute our products and any disruption in our distribution network could have an adverse effect on our business, results of operations, financial condition and cash flows.
- Our reliance on third-party contract manufacturers for some of our products subjects us to risks, which, if realized, could adversely affect our business, results of operations, financial condition and cash flows.
- We face significant competition which may lead to a reduction in our market share, cause us to increase our expenditure on advertising and marketing as well as cause us to offer discounts, which may result in an adverse effect on our business, results of operations, financial condition and cash flows.
- The brands that we use and our reputation are critical to the success of our business and may be adversely affected due to various reasons.
- If we are unable to identify consumer demand accurately and maintain an optimal level of inventory, our business, results of operations, financial condition and cash flows may be adversely affected.
- We have incurred indebtedness and an inability to comply with repayment and other covenants in our financing agreements could adversely affect our business, results of operations, financial condition and cash flows.
- If we are unable to maintain our quality accreditations and certifications, which are subject to strict

quality requirements, our brand and reputation may be negatively affected which might adversely affect our business, results of operations, financial condition, cash flows and reputation.

- Any slowdown or shutdown in our manufacturing operations, including due to labour unrest, or any inability to obtain adequate electricity, fuel or water with respect to such operations, could have an adverse effect on our business, results of operations, financial condition and cash flows.
- Any international market expansion efforts may expose us to complex management, legal, tax and economic risks, which could adversely affect our business, financial condition, cash flows and results of operations.

Additional factors that could cause actual results, performance or achievements of our Company to differ materially include, but are not limited to, those discussed under the sections titled “*Risk Factors*”, “*Industry Overview*”, “*Our Business*” and “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” on pages 42, 109, 143 and 84, respectively.

By their nature, market risk disclosures are only estimates and could be materially different from what actually occurs in the future. As a result, any future gains, losses or impact on net income and net income could materially differ from those that have been estimated, expressed or implied by such forward-looking statements or other projections. The forward-looking statements contained in this Preliminary Placement Document are based on the beliefs of the management, as well as the assumptions made by, and information currently available to, the management of our Company. Although we believe that the expectations reflected in such forward-looking statements are reasonable at this time, we cannot assure investors that such expectations will prove to be correct. Given these uncertainties, investors are cautioned not to place undue reliance on such forward-looking statements. In any event, these statements speak only as on the date of this Preliminary Placement Document or the respective dates indicated in this Preliminary Placement Document, and we undertake no obligation to update or revise any of them, whether as a result of new information, future events or otherwise. If any of these risks and uncertainties materialize, or if any of our Company’s underlying assumptions prove to be incorrect, the actual results of operations or financial condition of our Company could differ materially from that described herein as anticipated, believed, estimated or expected. All subsequent forward-looking statements attributable to us are expressly qualified in their entirety by reference to these cautionary statements. In accordance with SEBI and Stock Exchange requirements, our Company and the BRLM will ensure that the eligible equity shareholders are informed of material developments until the time of the grant of listing and trading permissions by the Stock Exchanges.



## ENFORCEMENT OF CIVIL LIABILITIES

Our Company is a public limited liability company incorporated under the laws of India. All our Directors, the Key Managerial Personnel and the members of our Senior Management are residents of India and all or a substantial portion of the assets of our Company and such persons are located in India. As a result, it may be difficult or may not be possible for investors outside India to effect service of process upon our Company or such persons in India, or to enforce judgments obtained against such parties outside India predicated upon civil liabilities of our Company or such directors and executive officers under laws other than Indian laws, including judgments predicated upon the civil liability provisions of the federal securities laws of the United States.

Recognition and enforcement of foreign judgments is provided for under Section 13 and Section 44A of the Code of Civil Procedure, 1908, as amended (the “**Civil Procedure Code**”), on a statutory basis. Section 13 of the Civil Procedure Code provides that a foreign judgment shall be conclusive regarding any matter directly adjudicated upon between the same parties or parties litigating under the same title, except: (i) where the judgment has not been pronounced by a court of competent jurisdiction; (ii) where the judgment has not been given on the merits of the case; (iii) where it appears on the face of the proceedings that the judgment is founded on an incorrect view of international law or a refusal to recognise the law of India in cases in which such law is applicable; (iv) where the proceedings in which the judgment was obtained were opposed to natural justice; (v) where the judgment has been obtained by fraud; or (vi) where the judgment sustains a claim founded on a breach of any law then in force in India. India is not a party to any multilateral international treaty in relation to the recognition or enforcement of foreign judgments. However, Section 44A of the Civil Procedure Code provides that a foreign judgment rendered by a superior court (within the meaning of that section) in any jurisdiction outside India which the Government has by notification declared to be a reciprocating territory, may be enforced in India by proceedings in execution as if the judgment had been rendered by a competent court in India. Under Section 14 of the Civil Procedure Code, a court in India will, upon the production of any document purporting to be a certified copy of a foreign judgment, presume that the foreign judgment was pronounced by a court of competent jurisdiction, unless the contrary appears on record but such presumption may be displaced by proving want of jurisdiction. However, Section 44A of the Civil Procedure Code is applicable only to monetary decrees not being in the nature of any amounts payable in respect of taxes or other charges of a like nature or in respect of a fine or other penalties and does not include arbitration awards.

Among other jurisdictions, the United Kingdom of Great Britain and Northern Ireland, Republic of Singapore, United Arab Emirates and Hong Kong have been declared by the Government to be reciprocating territories for the purposes of Section 44A of the Civil Procedure Code, but the United States of America has not been so declared. A judgment of a court in a jurisdiction which is not a reciprocating territory may be enforced only by a fresh suit upon the judgment and not by proceedings in execution. The suit must be brought in India within three years from the date of the foreign judgment in the same manner as any other suit filed to enforce a civil liability in India.

It is unlikely that a court in India would award damages on the same basis as a foreign court if an action is brought in India. Furthermore, it is unlikely that an Indian court would enforce foreign judgments if it viewed the amount of damages awarded as excessive or inconsistent with public policy of India. Further, any judgment or award in a foreign currency would be converted into Rupees on the date of such judgment or award and not on the date of payment. A party seeking to enforce a foreign judgment in India is required to obtain approval from the RBI to repatriate outside India any amount recovered, and any such amount may be subject to income tax in accordance with applicable laws. We cannot assure that such approval will be forthcoming within a reasonable period of time, or at all, or that conditions of such approvals would be acceptable. Our Company and the Book Running Lead Manager cannot predict whether a suit brought in an Indian court will be disposed of in a timely manner or be subject to considerable delays.

## EXCHANGE RATE INFORMATION

Fluctuations in the exchange rate between the Rupee and the U.S. dollar will affect the U.S. dollar equivalent of the Rupee price of the Equity Shares on the Stock Exchanges. These fluctuations will also affect the conversion into U.S. dollar of any cash dividends paid in Rupees on the Equity Shares.

### INR to USD

The following table sets forth, for the periods indicated, information with respect to the exchange rate between the Indian Rupee and the U.S. dollar (in ₹ per U.S.D) based on the reference rates released by the RBI/FBIL. No representation is made that the Indian Rupee amounts actually represent such amounts in U.S. dollar or could have been or could be converted into USD at the rates indicated, any other rates, or at all.

	(₹ Per US\$)			
	Period end <sup>(^)</sup>	Average <sup>(1)</sup>	High <sup>(2)</sup>	Low <sup>(3)</sup>
<b>Financial Year:</b>				
2024	83.37	82.79	83.40	81.65
2023	82.22	80.39	83.20	75.39
2022	75.81	74.51	76.92	72.48
<b>Months ended:</b>				
May 31, 2024	83.30	83.39	83.52	83.08
April 30, 2024	83.52	83.41	83.52	83.23
March 31, 2024	83.37	83.00	83.37	82.68
February 29, 2024	82.92	82.96	83.09	82.81
January 31, 2024	83.08	83.12	83.33	82.85
December 31, 2023	83.12	83.28	83.40	83.02

(Source: [www.rbi.org.in](http://www.rbi.org.in) and [www.fbil.org.in](http://www.fbil.org.in), as applicable)

<sup>(^)</sup> The price for the period end refers to the price as on the last trading day of the respective fiscal year or quarterly or monthly periods.

<sup>(1)</sup> Average of the official rate for each working day of the relevant period.

<sup>(2)</sup> Maximum of the official rate for each working day of the relevant period.

<sup>(3)</sup> Minimum of the official rate for each working day of the relevant period.

**Notes:**

- If the RBI reference rate is not available on a particular date due to a public holiday, exchange rates of the previous working day have been disclosed.
- The RBI reference rates are rounded off to two decimal places.

## DEFINITIONS AND ABBREVIATIONS

*This Preliminary Placement Document uses the definitions and abbreviations set forth below, which you should consider when reading the information contained herein.*

*The following list of certain capitalised terms used in this Preliminary Placement Document is intended for the convenience of the reader/ prospective investor only and is not exhaustive.*

*Unless otherwise specified, the capitalised terms used in this Preliminary Placement Document shall have the meaning as defined hereunder. Further any references to any agreement, document, statute, rules, guidelines, regulations or policies shall include amendments made thereto, from time to time.*

*The words and expressions used in this Preliminary Placement Document but not defined herein, shall have, to the extent applicable, the meaning ascribed to such terms under the Companies Act, the SEBI ICDR Regulations, the SCRA, the Depositories Act or the rules and regulations framed thereunder. Notwithstanding the foregoing, terms used in the sections titled “Taxation”, “Industry Overview”, “Capital Structure”, “Financial Information” and “Legal Proceedings” on pages 214, 109, 78, 226 and 219, respectively, shall have the meaning given to such terms in such sections.*

### General Terms

Term	Description
“Our Company”, “the Company”, or “the Issuer”	Borosil Limited
“We”, “Our”, or “Us”	Unless the context otherwise indicates or implies, refers to our Company along with its Subsidiary, on a consolidated basis

### Company related terms

Term	Description
2020 Scheme	The composite scheme of amalgamation and arrangement approved by the Board of Directors of our Company at its meeting held on June 18, 2018 involving: (a) amalgamation of Vylene Glass Works Limited, Fennel Investment and Finance Private Limited and Gujarat Borosil Limited with Borosil Glass Works Limited, subsequent to which the name of Borosil Glass Works Limited was changed to Borosil Renewables Limited (“ <b>BRL</b> ”) and (b) demerger of the scientific and industrial products and consumer products businesses of BRL into our Company. The National Company Law Tribunal, Mumbai Bench (NCLT) approved the 2020 Scheme vide its order dated January 15, 2020.
Articles or Articles of Association	The Articles of Association of our Company, as amended from time to time
Audit Committee	The Audit Committee of our Board, as disclosed in “ <i>Board of Directors and Senior Management</i> ” on page 161.
Audited Financial Statements	Collectively, the Financial Year 2024 Audited Consolidated Financial Statements, the Financial Year 2023 Audited Consolidated Financial Statements, and the Financial Year 2022 Audited Consolidated Financial Statements.
Auditors or Statutory Auditors or Independent Auditors	The current statutory auditors of our Company namely, Chaturvedi & Shah LLP, Chartered Accountants.
Board of Directors or Board	The board of directors of our Company, including any duly constituted committee thereof, as disclosed in “ <i>Board of Directors and Senior Management</i> ” on page 161.
Corporate Social Responsibility Committee	The Corporate Social Responsibility Committee of our Board, as disclosed in “ <i>Board of Directors and Senior Management</i> ” on page 161.
Director(s)	The directors on the Board of our Company, as may be appointed from time to time.
Erstwhile Subsidiary	Klass Pack Limited (renamed as “Borosil Scientific Limited”) and Borosil Technologies Limited.
ESOP Scheme	The employee stock option plan of our Company titled Borosil Limited- Special Purpose Employee Stock Option Plan 2020 (“ESOP 2020”) and Borosil Limited-Employee Stock Option Scheme 2020 (“New ESOS 2020”).
Equity Shares	The equity shares of a face value of ₹ 1 each of our Company
Financial Statements	Financial Year 2024 Audited Consolidated Financial Statements, Financial Year 2023 Audited Consolidated Financial Statements, and Financial Year 2022 Audited Consolidated Financial Statements.
Financial Year 2022 Audited Consolidated Financial Statements	Audited consolidated financial statements of our Company and its Subsidiary and Erstwhile Subsidiary as of and for the financial year ended 2022, comprising the

Term	Description
	consolidated balance sheet as at March 31, 2022, and the consolidated statement of profit and loss (including other comprehensive income), the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended and notes to the consolidated financial statements including a summary of the significant accounting policies and other explanatory information, prepared in accordance with accounting principles generally accepted in India, including Ind AS notified under Section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules, 2015 and the report dated May 9, 2022 issued thereon by Chaturvedi & Shah LLP, Chartered Accountants, our Statutory Auditors.
Financial Year 2023 Audited Consolidated Financial Statements	Audited consolidated financial statements of our Company and its Subsidiary and Erstwhile Subsidiaries as of and for the financial year ended 2023 comprising the consolidated balance sheet as at March 31, 2023, and the consolidated statement of profit and loss (including other comprehensive income), the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended and notes to the consolidated financial statements including a summary of the significant accounting policies and other explanatory information, prepared in accordance with accounting principles generally accepted in India, including Ind AS notified under Section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules, 2015 and the report dated May 22, 2023 issued thereon by Chaturvedi & Shah LLP, Chartered Accountants, Chartered Accountants, our Statutory Auditors.
Financial Year 2024 Audited Consolidated Financial Statements	Audited consolidated financial statements of our Company and its Subsidiary as of and for the financial year ended 2024 comprising the consolidated balance sheet as at March 31, 2024, and the consolidated statement of profit and loss (including other comprehensive income), the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended and notes to the consolidated financial statements including a summary of the significant accounting policies and other explanatory information, prepared in accordance with accounting principles generally accepted in India, including Ind AS notified under Section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules, 2015 and the report dated May 24, 2024 issued thereon by Chaturvedi & Shah LLP, Chartered Accountants, Chartered Accountants, our Statutory Auditors.
Independent Director(s)	Independent directors of our Company, unless otherwise specified.
Key Managerial Personnel or KMP	The key managerial personnel of our Company in accordance with the provisions of the Companies Act, 2013 and as described in “ <i>Board of Directors and Senior Management</i> ” on page 161.
Management Committee	The Management Committee constituted by our Board comprising Pradeep Kumar Kheruka, Shreevar Kheruka and Rajesh Kumar Chaudhary.
Memorandum or Memorandum of Association	The Memorandum of Association of our Company, as amended from time to time
Nomination and Remuneration Committee	The Nomination and Remuneration Committee of the Board of our Company as disclosed in “ <i>Board of Directors and Senior Management</i> ” on page 161.
Non-Executive Director(s)	Non-executive directors of our Company, unless otherwise specified
Promoters	The promoters of our Company, namely Shreevar Kheruka and Pradeep Kumar Kheruka.
Promoter Group	The individuals and entities forming part of the promoter group of our Company in accordance with Regulation 2(1)(pp) of the SEBI ICDR Regulations.
Registered and Corporate Office	The registered office of our Company located at 1101, 11 <sup>th</sup> Floor, Crescenzo, G-Block, Opp. MCA Club, Bandra Kurla Complex, Bandra (East), Mumbai – 400051.
Risk Management Committee	The Risk Management Committee constituted by our Board as disclosed in “ <i>Board of Directors and Senior Management</i> ” on page 161.
Scheme	The National Company Law Tribunal, Mumbai Bench (“ <b>NCLT</b> ”) had sanctioned the composite scheme of arrangement amongst Borosil Limited (“ <b>Demerged Company</b> ” or the “ <b>Company</b> ”), Klass Pack Limited (renamed as “ <b>Borosil Scientific Limited</b> ”) (“ <b>BSL</b> ” or “ <b>Resulting Company</b> ” or “ <b>Transferee Company</b> ”) and Borosil Technologies Limited (“ <b>BTL</b> ” or “ <b>Transferor Company</b> ”) and their respective shareholders and creditors (“ <b>Scheme</b> ”) through its order dated November 2, 2023 which inter alia provided for: (a) reduction and reorganization of share capital of BSL; (b) demerger of Scientific and Industrial Products Business from the Company into BSL and consequent issue of shares by BSL; and (c) amalgamation of BTL with BSL. The Appointed Date of the Scheme was April 1, 2022. The Scheme became effective from December 2, 2023. Pursuant to the Scheme, BSL, BTL and Goel Scientific Glass Works Ltd, a subsidiary of BSL have ceased to be subsidiary companies of the Company.
Senior Management	The members of the senior management of our Company in accordance with

Term	Description
	Regulation 2 (1) (bbbb) of the SEBI ICDR Regulations.
Shareholders	Shareholders of our Company from time to time.
Stakeholders Relationship Committee	The Stakeholders Relationship Committee of our Board as disclosed in the section titled “ <i>Board of Directors and Senior Management</i> ” on page 161.
Subsidiary	The subsidiary of our Company in accordance with the Companies Act, 2013 as on the date of this Preliminary Placement Document, namely Acalypha Realty Limited.

#### Issue related terms

Term	Description
Allocated or Allocation	The allocation of Equity Shares, by our Company in consultation with the BRLM, following the determination of the Issue Price to Eligible QIBs on the basis of the Application Forms submitted by them and in compliance with Chapter VI of the SEBI ICDR Regulations
Allot/ Allotment/ Allotted	Allotment and issue of Equity Shares pursuant to the Issue
Allottees	Eligible QIBs to whom Equity Shares are issued pursuant to the Issue
Application Amount	The aggregate amount paid by a Bidder at the time of submitting a Bid in the Issue
Application Form	Form (including any revisions thereof) which will be submitted by the Eligible QIBs for registering a Bid in the Issue An indicative format of such form is set forth in “Sample Application Form” beginning on page 234.
Bid Amount	The amount determined by multiplying the price per Equity Share indicated in the Bid by the number of Equity Shares Bid for by a Bidder and payable by the Bidder in the Issue at the time of submission of the Application Form
Bid(s)	Indication of an Eligible QIB’s interest, including all revisions and modifications of interest, as provided in the Application Form, to subscribe for the Equity Shares pursuant to the Issue. The term “Bidding” shall be construed accordingly
Bidder	Any prospective investor, being an Eligible QIB, who makes a Bid pursuant to the terms of this Preliminary Placement Document and the Application Form
Book Running Lead Manager or BRLM	ICICI Securities Limited
CAN/ Confirmation of Allocation Note	Note, advice or intimation confirming Allocation of Equity Shares to such Successful Bidders after determination of the Issue Price
Closing Date	The date on which Allotment of Equity Shares pursuant to the Issue shall be made, i.e., on or about [●].
Designated Date	The date on which the Equity Shares issued pursuant to the Issue, are listed on the Stock Exchanges pursuant to receipt of the final listing and trading approvals for the Equity Shares from the Stock Exchanges or the date on which Form PAS-3 is filed by our Company with the RoC, whichever is later
Eligible FPIs	FPIs that are eligible to participate in this Issue in terms of applicable laws, other than individuals, corporate bodies and family offices
Eligible QIBs	QIBs, as defined under Regulation 2(1)(ss) of the SEBI ICDR Regulations that are eligible to participate in the Issue and which are not excluded pursuant to Regulation 179(2)(b) of the SEBI ICDR Regulations and are not restricted from participating in the Issue under the applicable laws. In relation to this Issue, this term shall consist of (i) QIBs which are residents of India; and (ii) Eligible FPIs, participating through Schedule II of the FEMA Rules.  In addition, QIBs, outside the United States in “offshore transactions” in reliance on Regulation S under the U.S. Securities Act. Further, FVCIs and non-resident multilateral and bilateral development financial institutions are not permitted to participate in the Issue and accordingly, are not Eligible QIBs
Escrow Account	Special non-interest bearing, no-lien, current bank account without any cheques or overdraft facilities, to be opened in the name and style “ <i>Borosil Limited Escrow Account</i> ” with the Escrow Bank, subject to the terms of the Escrow Agreement into which the Application Amount in connection with the subscription to the Equity Shares pursuant to the Issue shall be deposited by the Bidders
Escrow Agreement	Agreement dated June 24, 2024, entered into by and amongst our Company, the Escrow Bank and the Book Running Lead Manager for collection of the Application Amounts and remitting refunds, if any, of the amounts collected, to the Bidders
Escrow Bank	Kotak Mahindra Bank Limited
Floor Price	Floor price of ₹ 331.75 for each Equity Share, calculated in accordance with Chapter VI of the SEBI ICDR Regulations. Our Company may offer a discount on the Floor Price in accordance with the approval of our Board dated January 24, 2024 and the

<b>Term</b>	<b>Description</b>
	Shareholders accorded through their special resolution passed on February 20, 2024, and in terms of Regulation 176(1) of the SEBI ICDR Regulations
Gross Proceeds	The gross proceeds of the Issue that will be available to our Company
Issue	Offer and issuance of the Equity Shares to Eligible QIBs, pursuant to Chapter VI of the SEBI ICDR Regulations and the applicable provisions of the Companies Act, 2013 and the rules made thereunder
Issue Closing Date	[●], the date after which our Company (or Book Running Lead Manager on behalf of our Company) shall cease acceptance of Application Forms and the Application Amount
Issue Opening Date	June 24, 2024, the date on which our Company (or the Book Running Lead Manager on behalf of our Company) shall commence acceptance of the Application Forms and the Application Amount
Issue Period	Period between the Issue Opening Date and the Issue Closing Date, inclusive of both days during which Eligible QIBs can submit their Bids along with the Application Amount
Issue Price	A price per Equity Share of ₹ [●]
Issue Size	Aggregate size of the Issue, up to ₹ [●] lakhs
Monitoring Agency	ICRA Limited, being a credit rating agency registered with SEBI, appointed by our Company in accordance with the provisions of the SEBI ICDR Regulations
Monitoring Agency Agreement	Monitoring agency agreement dated June 21, 2024, entered into between our Company and the Monitoring Agency
Mutual Fund	A mutual fund registered with the SEBI under the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996
Net Proceeds	The net proceeds from the Issue, after deducting fees, commissions and expenses of the Issue
Placement Agreement	Placement agreement dated June 24, 2024, by and among our Company and the Book Running Lead Manager
Preliminary Placement Document	This Preliminary Placement Document along with the Application Form dated June 24, 2024, issued in accordance with Chapter VI of the SEBI ICDR Regulations and the provisions of the Companies Act, 2013 and the rules prescribed thereunder
Placement Document	The placement document to be issued in accordance with Chapter VI of the SEBI ICDR Regulations and the provisions of the Companies Act, 2013 and the rules prescribed thereunder
QIBs or Qualified Institutional Buyers	Qualified institutional buyers, as defined under Regulation 2(1)(ss) of the SEBI ICDR Regulations
QIP	Qualified institutions placement under Chapter VI of the SEBI ICDR Regulations and applicable provisions of the Companies Act, 2013 read with applicable rules
Regulation D	Regulation D under the U.S. Securities Act
Regulation S	Regulation S under the U.S. Securities Act
Refund Amount	The aggregate amount to be returned to the Bidders who have not been Allocated Equity Shares for all, or part, of the Application Amount submitted by such Bidder pursuant to the Issue
Refund Intimation	The intimation from our Company to relevant Bidders confirming refund of the Refund Amount to their respective bank accounts
Relevant Date	June 24, 2024, which is the date of the meeting in which our Management Committee decided to open the Issue
Stock Exchanges	BSE and NSE
Successful Bidders	The Bidders who have Bid at or above the Issue Price, duly paid the Application Amount with the Application Form and who are Allocated Equity Shares pursuant to the Issue
U.S. / United States	The United States of America
UK	United Kingdom
Working Day	Any day other than second and fourth Saturday of the relevant month or a Sunday or a public holiday or a day on which scheduled commercial banks are authorized or obligated by law to remain closed in Mumbai, India

#### **Business, technical and industry related terms**

<b>Term</b>	<b>Description</b>
EBITDA	Calculated as profit for the period/ year after tax plus depreciation and amortisation expense, finance cost and income tax expense.
EBITDA Margin	Calculated as EBITDA divided by revenue from operations
EBITDA growth CAGR	Compound annual growth rate of EBITDA
PAT Margin	Profit after tax divided by total income

<b>Term</b>	<b>Description</b>
Return on equity	Calculated as PAT divided by Equity Shareholders Fund, where Equity Shareholders Fund is share capital plus other equity.
Return on capital employed	Operating EBIT (EBITDA less depreciation and amortisation) divided by Adjusted Capital Employed, where Adjusted Capital Employed is Total Assets less current liabilities.
Debt to Equity Ratio	Calculated as total debt divided by Net Worth. Total debt is the sum of current borrowings and non-current borrowings.
Gearing Ratio	Calculated as net debt divided by total capital. Total capital includes the total equity and debt capital of the Company
The Scientific and Industrial Products Business	The scientific and industrial products business of the Company, comprising of lab glassware, lab instrumentation and primary pharma packaging that was demerged into Borosil Scientific Limited pursuant to the Scheme with effect from December 2, 2023.

### Conventional and general terms

<b>Term</b>	<b>Description</b>
AGM	Annual General Meeting
AS or Accounting Standards	Accounting Standards issued by the Institute of Chartered Accountants of India
BSE	BSE Limited
CAGR	Compound annual growth rate
CAD	Consumer aided design
Calendar Year	Year ending on December 31
CDSL	Central Depository Services (India) Limited
CEO	Chief Executive Officer
CESTAT	Customs, Excise and Service Tax Appellate Tribunal
CFO	Chief Financial Officer
CIN	Corporate Identification Number
Civil Procedure Code	The Code of Civil Procedure, 1908
Companies Act	The Companies Act, 2013 and applicable provisions of the Companies Act, 1956
Companies Act, 1956	The Companies Act, 1956 along with the relevant rules made thereunder
Companies Act, 2013	The Companies Act, 2013, along with the relevant rules made and clarifications issued thereunder
Consolidated FDI Policy	Consolidated Foreign Direct Investment Policy notified by the DPIIT by way of circular bearing number DPIIT file number 5(2)/2020-FDI Policy dated October 15, 2020 effective from October 15, 2020
CRM	Customer relationship management
Cr.PC	The Code of Criminal Procedure, 1973
Depositories	CDSL and NSDL
Depositories Act	The Depositories Act, 1996
Depository Participant or DP	A depository participant as defined under the Depositories Act
DP ID Number	Depository participant identification number
DPIIT	Department for Promotion of Industry and Internal Trade
EGM	Extraordinary general meeting
EPCG	Export promotion capital
ERP	Enterprise resource planning
EU	European Union
FDI	Foreign Direct Investment
FEMA	The Foreign Exchange Management Act, 1999, together with rules and regulations issued thereunder
FEMA Rules	The Foreign Exchange Management (Non-debt Instruments) Rules, 2019
Financial Year or Fiscal	The period of 12 months ended March 31 of that particular year, unless otherwise stated
FIR	First information report
Form PAS-4	Form PAS-4 as prescribed under the Companies (Prospectus and Allotment of Securities) Rules, 2014
FPIs	Foreign portfolio investors as defined under the SEBI FPI Regulations and includes a person who has been registered under the SEBI FPI Regulations
Fugitive Economic Offender	An individual who is declared a fugitive economic offender under Section 12 of the Fugitive Economic Offenders Act, 2018
FVCI	Foreign Venture Capital Investor, as defined under the Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000, registered with SEBI
GAAP	Generally Accepted Accounting Principles
GDP	Gross Domestic Product
General Meeting	AGM or EGM



<b>Term</b>	<b>Description</b>
GoI or Government	Government of India
GST	Goods and Services Tax
HUF	Hindu Undivided Family
HNI	High net-worth individual
I.T. Act	The Income-tax Act, 1961
ICAI	Institute of Chartered Accountants of India
IFRS	International Financial Reporting Standards
Ind AS	Indian accounting standards, as per the roadmap issued by the Ministry of Corporate Affairs, Government of India, notified by the MCA under section 133 of the Companies Act, 2013, read with Companies (Indian Accounting Standards) Rules, 2015, as amended
Indian GAAP	Indian Generally Accepted Accounting Principles (GAAP) as notified under Section 133 of the Companies Act read with Companies (Accounts) Rules, 2014
IRDAI	Insurance Regulatory and Development Authority of India
Madrid Protocol	Madrid Protocol, 1989
MAT	Minimum Alternate Tax
MCA	Ministry of Corporate Affairs, GoI
MoEF	Ministry of Finance, GoI
MoU	Memorandum of Understanding
Mutual Funds	Mutual funds registered under the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996
NEFT	National Electronic Fund Transfer
Non-Resident Indian or NRI	An individual resident outside India who is citizen of India
Non-Resident or NR	A person resident outside India, as defined under the FEMA
NSDL	National Securities Depository Limited
NSE	National Stock Exchange of India Limited
ODI	Overseas Direct Investment
P.A. or p.a.	Per annum
PAN	Permanent Account Number allotted under the I.T. Act
PAS Rules	The Companies (Prospectus and Allotment of Securities) Rules, 2014, as amended
PAT	Profit after tax
RBI	Reserve Bank of India
RoC or Registrar	Registrar of Companies, Maharashtra at Mumbai
ROCE	Return on Capital Employed
SCR (SECC) Regulations	The Securities Contracts (Regulation) (Stock Exchanges and Clearing Corporations), Regulations, 2018
SCRA	The Securities Contracts (Regulation) Act, 1956
SCRR	The Securities Contracts (Regulation) Rules, 1957
SEBI	The Securities and Exchange Board of India established under the SEBI Act
SEBI Act	The Securities and Exchange Board of India Act, 1992
SEBI FPI Regulations	The Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019
SEBI ICDR Regulations	The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018
SEBI Insider Trading Regulations	The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015
SEBI Listing Regulations	The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015
SEBI Mutual Fund Regulations	The Securities and Exchange Board of India (Mutual Funds) Regulations, 1996
SEBI Takeover Regulations/Takeover Regulations	The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011
U.S. Securities Act	The United States Securities Act of 1933, as amended
U.S. GAAP	Generally accepted accounting principles in the United States of America
USD	U.S Dollar
VCF	Venture capital fund
Wilful Defaulter or Fraudulent Borrower	Wilful defaulter or fraudulent borrower as defined under Regulation 2(1)(III) of the SEBI ICDR Regulations

## SUMMARY OF BUSINESS

### OVERVIEW

We are a prominent player in the consumer products market in India with a range of products across storage, cooking and serving solutions for a modern kitchen. Our Company is the market leader in the Borosilicate glass segment with 58% market share and has been a household name for several decades in India, known for wide range of glass consumerware products. (Source: Technopak Report). Borosil has been the pioneer of many consumer categories in India, including microwavable glassware, glass lunch boxes, multi-utility glass storage, etc. We have a strong market position across consumer products categories with a market share of 58% and 26% in the borosilicate glassware and opalware respectively, according to the Technopak Report. Borosil has a diverse range of products across different product categories, types of material, and price points enabling it to serve as a “one-stop-shop”, with consumers across all income levels purchasing their products (Source: Technopak Report).

Our Company offers affordable, high-quality products for everyday use in contemporary designs for the progressive homemaker. In recent times, Borosil has expanded its consumer offering from its core glassware range to opalware dinner sets (sold under the brand ‘Larah’), small kitchen appliances, storage products, glass lunch boxes, stainless steel cookwares and steel vacuum insulated flasks & bottles. Among the Company’s consumer products, opalware has been the fastest growing line with a share of 38.32%, 35.13% and 37.96% of the revenue of operations from its consumer products segment for the financial years 2022, 2023 and 2024, respectively.

Our experience in the consumer products industry has enabled us to better understand the preferences and needs of consumers in India. This has enabled us to curate an extensive product portfolio that caters to a diverse range of consumer requirements and offers a broad range of contemporary products across different types of material and price points. As of March 31, 2024, we offered 10341 stock-keeping units ("SKUs") across our product categories. The table below sets forth the brands and range of products offered across our three product categories:

Product Categories	Brands	Overview of range of products offered
Glassware	Borosil	Borosilicate serving ware including mixing bowls, bake dishes, oval casserole, glass tumblers, glass katories, storage containers, storage jars and lunch boxes
Non-Glassware	Borosil	Modern kitchen appliances OTG/sandwich makers, cookware and pressure cookers, mixer grinders, stainless steel bottles, stainless steel insulated bottles and kettles
Opalware	Larah	Dinnerware, serving sets, sift sets, lunch boxes and tea/coffee series.

We own and operate a manufacturing facility at Jaipur in India, as of March 31, 2024. We had announced setting up a borosilicate glass pressware furnace with a production capacity of 25 tonnes per day (TPD) at Jaipur at an estimated project cost of ₹ 15,000 lakhs. The borosilicate glass furnace was commissioned in January 2024. The company began commercial production on March 28, 2024. This will enable us to reduce our dependence on imports, expand our product offerings, cater to domestic and overseas demand for pressware products made of borosilicate glass and may also provide a competitive edge due to the low cost of production. As of March 31, 2024, our opalware plant at Jaipur operates at 93.6% utilization capacity to meet the demand of our brand Larah. We started our second furnace for opalware in the month of December 2022 followed by commercial production in the month of January 2023 and consequently our Company has increased its opalware production capacity from 42 TPD as of December, 2022 to 84 TPD as of January, 2023. Our manufacturing capabilities allow us to manufacture a diverse range of in-house products while maintaining quality standards. The remaining products (consisting mainly of stainless steel insulated flasks, bottles, cookware, small kitchen appliances and certain glassware items) are manufactured by third party contract manufacturers who manufacture products with our branding pursuant to contracts with us. Additionally, our borosilicate drinkware, tea and coffee series and storage are being manufactured by Borosil Scientific Limited in their manufacturing unit at Bharuch, Gujarat. The scale at which we manufacture our products, combined with our supply chain management enables us to derive the benefits of economies of scale across various aspects of our business model. Further, we maintain optimal inventory levels across our manufacturing facilities by implementing technology and utilising available market information.

We have a strong pan-India distribution network. Our Company has 273 distributors and 23,594 retail outlets across the country as of March 31, 2024. Our nationwide sales and distribution network is supported by our 230 member sales and marketing team, as of March 31, 2024. In addition to this, we also supply our products to over

27 countries and our revenue from exports aggregated to 6.05%, 7.10% and 4.09%, of our revenue from operations for the Financial Years 2022, 2023 and 2024, respectively. We equip our field staff across our distribution network with an enterprise resource planning system, which assists us in forecasting production levels and helps us in optimising inventory levels. We have developed and maintain longstanding relationships with our distributors and retailers over the years. Further, our products also reach consumers through modern trade and export channels, e-commerce marketplaces and our own website. In addition, we also sell our products in bulk quantities to corporate clients and government departments.

To enhance brand awareness and strengthen brand recall for the brands that we use, we utilise a diverse array of promotional and marketing efforts, including in-shop displays, merchandising, advertisements in print and social media, retail branding and product branding. We have developed a strong brand identity through effective brand advertisements and marketing campaigns, including "Borosil Lunch Bag campaign", "Larah Samosa campaign" "Larah Festive campaign" and "Borosil OTG campaign". All our marketing efforts are initiated and coordinated by our internal marketing team comprising of 27 employees, as of March 31, 2024. We have a full-fledged internal creative team with creative directors, graphic designers and 3D artists. We have developed in-house capabilities of fully equipped internal studios in Mumbai & Gurugram, which can conceptualize and develop content. The studio team comprises content managers, videographers, photographers and editors. We also employ external agencies at multi locations for brand development, audio-visual communication, creative developments and public relations. Our internal digital media team is handled by both internal resources and external agencies depending on our requirements. Our digital marketing initiatives cover engagement content through our social media platforms including awareness related posts, product videos, unboxing videos and handy tips regarding our products. We have a well-established subscriber base on these social media platforms. We also run automated campaigns on Google ad services and awareness campaigns across Facebook and Youtube on a periodic basis. We have also tied up with various influencers across food and lifestyle sections.

A list of operating and financial metrics for the Financial Years 2022, 2023 and 2024, is set out below:

(₹ in lakhs)			
Metric	As at/ For the financial year ended March 31,		
	2022	2023	2024*
<b>Revenue from Operations</b>	83,986.16	102,712.13	94,225.18
<b>EBITDA</b>	16,817.55	15,112.95	15,051.35
<b>EBITDA Margin</b>	20.02%	14.71%	15.97%
<b>ROCE</b>	16.62%	11.59%	13.90%
<b>Product Category Revenue Contribution</b>			
Glassware (A)	14,601.25	17,799.03	19,803.73
Non-glassware (B)	20,741.81	30,324.67	38,654.44
Opalware (C)	21,957.09	26,058.30	35,767.01
Total Consumer ware (A + B + C)	57,300.15	74,182.00	94,225.18
Scientific ware	26,686.01	28,530.13	-

\* The financial details provided for Fiscal 2024, are prepared after giving effect to the Scheme. Hence these numbers may not be comparable to the financial information provided for the Financial Years ended March 31, 2023 and March 31, 2022.

## GROUP RESTRUCTURING PROCESS

Our Company used to operate two distinct businesses. The consumer products business comprises glassware, non-glassware and opalware product ranges while the scientific and industrial products business is made up of lab glassware, lab instrumentation, primary pharma packaging and process chemistry. Both the businesses were functioning as separate profit centres with separate business heads and largely independent teams. Each were responsible for delivering on their own profitability and this had been the case for quite a few years. Both the business divisions had their own distinct capital and operating requirements and catered to distinct investor profiles. Consequently, the Board through its resolution dated February 07, 2022, had approved a scheme to segregate the two businesses with each business being listed independently on the stock exchanges.

The Hon'ble National Company Law Tribunal, Mumbai Bench ("NCLT") had sanctioned the Composite Scheme of Arrangement amongst Borosil Limited ("Demerged Company" or the "Company"), Klass Pack Limited

(renamed as “**Borosil Scientific Limited**”) (“**BSL**” or “**Resulting Company**” or “**Transferee Company**”) and Borosil Technologies Limited (“**BTL**” or “**Transferor Company**”) and their respective shareholders and creditors (“**Scheme**”) through its order dated November 2, 2023 which inter alia provided for: (a) reduction and reorganization of share capital of BSL; (b) demerger of Scientific and Industrial Products Business from the Company into BSL and consequent issue of shares by BSL; and (c) amalgamation of BTL with BSL. The Appointed Date of the Scheme was April 1, 2022. The Scheme became effective from December 2, 2023. Pursuant to the Scheme, BSL, BTL and Goel Scientific Glass Works Limited have ceased to be subsidiary companies of the Company.

On December 5, 2023, Klass Pack Limited was renamed as Borosil Scientific Limited. Borosil Scientific Limited is listed on the Stock Exchanges with effect from June 7, 2024.

## **OUR STRENGTHS**

### ***Well-established brand name and strong market positions***

Our strong market position in the consumer products industry segment is a reflection of our vast experience, continuous new product development and consumer understanding. We hold a prominent position in the Indian kitchenware market offering a diverse range of products with products in the glassware, non-glassware and opalware categories (*Source: Technopak Report*). Our Promoters started this business in 1962 through a collaboration with Corning Glass Works, USA. Our Promoters have several years of experience in the glassware industry.

We have a strong brand recall value for both our Borosil brand for glassware and non-glassware products and the Larah brand for opalware. We enjoy strong consumer equity in serving-ware, kitchen appliances and storage products. To enhance brand awareness and strengthen brand recall for the brands that we use, we utilise a diverse array of promotional and marketing efforts, including in-shop displays, merchandising, advertisements in print and social media, retail branding and product branding. For example, we have in the past launched brand advertisements and marketing campaigns such as “*Borosil OTG campaign*”, “*Larah Festive campaign*” and “*Borosil Lunch box campaign*”. We spent ₹ 4001.59 lakhs, ₹ 6402.36 lakhs and ₹ 6,826.03 lakhs towards advertisements and sales promotion in Financial Years 2022, 2023 and 2024, respectively, constituting 4.76%, 6.23% and 7.24% of our revenue from operations, respectively. Our brand advertisements and marketing campaigns have been critical in developing our brand identity. We also continuously seek to increase our digital presence and engagements and engage in brand associations. We have entered into a brand endorsement arrangement with celebrity chef Harpal Singh Sokhi. For our hydra range including flasks and bottles, we have been the hydration partner to Indian Olympic Association for the Paris Olympics, 2024.

### ***Diversified product portfolio across price points catering to diverse consumer requirements***

We focus on identifying the needs and preferences of our consumers through our network of distributors and innovating our products to cater to their differing requirements and preferences, while endeavoring that our products are available across various price points and meet quality standards expected by our consumers. As of March 31, 2024, we offered 10,341 SKUs across our product categories. We offer an extensive product range across our three product categories. We have a diverse range of products across different product categories, types of material and price points, which enables us to serve as a “one-stop-shop” for our target customer (*Source: Technopak Report*). Our wide spectrum of product offerings cater to a wide range of consumer needs. The image below sets forth a range of our product offerings that are commonly used in the kitchen:

*[Remainder of page intentionally left blank]*



We have demonstrated the ability to expand our SKUs and products across various price points. Our diversified product portfolio has also allowed us to maintain stable profit margins over the years by enabling us to withstand fluctuations in raw material prices.

Our products are made of different types of materials, such as steel, opal glass, borosilicate glass and copper. We have been the pioneer of many consumer categories in India, including microwavable glassware, glass lunch boxes, multi-utility glass storage, etc. For details relating to our brands and products, see "*Description of Our Business - Brands and Products*" on page 151.

Our diversified product portfolio has allowed us to build a resilient business model that enables us to grow our business even through adverse events such as the COVID-19 pandemic. Our diversified product portfolio, which caters to a wide range of consumer uses across different age groups, festive seasons and occasions, has allowed us to maintain stable growth in our revenue over the years by enabling us to withstand fluctuations in demand arising from seasonality of demand for certain of our products.

#### ***Track record of scaling up and enhancing our product categories***

We have a track record of scaling up new businesses and product categories. We have been able to expand from glassware and glass microwavables into storage, serving-ware and kitchen appliances. This has helped us to cater to different requirements of the customer and increase our brand recall value. Our Company has been involved in the launch of the glassware and opalware business under the "Borosil" brand and the "Larah" brand, respectively, and increased our revenue from operations from this business, from ₹ 83,986.16 lakhs in the Financial Year 2022 to ₹ 1,02,712.13 lakhs in the Financial Year 2023 and ₹ 94,225.18 lakhs in the Financial Year 2024.

Further, we achieved the acquisition of the Larah brand in 2016. We have been able to scale up this business by increasing our volume of products sold from this business, from 12,610 MT in the Financial Year 2022 to 13,955 MT in the Financial Year 2023 and 20,137 MT in the Financial Year 2024, at a CAGR of 26.4%. For the Financial Years 2022, 2023 and 2024, revenue from our opalware business was ₹ 21,957.09 lakhs, ₹ 26,058.30 lakhs and ₹ 35,767.01 lakhs, respectively. Our track record of scaling up our opalware and non-glassware businesses, as elaborated upon above, is a testament to our ability to scale up new businesses and product categories.

In order to cater to evolving consumer demands, we seek to constantly develop and launch a new range of products by leveraging our vast experience, market knowledge and innovation capabilities. We have been innovating and introducing new range of products, such as our recently launched opalware, glassware and cookware range of products and small kitchen appliances, in order to increase our market share of consumer products market in India

as well as grow our revenues and profit. During the Financial Years 2022, 2023 and 2024, we launched 2,377, 4,142 and 3,866 new SKUs (across our three product categories), respectively.

***Pan-India distribution network with a presence across multiple channels***

Our pan-India distribution network is one of the key reasons behind our efficient launch of new range of products in the past. We distribute our products through 273 distributors and 23,594 retailers across India as of March 31, 2024.

Our nationwide sales and distribution network is supported by our 230 member sales & marketing team, as of March 31, 2024. We equip our field staff across our distribution network with an enterprise resource planning system, which assists us in forecasting production levels and helps us in optimising inventory levels. We have developed and maintained long-standing relationships with our distributors, and retailers over the years.

Our products also reach consumers through modern trade and export channels, e-commerce marketplaces and our own websites. In addition, we also sell our products in bulk quantities to corporate clients and government departments. The tables below set forth a breakdown of our revenue from operations for the periods indicated by our domestic and export channels:

	For the Financial Year 2022		For the Financial Year 2023		For the Financial Year 2024	
	(in lakhs)	(% of total revenue from operations)	(in lakhs)	(% of total revenue from operations)	(in lakhs)	(% of total revenue from operations)
Domestic	78,902.72	93.95%	95,415.83	92.90%	90,370.34	95.91%
Export	5,083.44	6.05%	7,296.3	7.10%	3,854.84	4.09%
<b>Total</b>	<b>83,986.16</b>	<b>100%</b>	<b>1,02,712.13</b>	<b>100%</b>	<b>94,225.18</b>	<b>100%</b>

We strive to balance product availability and inventory levels such that we can continue to deploy resources in an efficient manner. Even with our vast geographical outreach, our operations have the ability to respond to our network of distributors and trade consumers, as well as changing consumer preferences and constantly fluctuating demand.

***Ability to manufacture a diverse range of products and maintain optimal inventory levels***

Our manufacturing capabilities allow us to manufacture a diverse range of products in-house, which in turn enables us to scale up production quickly to meet increased demand, reduce time taken to launch new products in the market, maintain quality control of our products, maintain better control over our supply chain and mitigate risk of supply chain disruption. We own and operate a manufacturing facility in Jaipur, with an installed annual capacity of 30,660 MT of consumer opalware products, as of March 31, 2024. Our Company had announced setting up a borosilicate glass pressware furnace with a production capacity of 25 tonnes per day (TPD) at Jaipur at an estimated project cost of ₹ 15,000 lakhs. The borosilicate glass furnace was commissioned in January 2024 and commenced commercial production on March 28, 2024. This will enable us to reduce our dependence on imports, expand our product offerings, cater to domestic and overseas demand for pressware products made of borosilicate glass and may also provide a competitive edge due to the low cost of production. As of March 31, 2024, our opalware plant at Jaipur operates at 93.6% utilization capacity to meet the demand of our brand Larah. We started our second furnace for opalware in the month of December 2022 followed by commercial production in the month of January 2023 and consequently our Company has increased its production capacity from 42 TPD as of December 2022 to 84 TPD as of January 2023. Further, the scale at which we manufacture our products, combined with our supply chain management including raw material sourcing, packaging, transportation, quality control and sales, enables us to derive the benefits of economies of scale across various aspects of our business model, including manufacturing, procurement, supply chain and distribution. The remaining products (consisting mainly of stainless-steel insulated flasks, bottles and cookware, and small kitchen appliances and certain glassware products) are manufactured by third party contract manufacturers who manufacture products with our branding pursuant to arrangements with us. For details relating to our manufacturing facilities, see"- *Description of Our Business- Manufacturing Facilities*" on page 153.

We maintain optimal inventory levels across our manufacturing facilities by implementing technology and

utilizing available market information. We have implemented an enterprise resource planning system, which is a systems application and product software, to, among others, help us in tracking consumer demands and maintaining optimum inventory levels for our consumer product categories. Additionally, we plan our inventory levels by utilizing available market information, including existing inventory levels, delivery timelines and expected order pipelines, and our rich experience in anticipating and forecasting consumer demand in the consumer products industry. An optimal level of inventory is important to our business as it allows us to respond to consumer demand effectively.

We also endeavor to maintain high quality standards and good manufacturing practices. We strive to maintain product quality through control and monitoring of the various stages of our manufacturing process, including sourcing, processing, manufacturing, packaging and distribution. As of March 31, 2024, our quality control team comprised 11 employees at our Jaipur manufacturing facility.

### ***Skilled and experienced management team***

The Promoters of our Company, Pradeep Kumar Kheruka, Chairperson, and Shreevar Kheruka, Managing Director and CEO, have several years of experience in the consumer products industry in India. Our Promoters also have a track record of scaling up new businesses and product categories and have been instrumental to the growth of our business and operations. Our Promoters' leadership and experience have enabled us to grow our product portfolio and develop brands, build a pan-India distribution network, maintain cordial relationships with our distributors and retailers, and expand our manufacturing capabilities, in turn driving our growth in revenue from operations and profit margins. Further, our Key Managerial Personnel and Senior Management team has experience across a range of sectors including sales, marketing, production, finance and supply chain. The sector-specific experience and expertise of our Key Managerial Personnel and Senior Management has contributed significantly to the growth of our Company.

Our Board of Directors support and provide guidance to our management team. Our Board of Directors consists of six directors including two Executive Directors and four Non-Executive Directors out of which three are Independent Directors, including one-woman Independent Director. For details relating to our Board of Directors, Key Managerial Personnel and senior management team, see "*Board of Directors and Senior Management*" on page 161.

### ***Strong historical financial results***

We have been continuously growing our business through increase in sales, and the expansion of our brand portfolio, product offerings and distribution network. Our operational efficiencies and supply chain network has resulted in better control of expenses and thereby resulted in an increase in our profit after tax. Our revenue from operations increased, from ₹ 83,986.16 lakhs in the Financial Year 2022 to ₹ 102,712.13 lakhs in the Financial Year 2023 and ₹ 94,225.18 lakhs in the Financial Year 2024. Our profit for the year also increased, from ₹ 8,523.05 lakhs in the Financial Year 2022 to ₹ 9,020.67 lakhs in the Financial Year 2023 and ₹ 6,586.66 lakhs in the Financial Year 2024. Further, as our business scales, we are able to enjoy the benefits of economies of scale across our procurement value-chain, contributing to cost- efficiencies for us. During the Financial Years 2022, 2023 and 2024, our profit for the year margin was 10.15%, 8.78% and 6.99%, respectively. During the Financial Years 2022, 2023 and 2024, our net cash generated by operating activities amounted to ₹ 7,656.75 lakhs, ₹ 6,374.48 lakhs, and ₹ 4,803.25 lakhs respectively, and our net cash (used in)/generated from financing activities amounted to ₹ (2,355.97) lakhs, ₹ 9,926.80 lakhs and ₹ 5,529.18 lakhs, respectively. For details, see the list of operating and financial metrics in "*Overview*" on page 143.

## **OUR STRATEGIES**

### ***Scale up branding, promotional and digital activities and leveraging technology for a better consumer experience***

Our widespread presence and scale of operations allows us to increasingly focus on branding and promotional activities to enhance our visibility in the consumer products industry and promote our products, especially new range of products that we launch from time to time. While the "Borosil" brand is well established in glass microwavable category and enjoys strong brand recall among consumers in India, we intend to promote Borosil glassware for daily use. We intend to continue to enhance brand awareness and strengthen brand recall for the newer brands, including in particular the "Larah", by continuing to focus on our branding and promotional activities going forward. We have in the past made significant and timely investments in our promotional and



marketing efforts, and we intend to continue to do so because we believe that continuous investments in promotional and marketing efforts are important to strengthen our brand equity and brand recall among consumers, and to enhance consumer awareness towards new range of products that we launch from time to time. We have also focused on bringing awareness among customers towards the benefits of using glassware products and to enable them to move away from plastic and melamine products. During the Financial Years 2022, 2023 and 2024, we spent ₹ 4,001.59 lakhs, ₹ 6,402.36 lakhs and ₹ 6,826.03 lakhs, respectively, towards advertisements and sales promotion, representing 4.76%, 6.23% and 7.24% of our revenue from operations, respectively. We intend to focus our promotional and marketing efforts in areas such as above and below the line marketing, retail branding, product branding, and advertisement channels such as television, digital media and social media. We also continuously seek to increase our digital presence and engagements and engage in brand associations. We have in the past launched effective brand advertisements and marketing campaigns such as "Borosil Lunch Box campaign", "Borosil OTG campaign", "Larah House shift campaign", "Larah Samosa campaign" and "Larah Festive campaign" and we intend to continue to launch similar advertisements and campaigns in the future to enhance brand awareness and promote new range of products.

The vision of our Company to be the most customer centric organization in India is driven by an amalgamation of technology and human interaction to provide the best customer experience. We have deployed a customer relationship management tool that provides a unified window for customer data and interactions. It enables us to have a 360-degree customer view on all his/her transaction history, interaction history & social media engagement. Our customer experience department works 8 hours a day daily to provide constant after sales support to the customers. In addition to this we have also added a chatbot service on our website and on WhatsApp to allow for a seamless experience.

#### ***Continued innovation to grow wallet share and expand consumer base***

We intend to utilise our capabilities to expand our existing product portfolio and develop a new range of products across our product categories. We aim to expand our product portfolio by focusing on introducing a new range of products in the kitchenware, appliances, cookware, glassware and opalware spaces. Through a new range of products, we expect to increase our wallet share and repeat orders from existing consumers and to also attract new consumers, in order to increase our market share and scale our business. During the Financial Years 2022, 2023 and 2024, we launched 2,377, 4,142 and 3,866 new SKUs (across our three product categories), respectively.

We also intend to increase the share of our revenue from exporting our products. We catered to over 27 countries as of March 31, 2024, and intend to continue to innovate and create products that can cater to an international market. During the Financial Years 2022, 2023 and 2024, our sale from exports was 6.05%, 7.10% and 4.09% of our revenue, respectively.

#### ***Expand our distribution network***

We seek to enhance our addressable market by expanding our sales and distribution network of distributors, sub-distributors and retailers across India. In particular, we aim to expand our distribution network by implementing the following initiatives:

- expand our sales and distribution network in states where we are currently not very active. In these markets, we intend to increase customer wallet share, as well as enter into arrangements with more distributors including large format stores and continue to nurture existing relationships;
- increase our sales velocity by incentivizing our distributors and retailers to increase the volume of products sold by them;
- increase our interaction with our distributors and retailers, including through our sales and marketing employees;
- incentivise distributors through periodic and festival sales schemes, annual and periodic revenue targets and product-specific schemes (through discounts and gift hampers); and
- increase our presence in existing markets abroad by expanding our distribution network.

In addition to the above, over the last few years, the organization has been investing in its distributor management system and sales force automation tool (“Borosil SAARTHI”) to improve its retail market reach and market visibility and employee productivity. Our Company's focus on digitalization and automation has played a significant role in driving this transformation and we intend to continue investing in this. The distributor management system and Borosil SAARTHI have had a positive impact on the sales, revenue growth and productivity of Borosil Limited by increasing efficiency, improving market reach, enhancing distributor engagement, and enabling better sales forecasting.

We are managing our own e-commerce channel, 'MyBorosil.com,' as well as other e-commerce marketplaces with a robust frontend and order processing application integrated with our core ERP SAP and customer support CRM application.

***Grow manufacturing capabilities and expand our installed production capacities***

We intend to grow our manufacturing capabilities to respond to increases in market demand for our products. In Fiscal 2024, our Company has set up a borosilicate glass pressware furnace with a production capacity of 25 tonnes per day (“TPD”) at Jaipur at a project cost of ₹ 15,000 lakhs. The borosilicate glass furnace was commissioned in January 2024 and has commenced commercial production from March 28, 2024. The annualised installed capacity from this new furnace for borosilicate glass pressware shall be 9,125 MT. This will enable us to reduce our dependence on imports, expand our product offerings, cater to domestic and overseas demand for pressware products made of borosilicate glass and may also provide a competitive edge due to the low cost of production. As of March 31, 2024, our opalware plant at Jaipur operates at 93.6% utilization capacity to meet the demand of our brand Larah. We started our second furnace for opalware in December 2022 followed by commercial production in January 2023 and consequently we increased our opalware production capacity from 42 TPD as of December, 2022 to 84 TPD as of January, 2023. We have expanded our opal ware capacity because of the increasing demand for opalware products. Further, we monitor market demand for our products and may continue to increase our manufacturing capabilities in the future if the forecasted market demand for our products exceed our manufacturing capacities.

We intend to continue to make investments in efficiency and automation of our production processes, where economically viable, to achieve greater efficiency in reducing the time taken and cost of manufacturing our products, from design to commercial production and, in our in-house testing and quality assurance processes.

## SUMMARY OF THE ISSUE

The following is a general summary of the terms of the Issue. This summary should be read in conjunction with, and is qualified in its entirety by, the more detailed information appearing elsewhere in this Preliminary Placement Document, including the sections titled “*Risk Factors*”, “*Use of Proceeds*”, “*Placement*”, “*Issue Procedure*” and “*Description of the Equity Shares*” on pages 42, 72, 194, 179 and 211, respectively.

<b>Issuer</b>	Borosil Limited
<b>Face Value</b>	₹ 1 per Equity Share
<b>Issue Size</b>	<p>Issue of up to [●] Equity Shares at a premium of ₹ [●], aggregating to up to ₹ [●] lakhs*.</p> <p>A minimum of 10% of the Issue Size i.e. at least [●] Equity Shares, shall be made available for Allocation to Mutual Funds only and the balance [●] Equity Shares shall be made available for Allocation to all QIBs, including Mutual Funds. In case of under-subscription in the portion available for Allocation to Mutual Funds, such undersubscribed portion or part thereof may be Allotted to other Eligible QIBs.</p> <p><i>*Subject to allotment of Equity Shares pursuant to the Issue</i></p>
<b>Date of Board Resolution</b>	January 24, 2024
<b>Date of Shareholders’ Resolution</b>	February 20, 2024
<b>Floor Price</b>	<p>₹ 331.75 per Equity Share</p> <p>The Floor Price for the Issue has been calculated in accordance with Regulation 176 of the SEBI ICDR Regulations.</p> <p>Our Company may offer a discount of not more than 5% on the Floor Price in accordance with the approval of our Board dated January 24, 2024 and the Shareholders accorded through their special resolution passed on February 20, 2024 and in terms of Regulation 176(1) of the SEBI ICDR Regulations.</p>
<b>Issue Price</b>	₹ [●] per Equity Share of our Company (including a premium of ₹ [●] per Equity Share)
<b>Eligible Investors</b>	<p>Eligible QIBs, to whom this Preliminary Placement Document and the Application Form are delivered and who are eligible to bid and participate in the Issue. For further details, please see the sections titled “<i>Issue Procedure – Eligible Qualified Institutional Buyers</i>” and “<i>Transfer Restrictions and Purchaser Representations</i>” on pages 184 and 203, respectively.</p> <p>The list of Eligible QIBs to whom this Preliminary Placement Document and the Application Form is delivered shall be determined by the BRLM in consultation with our Company, at their sole discretion.</p>
<b>Equity Shares issued and outstanding immediately prior to the Issue</b>	11,45,82,095 Equity Shares of face value of ₹ 1 each, being fully paid-up
<b>Equity Shares issued and outstanding immediately after the Issue</b>	[●] Equity Shares
<b>Issue procedure</b>	The Issue is being made only to Eligible QIBs in reliance on Section 42 of the Companies Act read with Rule 14 of the PAS Rules, and all other applicable provisions of the Companies Act, read with Chapter VI of the SEBI ICDR Regulations. For details, please see the section titled “ <i>Issue Procedure</i> ” on page 179.
<b>Listing</b>	<p>Our Company has received in-principle approvals dated June 24, 2024, respectively from BSE and NSE in terms of Regulation 28(1)(a) of the SEBI Listing Regulations for listing of the Equity Shares to be issued pursuant to the Issue.</p> <p>Our Company shall make applications to each of the Stock Exchanges after Allotment to obtain final listing approval for the Equity Shares to be issued pursuant to the Issue.</p>
<b>Trading</b>	<p>The trading of the Equity Shares would be in dematerialized form and only in the cash segment of each of the Stock Exchanges.</p> <p>Our Company will make applications to each of the Stock Exchanges after credit of Equity Shares to the beneficiary account with the Depository Participant to obtain final trading approval for the Equity Shares to be issued pursuant to this Issue.</p>
<b>Lock-up</b>	See “ <i>Placement – Lock-up</i> ” on page 194 for a description of restrictions on our Company and Promoters in relation to Equity Shares.
<b>Transferability Restrictions</b>	The Equity Shares being Allotted pursuant to this Issue shall not be sold for a period of one year from the date of Allotment, except on the floor of the Stock Exchanges.

	For further details, please see “ <i>Transfer Restrictions and Purchaser Representations</i> ” on page 203.
<b>Proposed Allottees</b>	See “ <i>Details of Proposed Allottees</i> ” on page 230 for names of the proposed Allottees and the percentage of post-Issue capital that may be held by them in our Company.
<b>Use of Proceeds</b>	The Gross Proceeds from the Issue aggregate to ₹ [●] lakhs. Subject to compliance with applicable laws, the Net Proceeds from the Issue, after deducting fees, commissions and the estimated expenses of the Issue of approximately ₹ [●] lakhs, shall be approximately ₹ [●] lakhs.  For additional information on the use of the Net Proceeds from the Issue, please see “ <i>Use of Proceeds</i> ” on page 72.
<b>Risk Factors</b>	Please see “ <i>Risk Factors</i> ” on page 42 for a discussion of risks you should consider before deciding whether to subscribe for the Equity Shares.
<b>Dividend</b>	See “ <i>Description of the Equity Shares</i> ” and “ <i>Dividends</i> ” on pages 211 and 83, respectively
<b>Taxation</b>	Please see “ <i>Taxation</i> ” on page 214.
<b>Closing Date</b>	The Allotment is expected to be made on or about [●]
<b>Status, Ranking and dividends</b>	The Equity Shares being issued pursuant to the Issue shall be subject to the provisions of the Memorandum of Association and Articles of Association and shall rank <i>pari passu</i> in all respects with the existing Equity Shares, including rights in respect of dividends. Our Shareholders (as on record date) will be entitled to participate in dividends and other corporate benefits, if any, declared by our Company after the Closing Date, in compliance with the Companies Act, 2013, the SEBI Listing Regulations and other applicable laws and regulations. Our Shareholders may attend and vote in shareholders’ meetings on the basis of one vote for every Equity Share held.  For details, please see “ <i>Description of the Equity Shares</i> ” and “ <i>Dividends</i> ” on pages 211 and 83.
<b>Voting Rights</b>	See “ <i>Description of the Equity Shares – Voting Rights</i> ” on page 211.
<b>Security Codes for the Equity Shares</b>	ISIN: INE02PY01013 BSE Code: 543212 NSE Symbol: BOROLTD

## SELECTED FINANCIAL INFORMATION

The following tables set out selected financial information as extracted from our Audited Financial Statements and presented in “Financial Information” on page 226. The selected financial information presented below should be read in conjunction with “Management’s Discussion and Analysis of Financial Condition and Results of Operations” and “Financial Information”, on pages 84 and 226, respectively, for further details.

### SUMMARY OF THE AUDITED FINANCIAL STATEMENTS

#### Summary of audited consolidated balance sheet as at Financial Year 2024, 2023 and 2022

(₹ lakhs)

Particulars	March 31, 2024 (Audited)	March 31, 2023 (Audited)	March 31, 2022 (Audited)
<b>Non-current assets</b>			
Property, plant and equipment	54,525.66	44,285.04	20,699.21
Capital work-in-progress	2546.81	4,684.13	2,497.76
Investment property	65.58	105.32	105.59
Goodwill	-	6,767.07	6,767.07
Other intangible assets	169.12	40.30	37.20
Intangible assets under development	4.71	216.05	-
<b>Financial assets</b>			
Investments	2,782.29	3,671.92	3,965.95
Loans	34.12	21.72	23.44
Other financial assets	173.60	802.83	508.66
Deferred tax assets (net)	-	233.73	226.11
Art works	-	233.55	240.80
Non-current tax assets (net)	21.00	1,283.29	651.47
Other non-current assets	2,132.85	3,008.16	4,199.30
<b>Total non-current assets (A)</b>	<b>62,455.74</b>	<b>65,353.11</b>	<b>39,922.56</b>
<b>Current assets</b>			
Inventories	25,281.40	24,133.52	19,333.50
<b>Financial assets</b>			
Investments	5,756.30	14,206.56	15,726.55
Trade receivables	9,140.45	9,209.50	7,430.91
Cash and cash equivalents	539.50	864.00	2,254.07
Bank balances other than cash and cash equivalents	148.31	264.00	609.80
Loans	60.35	45.22	1,547.99
Other financial assets	284.20	272.88	585.91
Other current assets	4,294.01	3,328.57	2,140.72
Assets held for sale	-	3,649.76	6,137.50
<b>Total current assets (B)</b>	<b>45,504.52</b>	<b>55,974.01</b>	<b>55,766.95</b>
<b>Total assets (A + B)</b>	<b>1,07,960.26</b>	<b>1,21,327.12</b>	<b>95,689.51</b>
<b>Equity</b>			
Equity share capital	1,145.82	1,144.14	1,141.63
Other equity	56,854.29	85,215.87	75,581.17
<b>Equity attributable to the owners</b>	<b>58,000.11</b>	<b>86,360.01</b>	<b>76,722.80</b>
Non-controlling interest	-	1,639.53	1,602.26
<b>Total equity (A)</b>	<b>58,000.11</b>	<b>87,999.54</b>	<b>78,325.06</b>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
<b>Financial liabilities</b>			
Borrowings	9,294.23	5,448.90	-
Lease liabilities	912.39	654.39	118.41
Provisions	-	301.30	280.35
Deferred tax liabilities (net)	1,288.39	2,118.91	2,088.65
<b>Total non-current liabilities (B)</b>	<b>11,495.01</b>	<b>8,523.50</b>	<b>2,487.41</b>
<b>Current liabilities</b>			
<b>Financial liabilities</b>			
Borrowings	6,094.30	4,257.26	-
Lease liabilities	183.99	168.45	0.65
<b>Trade Payables</b>			
Due to micro and small enterprises	1,613.04	1,466.84	1,466.01
Due to other than micro and small enterprises	7,231.20	4,734.03	4,243.77

Other financial liabilities	21,554.68	9,645.13	6,951.45
Other current liabilities	825.51	1,468.31	796.14
Provisions	962.42	1,213.76	933.32
Current tax liabilities (net)	-	1,850.30	485.70
<b>Total current liabilities (C)</b>	<b>38,465.14</b>	<b>24,804.08</b>	<b>14,877.04</b>
<b>Total equity and liabilities (A + B + C)</b>	<b>1,07,960.26</b>	<b>1,21,327.12</b>	<b>95,689.51</b>

**Summary of audited consolidated statement of profit and loss for the Financial Years ended 2024, 2023 and 2022**

(₹ lakhs)

Particulars	For the Year Ended March 31, 2024 (Audited)	For the Year Ended March 31, 2023 (Audited)	For the Year Ended March 31, 2022 (Audited)
<b>Income</b>			
Revenue from operations	94,225.18	1,02,712.13	83,986.16
Other income	1,780.80	2,478.97	2,457.48
<b>Total income</b>	<b>96,005.98</b>	<b>1,05,191.10</b>	<b>86,443.64</b>
<b>Expenses</b>			
Cost of materials consumed	6,092.81	17,275.21	13,227.47
Purchases of stock-in-trade	41,578.33	27,636.79	22,767.04
Changes in inventories of work-in-progress, finished goods and stock-in-trade	(9,674.83)	(3,671.13)	(5,202.35)
Employee benefits expense	8,660.30	12,243.37	10,277.36
Finance costs	876.66	239.50	111.63
Depreciation and amortisation expense	5,391.27	3,921.28	3,383.47
Other expenses	34,298.02	36,593.91	28,556.57
<b>Total expenses</b>	<b>87,222.56</b>	<b>94,238.93</b>	<b>73,121.19</b>
<b>Profit before share in profit of associate, exceptional items and tax</b>	<b>8,783.42</b>	<b>10,952.17</b>	<b>13,322.45</b>
Share in profit of associates	-	-	-
<b>Profit before exceptional items and tax</b>	<b>8,783.42</b>	<b>10,952.17</b>	<b>13,322.45</b>
Exceptional items	-	(933.33)	1,121.17
<b>Profit before tax</b>	<b>8,783.42</b>	<b>11,885.50</b>	<b>12,201.28</b>
<b>Tax expense</b>			
(1) Current tax	1,729.83	2,841.39	2,962.06
(2) Deferred tax expenses	466.93	23.44	716.17
<b>Total tax expenses</b>	<b>2,196.76</b>	<b>2,864.83</b>	<b>3,678.23</b>
<b>Profit for the year</b>	<b>6,586.66</b>	<b>9,020.67</b>	<b>8,523.05</b>
<b>Other comprehensive income (OCI)</b>			
<b>Items that will not be reclassified to profit or loss</b>			
Re-measurement gains / (losses) on defined benefit plans	(60.69)	(4.20)	(12.54)
Income tax effect on above	15.27	0.80	2.81
<b>Total other comprehensive income</b>	<b>(45.42)</b>	<b>(3.40)</b>	<b>(9.73)</b>
<b>Total comprehensive income for the year</b>	<b>6,541.24</b>	<b>9,017.27</b>	<b>8,513.32</b>
<b>Profit attributable to</b>			
Owners of the company	6,586.66	8,984.52	8,373.03
Non-controlling interest	-	36.15	150.02
	<b>6,586.66</b>	<b>9,020.67</b>	<b>8,523.05</b>
<b>Other comprehensive income attributable to</b>			
Owners of the company	(45.42)	(4.52)	(11.45)
Non-controlling interest	-	1.12	1.72
	<b>(45.42)</b>	<b>(3.40)</b>	<b>(9.73)</b>
<b>Total comprehensive income attributable to</b>			
Owners of the company	6,541.24	8,980.00	8,361.58
Non-controlling interest	-	37.27	151.74
	<b>6,541.24</b>	<b>9,017.27</b>	<b>8,513.32</b>
<b>Earnings per equity Share of Re.1/- each (in Rs.)</b>			
Basic	5.75	7.86	7.34
Diluted	5.75	7.86	7.34

**Summary of audited consolidated cash flow for the Financial Years ended 2024, 2023 and 2022**

(₹ lakhs)

Particulars	For the Year Ended March 31, 2024 (Audited)	For the Year Ended March 31, 2023 (Audited)	For the Year Ended March 31, 2022 (Audited)
<b>Cash flow from operating activities</b>			
<b>Profit before tax as per consolidated statement of profit and loss</b>	<b>8,783.42</b>	<b>11,885.50</b>	<b>12,201.28</b>
<b>Adjusted for :</b>			
Depreciation and amortisation expense	5,391.27	3,921.28	3,383.47
Loss/(gain) on foreign currency transactions (net)	(18.19)	66.26	1.82
Dividend income	-	-	(0.07)
Interest income	(133.37)	(133.96)	(192.99)
Loss/(gain) on sale of investments (net)	(724.06)	(234.31)	(1.12)
Loss / (gain) on financial instruments measured at fair value through profit or loss (net)	181.83	(33.96)	(1,362.45)
Loss / (gain) on sale / discarding of property, plant and equipment (net)	(18.82)	(1,558.37)	40.97
Investment advisory charges	5.97	2.84	32.17
Share based payment expense	114.04	267.76	136.11
Finance costs	876.66	239.50	111.63
Sundry balances / Excess provision written back (net)	(1.17)	(66.77)	(223.30)
Loss due to fire and flood (related to property, plant and equipments)	-	-	92.13
Provision for impairment of non-current assets	-	-	474.67
Insurance claim received (related to property, plant and equipments)	-	(933.33)	-
Bad debts	281.32	40.40	46.90
Provision / (reversal) for credit impaired / doubtful advances (net)	(287.92)	(180.34)	21.55
<b>Operating profit before working capital changes</b>	<b>14,450.98</b>	<b>13,282.50</b>	<b>14,762.77</b>
<b>Adjusted for:</b>			
Trade and other receivables	(6,211.61)	(2,858.96)	(1,887.07)
Inventories	(10,841.56)	(4,800.02)	(4,572.55)
Trade and other payables	9,077.47	2,859.57	2,155.38
<b>Cash generated from operations</b>	<b>6,475.28</b>	<b>8,483.09</b>	<b>10,458.53</b>
Direct taxes paid (net)	(1,672.03)	(2,108.61)	(2,801.78)
<b>Net cash from / (used in) operating activities</b>	<b>4,803.25</b>	<b>6,374.48</b>	<b>7,656.75</b>
<b>Cash flow from investing activities</b>			
Purchase of property, plant and equipment and intangible assets	(17,515.87)	(26,756.50)	(8,788.56)
Sale of property, plant and equipment (net)	121.41	4,297.92	332.00
Purchase of investments	(1,469.38)	(18,112.72)	(23,525.98)
Sale of investments	8,110.88	20,201.67	29,716.02
Movement in loans (net)	-	1,500.00	(1,500.00)
Investment advisory charges paid	-	-	(62.45)
Income / interest on investment / loans	144.95	244.89	129.84
Insurance claim received (related to property, plant and equipments)	-	933.33	-
Dividend received	-	-	0.07
<b>Net cash from / (used in) investing activities</b>	<b>(10,608.01)</b>	<b>(17,691.41)</b>	<b>(3,699.06)</b>
<b>Cash flow from financing activities</b>			
Proceeds from issue of share capital	314.72	389.46	55.20
Proceeds of non-current borrowings	7,467.51	6,843.77	-
Repayment of non-current borrowings	(2,098.52)	-	(126.96)
Movement in current borrowings (net)	1,190.91	2,862.39	(600.00)
Margin money (net)	77.33	269.60	(415.26)

<b>Particulars</b>	<b>For the Year Ended March 31, 2024 (Audited)</b>	<b>For the Year Ended March 31, 2023 (Audited)</b>	<b>For the Year Ended March 31, 2022 (Audited)</b>
Lease payments	(231.19)	(137.62)	(15.38)
Dividend paid	-	-	(1,141.19)
Interest paid	(1,191.58)	(300.80)	(112.38)
<b>Net Cash from / (used in) financing activities</b>	<b>5,529.18</b>	<b>9,926.80</b>	<b>(2,355.97)</b>
<b>Net increase / (decrease) in cash and cash equivalents</b>	<b>(275.58)</b>	<b>(1,390.13)</b>	<b>1,601.72</b>
<b>Opening balance of cash and cash equivalents</b>	<b>815.08</b>	<b>2,254.07</b>	<b>652.30</b>
Unrealised gain / (loss) on foreign currency transactions (net)	-	(0.06)	(0.11)
<b>Opening balance of cash and cash equivalents</b>	<b>815.08</b>	<b>2,254.13</b>	<b>652.41</b>
<b>Closing balance of cash and cash equivalents</b>	<b>539.50</b>	<b>864.00</b>	<b>2,254.07</b>
Unrealised gain / (loss) on foreign currency transactions (net)	-	-	(0.06)
<b>Closing balance of cash and cash equivalents</b>	<b>539.50</b>	<b>864.00</b>	<b>2,254.13</b>



## **RELATED PARTY TRANSACTIONS**

For details of the related party transactions for the (i) Financial Year 2024; (ii) Financial Year 2023; and (iii) Financial Year 2022, as per the requirements under Indian Accounting Standard (*Ind AS*) 24– *Related Party Disclosures*, please see “*Financial Information*”, on page 226 for the abovementioned financial years respectively.

## RISK FACTORS

*An investment in equity shares involves a high degree of risk. Prospective investors should carefully consider all the information in this Preliminary Placement Document, including the risks and uncertainties described below before making an investment decision in the Equity Shares.*

*We have described the risks and uncertainties that we believe are material, but these risks and uncertainties may not be the only risks relevant to us, the Equity Shares, or the industry and segments in which we currently operate or propose to operate. While we have described the risks and uncertainties that our management believes are material, the risks set out in this Preliminary Placement Document may not be exhaustive. Unless specified or quantified in the relevant risk factor below, we are not in a position to quantify the financial or other implication of any of the risks mentioned in this section. If any or a combination of the following risks actually occur, or if any of the risks that are currently not known or deemed to be not relevant or material now actually occur or become material in the future, our business, results of operations, financial condition and cash flows could suffer, the trading price of the Equity Shares could decline, and you may lose all or part of your investment.*

*To obtain a more detailed understanding of our business and operations, see this section in conjunction with the sections titled “Our Business”, “Industry Overview” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” beginning on pages 143, 109 and 84, respectively, as well as other financial and statistical information contained in this Preliminary Placement Document.*

*Unless otherwise indicated or the context requires otherwise, the financial information included herein is based on our Audited Financial Statements included in this Preliminary Placement Document. For further information, see “Financial Information” on page 226. The National Company Law Tribunal, Mumbai Bench (“NCLT”) had sanctioned the Composite Scheme of Arrangement amongst Borosil Limited (“**Demerged Company**” or the “**Company**”), Klass Pack Limited (renamed as “**Borosil Scientific Limited**”) (“**BSL**” or “**Resulting Company**” or “**Transferee Company**”) and Borosil Technologies Limited (“**BTL**” or “**Transferor Company**”) and their respective shareholders and creditors (“**Scheme**”) through its order dated November 2, 2023 which inter alia provided for: (a) reduction and reorganization of share capital of BSL; (b) demerger of Scientific and Industrial Products Business from the Company into BSL and consequent issue of shares by BSL; and (c) amalgamation of BTL with BSL. The Appointed Date of the Scheme was April 1, 2022. The Scheme became effective from December 2, 2023. Pursuant to the Scheme, BSL, BTL and Goel Scientific Glass Works Limited have ceased to be subsidiaries of the Company. The audited consolidated financial statements for Financial Year 2024 reflects the impact of the demerger pursuant to the Scheme, however, the comparative period financial information for the year ended March 31, 2023, have been restated by the management for giving effect to the Scheme to make them comparable. However, the financial information derived from and arising out of the audited consolidated financial statements for the Financial Years 2023 and 2022 does not reflect the effect of the Scheme and accordingly includes the financial performance of the Scientific and Industrial Products Business as well as consumer product business. Accordingly, the financial information for Financial Years 2023 and 2022 represents business, results of operations, cash flows and financial condition of the Company prior to giving effect of the Scheme. For further details on the Scheme, please refer to the section – “Our Business - Group Restructuring Process” and “Risk Factor – Our audited consolidated financial statements for Financial Year 2024 reflects the impact of the demerger pursuant to the Scheme implemented by our Company respectively.*

*In making an investment decision, prospective investors must rely on their own examination of our business and the terms of the Issue, including the merits and risks involved. Prospective investors should consult their tax, financial and legal advisors about the particular consequences to them of an investment in our Equity Shares. Prospective investors should pay particular attention to the fact that our Company is incorporated under the laws of India and is subject to a legal and regulatory environment, which may differ in certain respects from that of other countries. Unless specified or quantified in the relevant risk factors below, we are not in a position to quantify the financial or other implications of any of the risks described in this section.*

*This Preliminary Placement Document also contains forward-looking statements that involve risks, assumptions, estimates and uncertainties. Our actual results could differ materially from those anticipated in these forward-looking statements as a result of certain factors, including but not limited to the considerations described below. See “Forward-Looking Statements” beginning on page 17.*

*Unless otherwise indicated, the industry-related information contained in this section is derived from the industry report titled “Industry Report on Kitchenware and Kitchen Appliances Market in India” dated June 22, 2024 prepared by Technopak Advisors Private Limited (“**Technopak**” and such report, the “**Technopak Report**”). We*

have commissioned and paid for the Technopak Report for the purposes of confirming our understanding of the industry exclusively in connection with the Issue. We officially engaged Technopak in connection with the preparation of the Technopak Report pursuant to an engagement letter dated January 24, 2024. The data included in this section includes excerpts from the Technopak Report and may have been re-ordered by us for the purpose of presentation.

Our Financial Year commences on April 1 and ends on March 31 of the immediately subsequent year, and references to a particular Financial Year are to the 12 months ended March 31 of that particular year. Unless otherwise indicated or the context otherwise requires, financial information for the Financial Years ended March 31, 2022, 2023 and 2024 included herein is derived from the Selected Financial Information included in this Preliminary Placement Document. See “Selected Financial Information” on page 37.

## INTERNAL RISK FACTORS

- Fluctuations in raw material prices, especially steel, copper, soda ash and sodium silico fluoride prices, and disruptions in their availability may have an adverse effect on our business, results of operations, financial condition and cash flows.**

We depend entirely on third-party suppliers for the supply of raw materials, including soda ash and sodium silico fluoride which are some of the highest consumed raw materials in the production of our products, in terms of value. A portion of our expenses come from the cost of raw materials. The tables below set forth our cost of materials consumed, also represented as a percentage of our total expenses, for the periods indicated:

Particulars	For the Financial Year 2022		For the Financial Year 2023		For the Financial Year 2024	
	(₹ in lakhs)	(% of total expenses)	(₹ in lakhs)	(% of total expenses)	(₹ in lakhs)	(% of total expenses)
Cost of materials consumed	13,227.47	18.09%	17,275.21	18.33%	6,092.81	6.99%
Packing Material Consumed	5,279.20	7.22%	5,798.35	6.15%	5,383.37	6.17%
Purchase of Stock-in-trade	22,767.04	31.14%	27,636.79	29.33%	41,578.33	47.67%

For details, see “Our Business – Description of Our Business – Raw Material and Utilities” on page 160.

We source our raw materials on a purchase order basis, and do not enter into long term contracts (typically 12 months or longer) with raw material suppliers. Thus, our business is susceptible to fluctuations in raw material prices. The prices of raw materials are affected by several factors beyond our control, including, among others, production capacity, transportation costs, disruptions in infrastructure, regulation, governmental policies, labour unrest, export restrictions and demand among other competitors and users. For example, the imposition of any taxes on raw materials or implementation of new regulations banning the use of certain materials could result in a significant increase in the cost of raw materials and may require us to either increase the price of our products or source alternative raw materials to use in our production. While there were no past material instances of imposition of any taxes on raw materials or implementation of new regulations banning the use of certain materials in the past, there is no assurance that such events will not occur in the future. We have a limited ability to control the timing and amount of changes to prices that we pay for raw materials, and we may be unable to increase our product prices in sufficient time to fully offset increasing raw material prices. Our ability to transfer increases in raw material costs to our consumers is dependent on, among others, market conditions as well as pricing of similar products by our competitors. In the past, we have been successful in transferring increases in raw material costs to consumers through increased product prices, although there has typically been a time lag. However, to the extent that we are not able to transfer increases in costs to our consumers, or if there is a significant lag in our ability to do so, our business, results of operations, financial condition and cash flows may be adversely affected.

Further, disruptions in the availability of quality raw materials from suppliers may lead to a deterioration in the quality of our products, as the quality of our products is primarily derived from the quality of our raw materials. The availability of quality raw materials is affected by several factors, including production capacity constraints, natural disasters and geopolitical factors that impact supply chain operations. For example, due to the impact on the global supply chain caused by the COVID-19 pandemic, we faced delays in the procurement of certain raw

materials in the past. While we maintain a diversified supplier base for some of our raw materials, and do not rely on a few suppliers for the supply of our raw materials, however in the future we cannot assure you that we will be able to maintain our current line-up of suppliers or adequate supply of quality raw material at all times. Additionally, for some of our raw materials like Soda Feldspar, we currently have only one supplier and we cannot assure you that we will be able to maintain a working relationship with that supplier or adequate raw material supply at all times. Our suppliers do not supply raw materials exclusively to us and accordingly, some of them may choose to supply raw materials to other parties, including our competitors, instead of us. The non-availability or unforeseen shortage of quality raw materials may force us to source raw materials from alternative suppliers that may not meet our quality standards, which may lead to a deterioration in quality of our products and in turn affect our business, results of operations, financial condition and cash flow.

**2. *We are dependent on our distribution network in India and overseas to sell and distribute our products and any disruption in our distribution network could have an adverse effect on our business, results of operations, financial condition and cash flows.***

We are dependent on our distribution network in India and overseas to sell and distribute our products to consumers. For sales and distribution in India, we have a multi-tiered network comprising, among others, distributors and retailers. For details, see “*Our Business – Description of Our Business – Distribution, Sales and Marketing*” on page 155.

The table below sets forth a breakdown of our revenue from operations for the periods indicated by channels:

Particulars	For the Financial Year 2022		For the Financial Year 2023		For the Financial Year 2024	
	(₹ in lakhs)	(% of total revenue from operations)	(₹ in lakhs)	(% of total revenue from operations)	(₹ in lakhs)	(% of total revenue from operations)
Domestic	78,902.72	93.95%	95,415.83	92.90%	90,370.34	95.91%
Export	5,083.44	6.05%	7,296.30	7.10%	3,854.84	4.09%

If we are unable to maintain and grow our distribution network, our products may not effectively reach consumers and we may lose market share. Any disruptions, delays or inefficiencies by, among others, our distributors and retailers could adversely affect our operations and may lead to disruptions in our supply chain. While we enter into agreements with our distributors in the ordinary course of business, there can be no assurance that our products will continue to have the same geographical outreach in the future. We also face the risk of attrition of our network of distributors, especially if our reputation with our distributors is tarnished. Further, most of our distributors do not provide their service exclusively to us and may be providing the same or similar service to other parties, including our competitors. We may not be able to compete successfully against some of our current or future competitors that have larger distribution networks, especially if such competitors provide their distributors with more favourable arrangements than us. If the terms offered by our competitors to such distributors are more favourable than those offered by us, such distributors may decline to distribute our products and terminate their arrangements with us. While there have not been any material delays or defaults in payments from our distributors in the past, we cannot assure you that we will be successful in continuing to receive uninterrupted, high-quality service from our distribution network for our products.

We cannot assure you that we will be able to successfully appoint new distributors, renew agreements with existing distributors on terms favourable to us, or at all, or effectively manage our existing distribution network. If any distributor discontinues its relationship with us, fails to meet sales targets or reduces, delays or cancels purchases from us, the demand for and sales of our products could decline, which may adversely affect our business, results of operations, financial condition and cash flows.

**3. *Our reliance on third-party contract manufacturers for some of our products subjects us to risks, which, if realized, could adversely affect our business, results of operations, financial condition and cash flows.***

We source our glassware and non-glassware products from third-party contract manufacturers primarily located in India and China. Our reliance on third-party contract manufacturers for the supply of certain of our products subjects us to various risks, including:

- dependence on relationships with third party contract manufacturers, particularly for continuity of supply of products to us;
- delays in delivery and shipment. For example, we experienced delays in delivery and shipment due to COVID-19 induced lockdowns in India and China between 2020 and 2022;
- geopolitical risk affecting our contracts and arrangements with third-party contract manufacturers in China due to possible political tensions;
- changes in cost of acquisition of our products from such contract manufacturers, and/or imposition of import tariffs or duties which would directly affect our profit margins and selling prices of our products;
- risk relating to inefficiencies, disruptions and delays of the supply chain network of our contract manufacturers;
- misappropriation of our intellectual property by our contract manufacturers;
- compliance with the evolving regulatory and policy environment in which we operate, including finding new domestic contract manufacturers for our hydra insulated flasks and bottles since it is difficult for Chinese manufacturers to obtain the certifications under the Insulated Flask, Bottles and Containers for Domestic Use (Quality Control) Order, 2023; and
- adverse changes in the financial or business condition of our contract manufacturers.

While we have not faced any material past instances where political tensions affected our contracts and arrangements with third-party contract manufacturers, any of these events could delay the successful and timely delivery of products that meet our quality standards and other requirements. While we have maintained stable relationships with our third-party manufacturers in the past, we cannot assure you that, if we are unable to source adequate quantities of such products in a timely manner from our existing suppliers in the future, we will be able to find alternative manufacturers at acceptable prices and quality levels or at all. Our dependence on third party manufacturers could adversely affect our business, results of operations, financial condition and cash flows as a result of occurrence of factors mentioned or violation of terms of engagement by such contract manufacturers.

**4. *We face significant competition which may lead to a reduction in our market share, cause us to increase our expenditure on advertising and marketing as well as cause us to offer discounts, which may result in an adverse effect on our business, results of operations, financial condition and cash flows.***

We face significant competition from a number of competitors, some of which are larger and have substantially greater resources than us, including the ability to spend more on advertising and marketing and offer substantial discounts. The tables below set forth our expenses towards advertisements and sales promotion, also represented as a percentage of our total revenue from operations, for the periods indicated:

Particulars	For the Financial Year 2022		For the Financial Year 2023		For the Financial Year 2024	
	(₹ in lakhs)	(% of total revenue from operations)	(₹ in lakhs)	(% of total revenue from operations)	(₹ in lakhs)	(% of total revenue from operations)
Advertisements and Sales Promotion	4,001.59	4.76%	6,402.36	6.23%	6,826.03	7.24%

Some of our competitors also have competitive advantages such as longer operating histories, better brand recognition, greater financial resources, more advanced technology, better research and development capabilities, greater market penetration, larger distribution networks, larger spending budgets on advertisements and promotions, and more established supply relationships. Increased competition from existing players and new entrants, in each of the products segments we operate may cause us to lose customers, fail to attract new customers and result in an overall reduction in our market share. In the overseas market, we compete with large players having a strong local presence and we may not be able to expand our business in the overseas market. We also

face competition from non-branded local retailers and traders that may have more flexibility in responding to changing business and economic conditions than us. Our competitors may innovate faster and more efficiently, and new technologies may increase competitive pressures by enabling competitors to offer more efficient or lower-cost products. Any failure by us to change our offerings in ways that compete effectively with and adapt to such changes may lead to a reduction in our market share, which could have an adverse effect on our business, results of operations, financial condition and cash flows. For details, see “*Our Business – Description of Our Business – Competition*” on page 157.

**5. *The brands that we use and our reputation are critical to the success of our business and may be adversely affected due to various reasons.***

The brands that we use and our reputation are among our most important assets, as they attract consumers to our products over those of our competitors. The recognition and reputation of our flagship brand *Borosil*” as well as our brand “*Larah*”, among our consumers, distributors and retailers has contributed to the growth and success of our business. For details, see “*Our Business – Description of Our Business – Brands and Products*” on page 151.

Our ability to maintain a strong brand reputation is dependent on the public perception and recognition of the quality of our products, range of product portfolio, pricing of products, market penetration, accessibility of products and marketing initiatives. Further, a loss of trust in our products by consumers or by our distribution network or partners, due to unsatisfactory quality control and assurance standards and sale of counterfeit products in the market could adversely affect our brand reputation and subject us to additional risks and scrutiny. For details, see “– *Internal Risk Factors – Our business may be adversely impacted by sale of counterfeit products and passing-off which may reduce our sales and harm our brands, adversely affecting our results of operations, financial condition and cash flows.*” on page 53.

The brands that we use and our reputation may also be adversely affected by factors beyond our control, including sustainability, health and safety concerns. Adverse publicity and public campaigns relating to health and safety concerns of the use of plastic products, even if found to be untrue, may adversely affect our brand reputation.

Other factors that could affect our brand image include adverse media coverage. Adverse publicity regarding, among others, our brand ambassadors, and unsuccessful product introductions may also erode our brand image. Further, while there have not been any such past material instances, celebrities who we may or may not be directly associated with us can shape public perception about us and our brands/products, or they themselves may face adverse impacts to their personal reputation and public standing for any number of reasons, all of which could hurt the brands that we use and our reputation. If we are unable to maintain our reputation, enhance our brand recognition or increase positive awareness of our websites and products, it may be difficult to maintain and grow our consumer base, and our business, results of operations, financial condition and cash flows may be adversely affected.

In addition, owing to allegations of defects in certain products, we may be required from time to time to recall products entirely or from specific markets, which may have an adverse effect on our reputation, business, results of operations, financial condition, cash flows and may also lead to a loss of confidence among consumers in our products. We have not faced any past material instances of allegations of product defects in our products which has required us to recall our products entirely or from specific markets. For details, see “– *Internal Risk Factors –Product recalls may adversely affect our brand image and lead to a loss of confidence of consumers in our products, which may have an adverse effect on our reputation, business, results of operations, financial condition and cash flows.*” on page 51.

**6. *If we are unable to identify consumer demand accurately and maintain an optimal level of inventory, our business, results of operations, financial condition and cash flows may be adversely affected.***

The success of our business depends on our ability to anticipate and forecast consumer demand. Any error in our forecast could result in either surplus stock, which we may be unable to sell in a timely manner, or at all, or under-stocking, which will affect our ability to meet consumer demand. We plan our inventory and estimate our sales based on the forecasted demand. An optimal level of inventory is important to our business as it allows us to respond to consumer demand effectively. While we aim to avoid under-stocking and over-stocking by making accurate forecasts of sales and inventory based on past experience and available market information, our forecasts may not always be accurate. If we fail to accurately forecast consumer demand, we may experience excess inventory levels or a shortage of products available for sale. We cannot assure you that we will be able to sell surplus stock in a timely manner, or at all, which may in turn adversely affect our business, results of operations,

financial condition and cash flows.

**7. *Our business is subject to seasonality, which may contribute to fluctuations in our results of operations and financial condition.***

Our business is subject to seasonality as we see higher demand of our products from our customers during the festive seasons. Accordingly, our results of operations and financial condition in one particular quarter may not accurately reflect the trends for the entire financial year and may not be comparable with our results of operations and financial condition for other quarters. Additionally, any significant event such as unforeseen economic slowdown, political instabilities or epidemics during these peak demand seasons may adversely affect our business and results of operations.

**8. *Our audited consolidated financial statements for Financial Year 2024 reflects the impact of the demerger pursuant to the Scheme implemented by our Company.***

Our audited consolidated financial statements for Financial Year 2024 (“**Audited 2024 Financial Statements**”) included in the Preliminary Placement Document have been prepared to reflect the impact of the demerger of the scientific and industrial business of our Company into Borosil Scientific Limited pursuant to the Scheme. For further details on the Scheme, see “*Our Business – Group Restructuring*” on page 145.

To give effect to the Scheme, the financial information included in the Audited 2024 Financial Statements for the comparative period, i.e. for Financial Year 2023, has been restated by our Company to reflect the impact of the Scheme to make them comparable. Accordingly, the financial information for the comparative period, i.e. Financial Year 2023, appearing in the Audited 2024 Financial Statements has neither been audited nor reviewed by our Statutory Auditors.

All financial information for Financial Year 2023 included in the Preliminary Placement Document is extracted from the Audited 2023 Financial Statements, which does not reflect the impact of the Scheme. Accordingly, the Audited 2023 Financial Statements represents business, results of operations, cash flows and financial condition of the Company including scientific and industrial products business of the Company, and the results of operations of Financial Year 2024 compared to Financial Year 2023 presented “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” on page 84 would not be comparable to this extent. Investors are therefore requested to refer to and review the Audited 2023 Financial Statements for the financial information and financial performance of our Company for Financial Year 2023 and not the comparative financial information for the same period as presented in the Audited 2024 Financial Statements.

**9. *We may be unable to manage the anticipated benefits of the demerger of the scientific and industrial products division and the group restructuring.***

We may experience difficulty in realization of anticipated synergies or efficiencies from the implementation of the Scheme. The implementation of the Scheme involves various risks, including (i) difficulties in maintaining the financial, technological and management standards (especially since now Borosil Scientific Limited is a separate entity with a separate board of directors), processes, procedures and controls with our existing operations, (ii) challenges in managing the increased scope and complexity of the consumer products division’s operations, and (iii) increased administrative and operational costs. The expected performance and anticipated benefits of the implementation of the Scheme may not be achieved within the anticipated timeframe, or at all. Any of these factors could have an adverse effect on our business, results of operations, cash flows and financial condition.

**10. *If we fail to identify and effectively respond to changing consumer preferences in a timely manner, the demand for our products could decrease, causing our business, results of operations, financial condition and cash flows to be adversely affected.***

The consumer products market is characterized by frequent changes, particularly in consumer preferences. The demand of consumer products may vary over time due to changing consumer preferences, including those relating to sustainability such as recycling, methods of production, carbon footprint of transportation and support for eco-friendly products.

Other changes in consumer preferences could relate to, among others, improved functionality, product innovation, attractive design, use of new and more advanced materials and better quality. Consumer preferences in the consumer products market are difficult to predict and changes in those preferences or the introduction of new

products by our competitors could put our products at a competitive disadvantage. The success of our business depends on our ability to anticipate, gauge and react in a timely and cost-effective manner to changes in consumer preferences for our products, including their increased focus on sustainability and environmental awareness. Further, although we continuously seek to differentiate our products on the basis of quality and innovation, we may not be able to generate and maintain customer loyalty, which may impact the demand for our products.

If we are unable to foresee or respond effectively to changes in consumer preferences, demand and sale for our products may decline, thereby reducing our market share and preventing us from acquiring new customers and retaining existing customers, which in turn may adversely affect our business, results of operations, financial condition and cash flows.

**11. *The launch of new products and a range of products that prove to be unsuccessful could affect our growth plans which could adversely affect our business, results of operations, financial condition and cash flows.***

We are constantly innovating in order to develop new products and a range of products. In recent years, we have expanded our product portfolio, by introducing a new range of products such as nutrifresh blenders, color crush bottles, oil filled radiators in our consumer product category. For the Financial Years 2022, 2023 and 2024 we launched 2,377, 4,142 and 3,866 new products, respectively. New products and a range of products require us to understand and make informed judgments as to consumer demands, trends and preferences. For details, see “*Our Business – Our Strategies – Continued innovation to grow wallet share and expand consumer base*” on page 149. Various elements of new product initiatives entail significant costs and risks, as well as the possibility of unexpected consequences, including:

- acceptance of our new product initiatives by our consumers may not be as high as we anticipate;
- sale of new products may not sustain initial levels of high sales volumes;
- our marketing strategies (including advertisements and marketing campaigns) for new products may be less effective than planned and may fail to effectively reach the targeted consumer base or result in the expected level of sales;
- we may incur costs exceeding our expectations; and
- we may experience a decrease in sales of our existing products as a result of the introduction of related new products.

We expend considerable time and financial resources in the development and launch of new range of products. Each of the above risks could delay or impede our ability to achieve our growth objectives, which could adversely affect our business, results of operations, financial condition and cash flows. In the past, while we have occasionally launched new products and a range of products that proved to be unsuccessful for one or more of the above reasons, these unsuccessful launches did not have a material impact on our business, results of operations, financial condition and cash flows. However, we cannot assure that our business will not be adversely affected due to unsuccessful launches in the future.

**12. *If we fail to obtain, maintain or renew the statutory and regulatory licenses, permits and approvals required for our business and operations, our business, results of operations, financial condition and cash flows may be adversely affected.***

We are required to obtain and maintain certain statutory and regulatory permits and approvals under central, state and local government rules in India, generally for carrying out our business and for our manufacturing plants. A majority of these approvals are granted for a limited duration and require renewal. As on the date of this Preliminary Placement Document, there are certain material approvals such as the consent to expand the operation and activity at plant situated at Jaipur to be issued by Rajasthan State Pollution Control Board for which consent application has been made by us and are awaiting approval.

The approvals required by us are subject to certain conditions and we cannot assure you that these would not be suspended or revoked in the event of non-compliance or alleged non-compliance with any terms or conditions thereof, or pursuant to any regulatory action. If there is any failure by us to comply with the applicable regulations or if the regulations governing our business are amended, we may incur increased costs, be subject to penalties,



have our approvals and permits revoked or suffer a disruption in our operations, any of which could adversely affect our business, results of operations, financial condition and cash flows.

If we fail to obtain such approvals, licenses, registrations and permissions, in a timely manner or at all, our business, results of operations, financial condition and cash flows may be adversely affected. There can be no assurance that the relevant authorities will issue such approvals, licenses, registrations and permissions in the timeframe anticipated by us or at all.

**13. We have entered into and will continue to enter into related party transactions. We cannot assure you that such transactions, individually or in the aggregate, will not have an adverse effect on our business, results of operations, financial condition and cash flows.**

We have in the past entered into transactions with certain of our related parties and are likely to continue to do so in the future. The tables below set forth the details of our related party transactions in relation to our sales, also represented as a percentage of our total revenue from operations, for the periods indicated:

Particulars	For the Financial Year 2022		For the Financial Year 2023		For the Financial Year 2024	
	(₹ in lakhs)	(% of total revenue from operations)	(₹ in lakhs)	(% of total revenue from operations)	(₹ in lakhs)	(% of total revenue from operations)
Related party transactions	2,085.72	2.48%	1,663.62	1.62%	9,050.11	9.60%

For further details, see “*Related Party Transactions*” on page 41.

These related party transactions are typically in the nature of sales and purchases of goods, payment of rent, remuneration to KMPs, dividend paid, professional fees paid and reimbursement of expenses:

- Purchases of goods from Borosil Scientific Limited of ₹6,175.76 lakhs for the year ended March 31, 2024;
- Cost of shared service support income from Borosil Scientific Limited of ₹ 517.19 lakhs for the year ended March 31, 2024

We have in the ordinary course of our business entered, and will continue to enter, into transactions with related parties. While all our related party transactions have been conducted on an arm’s length basis and have been duly approved by our Board of Directors and/or Audit Committee and/or Shareholders in accordance with the Companies Act, we cannot assure you that we could not have achieved more favourable terms had such transactions been entered into with unrelated parties. We will continue to enter into related party transactions in the future. We cannot assure you that such future transactions, individually or in the aggregate, will not have an adverse effect on our business, results of operations, financial condition and cash flows or that we could not have achieved more favourable terms if such future transactions had not been entered into with related parties.

**14. If we are unable to maintain the existing level of capacity utilisation rate at our manufacturing facilities, our margins and profitability may be adversely affected. Further, a slowdown or shutdown in our manufacturing operations could have an adverse effect on our business, results of operations, financial condition and cash flows.**

The following table sets forth our aggregate capacity utilisation rate across our manufacturing facilities for the Financial Years 2022, 2023 and 2024, as certified by Dinesh Kumar Chhangani, Chartered Engineers, pursuant to a certificate dated June 19, 2024:

Product Category - Opalware	For the Financial Year		
	2022	2023 <sup>^</sup>	2024
Installed capacity (TPD) (A)		54	84

	42		
Number of days of furnace operation (B)	365	209	365
Effective capacity available per annum (C=AxB)	15,330 MT	17,556 MT	30,660 MT
Actual production per period (D)	14,988 MT	16,816 MT	28,687 MT
Actual capacity utilization (TPD) (E=D/B)	41.06	51.27	78.60
Percentage of Capacity Utilisation (F=E/C)	97.8%	95.8%	93.6%

<sup>^</sup> During FY 2022-23 there was a scheduled maintenance activity for the 1<sup>st</sup> furnace in October 2022. Further, new capacity through a 2<sup>nd</sup> furnace was added from January, 2023, accordingly number of days of furnace operation calculated, and capacity/utilisation has been calculated on a weighted average basis.

Product Category – Borosilicate Glassware	For the Financial Year 2024 <sup>#</sup>
Installed capacity (TPD) (A)	25
Number of days of furnace operation (B)	3
Effective capacity available per annum (C= AxB)	75 MT
Actual production per period (D)	66 MT
Actual capacity utilization (TPD) (E=D/B)	22
Percentage of Capacity Utilisation (F=E/C)	88%

<sup>#</sup> During FY 2024, the Company has set up a new furnace with 25 tonnes per day (TPD) production capacity for borosilicate glass at Jaipur, Rajasthan with a capital outlay of about INR 15,000 lakhs. The commercial production from this new furnace commenced from March 28, 2024. Accordingly, the above table reflects prorated installed capacity and actual capacity utilization for FY 2024 and the annual installed capacity shall be 9,125 MT.

In particular, the following assumptions have been made in the calculation of the estimated annual production capacities of our manufacturing facilities included above and elsewhere in this Preliminary Placement Document, as certified by Dinesh Kumar Chhangani, Chartered Engineers, pursuant to a certificate dated June 19, 2024:

- there should not be any lock down / strikes/ stoppages/ shutdowns in the plants.
- raw materials will be available without any interruption to the manufacturing and processing units.
- regular maintenance and annual overhaul will be carried as per the schedules.
- uninterrupted power supply should be available.
- standard capacity calculation practice of the glassware industry.
- there will not be any new Government policies, which affect the cost of production and labour relations, if any.

Actual and future production levels and capacity utilization rates may differ significantly from the estimated production capacities or historical estimated capacity information of our facilities. Undue reliance should therefore not be placed on our historical capacity information for our existing manufacturing facilities included in this Preliminary Placement Document.

For details relating to our capacity utilisation rate, see “Our Business – Description of Our Business – Manufacturing Facilities” on page 153.

Our business is dependent upon our ability to operate our manufacturing facilities, which are subject to a variety of operating risks, including the compliance with regulatory requirements and productivity of our workforce, and those beyond our control, such as the breakdown and failure of equipment or industrial accidents, obsolescence of equipment or machinery, accidents, disruption in supply of electricity or water, and severe weather conditions and natural disasters. Our capacity utilisation is also affected by the product requirements of our distributors and

demand for our products. Any significant malfunction or breakdown of our machinery may entail significant repair and maintenance costs and cause delays in our operations. The tables below set forth our repairs and maintenance expenses of our plant and machinery for the periods indicated:

Particulars	For the Financial Year 2022	For the Financial Year 2023	For the Financial Year 2024
	<i>(₹ in lakhs)</i>		
Repairs and maintenance expenses – plant and machinery	200.05	258.46	78.40

Our inability to effectively respond to any shutdown or slowdown and rectify any disruption, in a timely manner and at an acceptable cost, could lead to our inability to meet consumers' demand for our products and to manufacture our products in a cost-efficient manner.

**15. *Product recalls may adversely affect our brand image and lead to a loss of confidence of consumers in our products, which may have an adverse effect on our reputation, business, results of operations, financial condition and cash flows.***

We face risks of exposure to product recalls if our products fail to meet the required quality standards or are alleged to be defective or harmful to consumers. While we have not faced any material product recalls in the past, we cannot assure you that we will not face any instances of product recalls in the future. Additionally, we may also face product liability claims which may adversely affect our reputation, business, results of operations, financial condition and cash flows. We do not maintain product liability and product recall insurance cover. For instance, we have in the past received notices from customers alleging defects in our products. A product recall or a product complaint may adversely affect our brand image and lead to a loss of confidence of consumers in our products, which may adversely affect our reputation, business, results of operations, financial condition and cash flows.

**16. *Non-compliance with and changes in safety, environmental, product related and other applicable regulations, including Insulated Flask, Bottles and Containers for Domestic Use (Quality Control) Order, 2024 may adversely affect our operations.***

We are subject to laws and government regulations, including in relation to safety, environmental protection and labour. These laws and regulations impose controls on air and water discharge, noise levels, storage handling, employee exposure to hazardous substances, product quality and other aspects of our manufacturing operations. These laws and regulations and the way in which they are implemented and enforced may change from time to time and we cannot assure you that future legislative or regulatory changes will not have an adverse effect on our business, financial condition, cash flows and results of operations.

We are also required to comply with certain product specific regulations. The Department for Promotion of Industry and Internal Trade, Ministry of Commerce & Industry, Government of India, on March 5, 2024, has issued the Insulated Flask, Bottles and Containers for Domestic Use (Quality Control) Order, 2024 ("**Order**"). As per the Order the manufacturer of insulated flask/bottles/containers for domestic use needs to conform to the standards that are prescribed therein, namely Insulated Flask for Domestic Use (IS 17790:2022), Domestic Stainless Steel Vacuum Flask/Bottle (IS 17526:2021) and Insulated Container for Food Storage (IS 17569:2021). Additionally, the manufacturer will be required to apply for and obtain the said certifications from the Bureau of Indian Standards ("**BIS**"). Due to this Order, we are required to ensure that the contract manufacturers that we approach for manufacturing the bottles and the flasks are in compliance with the provisions of this Order. Introduction of the Order has led us to make certain modifications in our business, including moving our contract manufacturing agreements from Chinese manufacturers to Indian manufacturers, looking for tie-ups with Indian suppliers having these BIS certifications and planning inventories in advance. While some of the Chinese manufacturers we engage have applied for these BIS certifications, we cannot assure that they will receive them in a timely manner due to which we may have to look for and engage with more domestic manufacturers. Due to the above, our cost of production may increase for a short time till the contract manufacturers can implement their systems in compliance with the Order. Any delay on account of this could cause our business, results of operations, financial condition and cash flows to be adversely affected.

We handle and use hazardous materials in our manufacturing activities and the improper handling or storage of these materials could result in accidents, injure our personnel, property and damage the environment. Laws and

regulations may limit the amount of hazardous and pollutant discharge that our manufacturing plants may release into the air and water. The discharge of materials that are chemical in nature or of other hazardous substances into the air, soil or water beyond these limits may cause us to be liable to regulatory bodies or third parties. We do not carry any insurance to cover environmental losses and liabilities. While we have not been liable for such discharge of materials beyond prescribed limits in the past, we cannot assure you that we will not breach such limits in the future, which may require us to shut down our manufacturing facilities, which in turn could lead to product shortages that delay or prevent us from fulfilling our obligations to customers.

**17. An increase in labour expenses may adversely affect our business, results of operations, financial condition and cash flows.**

We are subject to the laws and regulations governing employees and labour, including in relation to minimum wage and maximum working hours, overtime, working conditions, hiring and termination of employees, contract labour and work permits. We have incurred and expect to continue incurring costs for compliance with such laws and regulations. We have also made and expect to continue making capital and revenue expenditures on an on-going basis to comply with all applicable environmental, health and safety and labour laws and regulations. We have not been found to be materially non-compliant with any such health and safety and labour law regulations in the past. However, we cannot assure you that we will not be found to be in non-compliance with or remain in compliance with all applicable health and safety and labour laws and regulations or the terms and conditions of any consents or permits in the future or that such compliance will not result in a curtailment of production or a material increase in the costs of production.

The manufacturing of consumer products is a labour-intensive business. The tables below set forth our contract labour expenses, also represented as a percentage of our total expenses, for the periods indicated:

Particulars	For the Financial Year 2022		For the Financial Year 2023		For the Financial Year 2024	
	(₹ in lakhs)	(% of total expenses)	(₹ in lakhs)	(% of total expenses)	(₹ in lakhs)	(% of total expenses)
Contract labour expenses	3,088.73	4.22%	3,767.60	4.00%	3,283.01	3.76%

Labour costs in India have been increasing in recent years and may continue to increase in the future. An increase in contract labour expenses or any other labour related costs may affect our profitability and force us to reduce our workforce. If we fail to retain our existing workforce and/or recruit sufficient workforce in a timely manner, we may not be able to accommodate sudden increases in demand for our products. Further, if we are unable to manufacture and deliver our products in a timely manner or if we are unable to implement our expansion plans due to the lack of manpower, our business, results of operations, financial condition and cash flows may be adversely affected.

**18. We have incurred indebtedness and an inability to comply with repayment and other covenants in our financing agreements could adversely affect our business, results of operations, financial condition and cash flows.**

We have entered into certain financing arrangements with certain lenders for short-term and long-term facilities. As of March 31, 2024, our total borrowings amounted to ₹ 15,388.53 lakhs. Our ability to pay interest and repay the principal for our indebtedness is dependent upon our ability to generate sufficient cash flows to service such debt. Any additional indebtedness we incur may have significant consequences, including, requiring us to use a significant portion of our cash flow from operations and other available cash to service our indebtedness, thereby reducing the funds available for other purposes, including capital expenditure and reducing our flexibility in planning for or reacting to changes in our business, competition pressures and market conditions.

Our financing arrangements include conditions that require us to obtain respective lenders' consent prior to carrying out certain activities and entering into certain transactions including inter alia altering our capital structure, further issuance of any Equity Shares, effecting any scheme of amalgamation or reconstruction, changing the management and dilution of Promoters' shareholding, alteration in the constitutional documents, creation of security and to declare any dividend if any instalment towards principal or interest remains unpaid on its due date. Failure to meet these conditions or obtain these consents could have significant consequences on our

business and operations. As of the date of this Preliminary Placement Document, we have received all consents required from our lenders in connection with the Issue.

In terms of security, we are required to create a charge over our current assets and movable properties. We may also be required to furnish additional security if required by our lenders. Additionally, these financing agreements also require us to maintain certain financial ratios such as total debt to EBITDA ratio, debt service coverage ratio, EBITDA margin and total outstanding liabilities to adjusted total net worth ratio. We cannot assure you that we will be able to comply with these financial or other covenants at all times or that we will be able to obtain the consent necessary to take the actions that we believe are required to operate and grow our business.

**19. *If we are unable to adequately protect our intellectual property rights, we may lose these rights, and our brand image, competitive position and business may be adversely affected.***

Our Company has (i) registered 513 trademarks, 44 copyrights, 7 designs and 1 patent; and (ii) filed applications for registering 77 trademarks, 19 copyrights and 1 designs; in India as of the date of this Preliminary Placement Document. For details, please refer to “*Our Business - Description of our Business – Intellectual Property*” on page 158. We operate in highly unorganised product categories, and due to the popularity and recognition of our brands, our brands and designs may be copied by other companies. We may have to file suits or take appropriate action in respect of infringement of our intellectual property. The protection of our intellectual property rights may require the expenditure of financial, managerial and operational resources. We rely on a combination of laws and regulations, confidentiality of information and contractual restrictions to protect our intellectual property. For further details, see “*Our Business – Description of our Business – Intellectual Property*” on page 158. Despite our efforts to protect and enforce our proprietary rights, unauthorized parties have used, and may in the future use, our trademarks or similar trademarks, copy aspects of our website images, features, compilation and functionality or obtain and use information that we consider as proprietary, such as trade secrets. In the past there have been 2 infringement cases that have been filed by us. Further, one of our patent application has been refused by the Indian Patent Office. We have also received a notice from a third party claiming alleged violation of their intellectual property rights. While we have responded to such notice, if we are unable to adequately protect these intellectual property rights, we may lose these rights, and our brand image, competitive position and business may be adversely affected. If consumers wrongly identify counterfeit products as our products, competitive position and business could be adversely affected. See “– *Internal Risk Factors – Our business may be adversely impacted by sale of counterfeit products and passing-off which may reduce our sales and harm our brands, adversely affecting our results of operations, financial condition and cash flows.*” on page 53.

We have also licensed 244 trademarks and 2 copyrights to Borosil Scientific Limited and 4 trademarks and 2 copyrights to Borosil Renewables Limited who are our group companies. In the event they are unable to protect any of our intellectual property that we have licensed to them or if their public perception and recognition of the quality of their products is adversely affected then that could also lead to a loss of our brand image, reputation and our business may be adversely affected.

**20. *Our business may be adversely impacted by sale of counterfeit products and passing-off which may reduce our sales and harm our brands, adversely affecting our results of operations, financial condition and cash flows.***

We face pressures from various forms of unfair trade practices, such as the sale of counterfeit, cloned, lookalike and pass-off products. Counterfeit and cloned products are products manufactured and sold illegally as our products, whereas lookalike products are manufactured and packaged to resemble our products. For example, businesses could imitate our brand name, packaging material or attempt to create look-alike products. In the past, we have experienced incidents of the sale of counterfeit, cloned, look-alike and pass-off products. The sale of counterfeit, cloned, look-alike and pass-off products may result in heightened public reputation risk for us along with possibility of legal and regulatory claims. This is exacerbated by the fact that such products are often cheaper and less effective than genuine products, which could have an adverse effect on our brands and reputation. The proliferation of unauthorized copies of our products, and the time lost in pursuing claims and complaints about such spurious products could have an adverse effect on our business, results of operations, financial condition and cash flows.

**21. *We have contingent liabilities and commitments, and our financial condition could be adversely affected if these contingent liabilities or commitments materialize.***

The following table sets forth our contingent liabilities and commitments as of March 31, 2024:

Nature of Contingent Liability/Commitment	As at March 31, 2024
	(₹ in lakhs)
<b>Disputed Liabilities in Appeal (No cash outflow is expected in the near future)</b>	
Sales Tax (Entry Tax pertaining to the period from 2011-12 to 2014-15)	17.84
Income Tax AY 2016-17	48.20
Goods and Service Tax (2022-23 & 2023-24)	1.62
Building and Other Construction Workers Welfare Cess Act 1996	15.20
Bank Guarantees	165.00
Letter of Credits	564.58
Estimated amount of contracts remaining to be executed on Capital Account not provided for (cash outflow is expected on execution of such capital contracts):	
- Related to Property, plant and equipment	5,919.24
- Related to Intangible Assets	0.35
Commitments towards Investments (cash outflow is expected on execution of such commitments)	17.50
Commitment towards EPCG License	19.88

We cannot assure you that we will not incur similar or increased levels of contingent liabilities or commitments in the future. If any of these contingent liabilities or commitments materialize, our financial condition may be adversely affected. For further details, see “*Financial Information*” on page 226.

**22. Our funding requirements and proposed deployment of the proceeds from this Issue are based on management estimates and have not been independently appraised.**

We intend to use the Net Proceeds for the purposes of repayment/ prepayment in full or in part, of certain of the borrowings availed by our Company and our Subsidiaries and balance portion for General corporate purposes (provided however, that the amount for general corporate purposes shall not exceed 25% of the gross proceeds of the Fresh Issue), see “*Use of Proceeds*” on page 72.

As on the date of this Preliminary Placement Document, our funding requirements are based on management estimates and have not been appraised by any bank or financial institution. These are based on current conditions, internal management estimates based on the terms of our current financing documents and are subject to changes in external circumstances or costs, or in other financial condition, business or strategy. Our management, in accordance with the policies established by our Board of Directors from time to time, will have flexibility in deploying the Net Proceeds of the Issue. Based on the competitive nature of our industry, we may have to revise our business plan and/ or management estimates from time to time and consequently our funding requirements may also change. We may have to revise our funding requirement on account of various factors, such as financial and market conditions, or necessary licenses and approvals, competition, price fluctuations of raw material, interest rate fluctuations and other external factors, which may not be within the control of our management. This may also entail rescheduling of the proposed deployment of the Net Proceeds at the discretion of our management, subject to compliance with applicable laws.

Our internal management estimates may exceed fair market value or the value that would have been determined by third party appraisals, which may require us to reschedule or reallocate our project and capital expenditure and may have an adverse impact on our business, financial condition, results of operations and cash flows.

Further, ICRA Limited has been appointed as the monitoring agency for monitoring the utilization of 100% of the Gross Proceeds in accordance with the SEBI ICDR Regulations and the monitoring agency will submit its report to us on a quarterly basis in accordance with the SEBI ICDR Regulations.

Further, the application of the Net Proceeds in our business may not lead to an increase in the value of our investment. Various risks and uncertainties, including those set forth in this section “*Risk Factors*”, may limit or delay our efforts to use the Net Proceeds to achieve profitable growth in our business.

**23. The success of our business depends substantially on our management team and operational workforce. Our inability to attract or retain such manpower could adversely affect our business and operations.**

Our business and financial performance depends largely on the efforts and abilities of our Promoters, Senior Management and Key Managerial Personnel. Our success and growth depend upon consistent and continued

performance of our employees with direction and leadership from our Promoters, Senior Management and Key Managerial Personnel. From time to time, there may be changes in our management team or other key employees to enhance the skills of our teams or as a result of attrition. We cannot assure you that we will continue to retain any or all of the key members of our management. Further, we cannot assure you that if one or more key members of our management are unable or unwilling to continue in their present positions, that we would be able to replace such member(s) in a timely and cost-effective manner.

The Promoters, Pradeep Kumar Kheruka, Chairman and Non-Executive Director, and Shreevar Kheruka, Vice Chairman, Managing Director and Chief Executive Officer, have several years of experience in the consumer products industry in India, and have been instrumental to the growth of our business and operations. If they were to step down from their leadership positions in our Company, our reputation could deteriorate, and our business could be adversely affected. For details, see “*Board of Directors and Senior Management*” on page 161.

Our success also depends on our ability to recruit, develop and retain qualified and skilled personnel, for all our lines of business. We compete in the market to attract and retain skilled personnel, in areas such as engineering, product and design, technology, sales, marketing and operations.

As of March 31, 2024, we had 624 full-time employees including 4 Key Managerial Personnel and 5 Senior Management. The table below sets forth the attrition rates of our full-time employees, Key Managerial Personnel and Senior Management:

	Attrition rate (full time employees)	Attrition rate (Key Managerial Personnel)	Attrition rate (Senior Management)
Financial Year 2022	14.13%	25% (count – 1)	16.67% (count – 1)
Financial Year 2023	12.86%	Nil	Nil
Financial Year 2024	14.38%	Nil	16.67% (count – 1)

For details, see “*Our Business – Description of Our Business – Human Resources*” and “*Board of Directors and Senior Management*” on pages 159 and 161, respectively.

If we fail to identify, recruit and integrate strategic personnel, our business could be adversely affected. Any loss of members of our Senior Management team or Key Managerial Personnel could significantly delay or prevent the achievement of our business objectives, affect our succession planning and could harm our business. We may need to invest significant amounts of cash and equity to attract and retain new employees, and we may never realize returns on these investments. If we are not able to retain and motivate our current personnel or effectively integrate and retain employees, our ability to achieve our strategic objectives, and our business could be adversely affected.

**24. We appoint contract labour for carrying out certain of our operations and we may be held responsible for paying the wages of such workers, if the independent contractors through whom such workers are hired default on their obligations, and such obligations could have an adverse effect on our results of operations and financial condition.**

In order to retain flexibility and control costs, we appoint independent contractors who in turn engage onsite contract labour for performance of certain of our operations from time to time. Set forth below are the details of contract labour engaged for our operations for the periods indicated:

Particulars	For the Financial Year 2022	For the Financial Year 2023	For the Financial Year 2024
Number of contract labourers engaged	1,052	2,137	1,822

Although we do not engage these labourers directly, we may be held responsible for any wage payments to be made to such labourers in the event of default by such independent contractor. Any requirement to fund their wage requirements may have an adverse impact on our results of operations and financial condition and we may also be subject to legal proceedings in this regard. In addition, under the Contract Labour (Regulation and Abolition) Act, 1970, as amended, we may be required to absorb a number of such contract labourers as permanent

employees. Thus, any such order from a regulatory body or court may have an adverse effect on our business, results of operations and financial condition. If we are unable to renew the engagement with our independent contractors at commercially viable terms or at all, our business, results of operations, financial condition and cash flows could be adversely affected.

**25. *Our Promoters along with members of the Promoter Group will continue to retain a significant shareholding in us after this Issue, which will allow them to exercise significant influence over us. Further, any decrease in our Promoters' shareholding may have an impact on the trading price of our Equity Shares.***

As on June 21, 2024, our Promoters along with the Promoter Group together hold 8,04,15,221 Equity Shares, or 70.18% of our issued, subscribed and paid-up Equity Share capital. Upon completion of the Issue, our Promoters along with the Promoter Group together will continue to hold majority of our post-Issue Equity Share capital. For details of our Equity Shares held by our Promoters and Promoter Group, see “*Shareholding Pattern*” on page 171.

Accordingly, our Promoters will continue to exercise significant influence over our business policies and affairs and all matters submitted to our Board or Shareholders for approval, including the composition of our Board of Directors, the adoption of amendments to our charter documents, the approval of mergers, strategic acquisitions or joint ventures or the sales of substantially all of our assets, and the policies for dividends, lending, investments and capital expenditures. This concentration of ownership also may delay, defer or even prevent a change in control of our Company and may make some transactions more difficult or impossible without the support of these shareholders. Further, the Takeover Regulations may limit the ability of a third party to acquire control. The interests of our Promoter, as our Company's controlling shareholder, could conflict with our Company's interests, your interests or the interests of our other shareholders. There is no assurance that our Promoter will act to resolve any conflicts of interest in our Company's or your favour.

The trading price of our Equity Shares could be adversely affected if potential new investors are disinclined to invest in us because they perceive disadvantages to a large shareholding being concentrated in our Promoter. The interests of the Promoters as our controlling shareholders could conflict with our interests or the interests of our other shareholders.

Further, our Promoters and Promoter Group may choose to dilute their shareholding in our Company. Accordingly, the lock-up sought in relation to the Issue by our Promoters and Promoter Group is subject to *inter-alia* a secondary sale of Equity Shares held by members of the Promoter Group, aggregating up to/ not exceeding 4% of the pre-Issue Equity Share capital of the Company, post completion of Allotment of Equity Shares pursuant to the Issue. For further details, see “*Placement*” on page 194. There can be no assurance that any sale of Equity Shares by the Promoters or Promoter Group would be at a price higher than the price at which Equity Shares may be issued pursuant to this Issue or will not adversely affect the trading price of our Equity Shares.

**26. *Significant disruptions of information technology systems or breaches of data security could have an adverse effect on our business, results of operations, financial condition and cash flows.***

We depend upon information technology systems for our business operations. We have implemented automation and integrated technology into our processes at key stages of design, manufacturing and distribution to increase efficiency and ensure quality in a cost-effective manner. For details relating to our information technology systems, see “*Our Business – Description of our Business – Information Technology*” on page 158. Our IT systems are potentially vulnerable to system inadequacies, network failure, hardware failure, operating failures, service interruptions or failures, security breaches, malicious intrusions or cyber-attacks from a variety of sources. Cyber-attacks are growing in their frequency, sophistication and intensity, and are becoming increasingly difficult to detect, mitigate or prevent. Cyber-attacks come in many forms, including the deployment of harmful malware, exploitation of vulnerabilities, denial-of-service attacks, the use of social engineering and other means to compromise the confidentiality, integrity and availability of our IT systems, confidential information and other data. While we have not experienced any significant disruptions to our information technology systems due to cyber-attacks in the past, we cannot assure you that we will not encounter any such disruptions in the future. Any such disruption may result in the loss of key information and disruption of production and business processes, which could adversely affect our business, results of operations, financial condition and cash flows.

Our systems are also potentially vulnerable to data security breaches, whether by employees or others that may expose sensitive data, including personal data of consumers, to unauthorized persons. Such data security breaches could lead to unauthorized access to our systems, misappropriation of data and unforeseen disclosure or transfer



of data. In addition, most of our data is stored, transmitted and backed up on servers not owned by us, and therefore, we cannot guarantee that there may not be unauthorized access to such data, and we may be exposed to liability in relation to such breaches. While we have not experienced any significant data breaches in the past, any such security breaches could have an adverse effect on our business, results of operations, financial condition and cash flows.

Further, we may be subject to laws and regulations relating to privacy and the collection, storing, sharing, use, disclosure, and protection of certain types of data. These laws and regulations may continually change as a result of new legislation, amendments to existing legislation, changes in the enforcement policies and changes in the interpretation of such laws and regulations by the courts or the regulators. For example, the Digital Personal Data Protection Act, 2023 (“**DPDP Act**”) proposes a legal framework governing the processing of personal data. Such changes in laws or regulations relating to privacy, data protection and information security may increase our compliance costs and result in further regulatory restrictions in the future.

**27. *We cannot assure payment of dividends on the Equity Shares in the future and our ability to pay dividends in the future will depend upon future earnings, financial condition, cash flows, working capital requirements, capital expenditures and restrictive covenants of our financing arrangements.***

We do have a formal dividend policy as on the date of this Preliminary Placement Document. Further, we have not declared dividends on the Equity Shares during the Financial Year 2022, 2023 and 2024. Our ability to pay dividends in the future will depend upon our future results of operations, financial condition, cash flows, sufficient profitability, working capital requirements and capital expenditure requirements and other factors considered relevant by our directors and shareholders. Our ability to pay dividends may also be restricted under certain financing arrangements that we may enter into. We cannot assure you that we will be able to pay dividends on the Equity Shares at any point in the future. For details, see “*Dividend*” on page 83.

The declaration and payment of dividends will be recommended by the Board of Directors and approved by the Shareholders, at their discretion, subject to the provisions of the Articles of Association and applicable law, including the Companies Act. We may retain all future earnings, if any, for use in the operations and expansion of the business. As a result, we may not declare dividends in the foreseeable future. Any future determination as to the declaration and payment of dividends will be at the discretion of our Board and will depend on factors that our Board deems relevant, including among others, our future earnings, financial condition, cash requirements, business prospects and any other financing arrangements. We cannot assure you that we will be able to pay dividends in the future. Accordingly, realization of a gain on the Shareholders’ investments will depend on the appreciation of the price of our Equity Shares. We cannot assure you that our Equity Shares will appreciate in value.

**28. *We track certain operational and key business metrics with internal systems and tools. Certain of our operational metrics are subject to inherent challenges in measurement which may adversely affect our business and reputation.***

We track certain operational and key business metrics with internal systems and tools, which may differ from estimates or similar metrics published by third parties due to differences in sources, methodologies, or the assumptions on which we rely. Our methodologies for tracking these metrics may change over time, which could result in unexpected changes to our metrics, including the metrics we publicly disclose. If the internal systems and tools we use to track these metrics undercount or over count performance or contain algorithmic or other technical errors, the data we report may not be accurate.

Further, these (and other non-GAAP metrics presented in this Preliminary Placement Document, such as gross profit, gross profit margin, EBITDA, EBITDA margin, EBIT, EBIT margin and ROCE) are supplemental measure of our performance and liquidity that is not required by, or presented in accordance with, Ind AS, Indian GAAP, IFRS or US GAAP. Further, these metrics are not a measurement of our financial performance or liquidity under Ind AS, Indian GAAP, IFRS or US GAAP and should not be considered in isolation or construed as an alternative to cash flows, profit/(loss) for the period/year or any other measure of financial performance or as an indicator of our operating performance, liquidity, profitability or cash flows generated by operating, investing or financing activities derived in accordance with Ind AS, Indian GAAP, IFRS or US GAAP. Although these non-GAAP metrics are not a measure of performance calculated in accordance with applicable accounting standards, our management believes that they are useful to an investor in evaluating us, as these metrics are widely used measured to evaluate an entity’s operating performance. In addition, these are not standardised terms, hence a direct comparison of these measures between companies may not be possible. Other companies may calculate

these measures differently from us, limiting its usefulness as a comparative measure. If our operating metrics are not accurate representations of our business, if investors do not perceive our operating metrics to be accurate, or if we discover material inaccuracies with respect to these figures, we expect that our business, reputation, financial condition, results of operations and cash flows would be adversely affected. For further details, see “*Our Business*” and “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” on pages 143 and 84, respectively.

**29. *Our warehouses are situated on lands/in buildings that are not owned by us. In the event that we lose such rights or are required to renegotiate arrangements for such rights, our business, results of operations, financial condition and cash flows may be adversely affected.***

Our warehouses are situated on lands/in buildings that have been leased/licensed to us by related parties on an arms-length basis or in some cases by the third parties and are not owned by us. We may also enter into such transactions with new third parties in the future. For further details, see “*Our Business – Description of our Business – Property*” on page 160.

In relation to certain of our warehouses, we are under process to renew the lease deeds which have expired. Termination of such lease/license arrangements, or our failure to renew such agreements, on favourable conditions and in a timely manner, or at all, could require us to vacate such premises at short notice, and could adversely affect our business, results of operations, financial condition and cash flows. We cannot assure you that we will be able to renew any such arrangements when the term of the original arrangement expires, on similar terms or terms reasonable for us. In the event that we are required to vacate our current premises, we would be required to make alternative arrangements for new offices and other infrastructure, and we cannot assure that the new arrangements will be on commercially acceptable terms. If we are required to relocate our business operations during this period, we may suffer a disruption in our operations or have to pay increased charges, which could have an adverse effect on our business, financial condition, cash flows and results of operations. The failure to identify suitable premises for relocation of existing properties, if required, could have an adverse effect on our business, results of operations, financial condition and cash flows.

Further, any regulatory non-compliance by the landlords or adverse development relating to the landlords’ title or ownership rights to such properties may entail significant disruptions to our operations, especially if we are forced to vacate leased spaces following any such developments, and expose us to reputation risks. Any adverse impact on the title, ownership rights, development rights of the owners from whose premises we operate or breach of the contractual terms of any lease and license agreements may adversely affect our business, results of operations, financial condition and cash flows.

In addition, the deeds for our existing and future leased properties may not be adequately stamped. While we believe that adequate stamp duty has been paid on our existing leased properties, such stamp duty may not be accepted as evidence in a court of law, and we may be required to pay penalties for inadequate stamp duty.

**30. *Our operations could be adversely affected by strikes or labour unrest.***

As of March 31, 2024, we employed a total of 624 full-time employees and 1,822 persons on contract labour. While we have not experienced any material strikes or labour unrest in the past, we cannot assure you that we will not experience such strikes, labour unrest or other disruptions relating to our workforce in the future, which may adversely affect our ability to continue our operations. Any strikes or labour unrest directed against us could directly or indirectly prevent or hinder our normal operating activities, and, if not resolved in a timely manner, could lead to work stoppages and disruptions in our operations, which in turn could adversely affect our business, financial condition, cash flows and results of operations.

**31. *There is outstanding litigation pending against us which, if determined adversely, could affect our business, results of operations, cash flows and financial condition.***

In the ordinary course of business, we are involved in certain legal proceedings, at different levels of adjudication before various courts, tribunals and statutory, regulatory and other judicial authorities in India, and, if decided against us, could adversely affect our reputation, business, results of operations, cash flows and financial condition. We cannot assure you that the currently outstanding legal proceedings will be decided favourably or that no further liability will arise from these claims in the future. The amounts claimed in these proceedings have been disclosed to the extent ascertainable and include amounts claimed jointly and severally.

For details, see “*Legal Proceedings*” on page 219. There is no outstanding material litigation initiated by or against our Subsidiary. Brief details of material outstanding litigation that have been initiated by and against us is set forth below:

Name of entity	Criminal proceedings	Tax proceedings*	Statutory or regulatory actions	Material civil litigation#	Other material litigation	Aggregate amount involved (in ₹ lakhs) *#
<i>Company</i>						
<b>Against our Company</b>	NIL	4	4	2	NIL	6,282.85
<b>By our Company</b>	2	NIL	NIL	3	NIL	15,473.20

\*To the extent quantifiable, including interest and penalty thereon, and are approximate amounts, with respect to tax proceedings.

#To the extent quantifiable, and not including interest, damages/mesne profit and penalty thereon, with respect to material civil litigations.

If any new developments arise, such as a change in Indian law or rulings against us by appellate courts or tribunals, we may need to make provisions in our financial statements that could increase our expenses and current liabilities. An adverse decision in any of these proceedings may have an adverse effect on our business, results of operations, cash flows and financial condition.

In addition to the above, there have been a few violations under the Company’s Code of Conduct to regulate, monitor and report trading by Designated Persons for Prevention of Insider Trading (“**Code**”) in the past. While these violations by the designated persons were dealt with and the required penalties imposed in accordance with the Insider Trading Regulations any further such actions could have an adverse effect on our reputation. Further, we have also received certain notices from the Legal Metrology department of different states, for which we have adequately submitted our responses. While we have responded to these notices any further actions could have an adverse impact on our business and financial condition.

**32. *Information relating to the historical capacity of our manufacturing facilities included in this Preliminary Placement Document is based on various assumptions and estimates and future production and capacity may vary.***

Information relating to the historical capacity of our manufacturing facilities included in this Preliminary Placement Document is based on various assumptions and estimates of our management, including proposed operations, assumptions relating to availability and quality of raw materials and assumptions relating to potential utilization levels, downtime resulting from scheduled maintenance activities, downtime resulting from change in stock-keeping units for a particular product, unscheduled breakdowns and expected operational efficiencies. Such information has been certified by Dinesh Kumar Chhangani, Chartered Engineers, pursuant to a certificate dated June 19, 2024. Actual and future production levels and capacity utilization rates may differ significantly from the estimated production capacities or historical estimated capacity information of our facilities. Undue reliance should therefore not be placed on our historical capacity information for our existing manufacturing facilities included in this Preliminary Placement Document.

**33. *We may not be sufficiently protected or insured for certain losses that we may incur or claims that we may face against us.***

Our insurance may not be adequate to cover our claims or may not be available to the extent we expect. We maintain insurance coverage under various insurance policies such as standard fire and special perils policy, marine import and export insurance, and workmen’s compensation insurance.

Our insurance policies do not cover all risks and therefore may not protect us from liability for damages. These may lead to financial liability and other adverse consequences. We have not faced any material instances where insurance claims were made in the past. The following tables set forth details relating to our property, plant and equipment, and inventories, as well as the insurance coverage of our property, plant and equipment, and inventories for the Financial Years 2022, 2023 and 2024:

Particulars	For the year ended March 31, 2022		For the year ended March 31, 2023		For the year ended March 31, 2024	
	(₹ in Lakhs)	(% of total assets)	(₹ in Lakhs)	(% of total assets)	(₹ in Lakhs)	(% of total assets)
Property, plant and equipment	20,699.21	21.63%	44,285.04	36.50%	54,525.66	50.51%

Inventories	19,333.50	20.20%	24,133.52	19.89%	25,281.40	23.42%
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	For the year ended March 31, 2022		For the year ended March 31, 2023		For the year ended March 31, 2024	
	(₹ in Lakhs)	(% of property, plant and equipment)	(₹ in Lakhs)	(% of property, plant and equipment)	(₹ in Lakhs)	(% of property, plant and equipment)
Insurance coverage of our property, plant and equipment	40,553.31	195.92%	71,467.23	161.38%	78,556.51	144.07%

	For the year ended March 31, 2022		For the year ended March 31, 2023		year ended March 31, 2024	
	(₹ in Lakhs)	(% of inventories)	(₹ in Lakhs)	(% of inventories)	(₹ in Lakhs)	(% of inventories)
Insurance coverage of inventories	31,441.00	162.62%	37,598.57	155.79%	35,103.56	138.85%

For details. See “*Our Business – Description of Our Business – Insurance*” on page 159.

We cannot assure you that our insurance policies will be adequate to cover the losses that may be incurred as a result of litigation, operational interruptions or repair of damaged facilities. Although we have not written off any material insurance claim receivables in the Financial Years 2022, 2023 and 2024, we cannot assure you that we will not write off any material insurance claim receivables in the future. In addition, our insurance coverage expires from time to time. We apply for the renewal of our insurance coverage in the ordinary course of our business, but we cannot assure you that such renewals will be granted in a timely manner, at acceptable costs or at all. To the extent that we suffer loss or damage for which we have not obtained or maintained insurance, or which is not covered by insurance, which exceeds our insurance coverage or where our insurance claims are rejected, the loss would have to be borne by us. If we suffer a large uninsured loss or if any insured loss suffered by us significantly exceeds our insurance coverage, our business, financial condition, cash flows and results of operations may be adversely affected.

**34. *We rely on our relationships with third-party e-commerce marketplaces for sales through our online channel.***

As part of our online sales channels, we sell products through both third-party e-commerce marketplaces and our own website. We cannot assure you that we will be able to renew such agreements upon expiration on favourable terms, or at all, maintain cordial business relationships and secure favourable promotions with these e-commerce marketplaces, and our inability to do so may affect our brand visibility and sales on such e-commerce marketplaces. Further, purchase orders made by e-commerce marketplaces may generally also be amended or cancelled at any time prior to finalisation. These e-commerce marketplaces could also change their business practices or seek to modify their contractual terms, such as payment terms or increase their focus on selling products that compete with our products. Further, such entities may also increase the cost of their services, due to inflationary pressures or other reasons, which may adversely impact our expenses and profitability.

To facilitate online sales on our own website, we have entered into agreements with certain logistics and payment gateway vendors. We cannot assure you that we will be able to renew such agreements upon expiration on favourable terms, or at all, and our inability to do so may affect our sales through our own websites.

**35. *Any international market expansion efforts may expose us to complex management, legal, tax and economic risks, which could adversely affect our business, financial condition, cash flows and results of operations.***

While India is and will continue to be our focus market in the medium term, we may in the future plan to increase our presence in existing markets abroad by expanding our distribution network. In the course of our expansion and entry into overseas markets, we may be subject to risks related to complying with local laws and restrictions

on the import and export of goods, multiple tax and cost structures, cultural and language factors, anti-dumping and countervailing duties, and other legal and regulatory requirements for new products and new geographies generally, including relating to intellectual property usage and registration, registration of products under the local regulations and data protection. We risk failing to comply with accounting and taxation standards in overseas jurisdictions due to unfamiliarity with their interpretations. Due to the uncertainty in tax laws and regulations, combined with significant penalties for default and a risk of aggressive action by various government or tax authorities, we cannot assure you that our tax liability in the future would not increase. Increases in our tax liability may adversely affect our business, financial condition, cash flows and results of operations. Any failure to comply with the various legal and regulatory requirements for new products and new geographies could also impact our project timelines, launch dates and/or our ability to offer such products.

Further, we may face competition in other countries from companies that may have more experience with operations in such countries or with international operations generally. Any international market expansion may also be loss-making in the initial years or beyond due to a lack of scale or higher operating costs. If we do not effectively manage our international operations in the future, it may affect our profitability from such countries, which may adversely affect our business, financial condition, cash flows and results of operations.

**36. *This Preliminary Placement Document contains information from third parties, including an industry report prepared by an independent third-party research agency, Technopak Advisors Private Limited (“Technopak”), which we have commissioned and paid for purposes of confirming our understanding of the industry exclusively in connection with the Issue.***

The industry and market information contained in this Preliminary Placement Document includes information derived from an industry report prepared by Technopak Advisors Private Limited titled “*Industry Report on Kitchenware and Kitchen Appliances Market in India*” dated June 22, 2024 (the “**Technopak Report**”). The Technopak Report has been commissioned and paid for by us for the purposes of confirming our understanding of the industry exclusively in connection with the Issue. We officially engaged Technopak in connection with the preparation of the Technopak Report pursuant to an engagement letter dated January 24, 2024. The Technopak Report uses certain methodologies for market sizing and forecasting, and may include numbers relating to our Company that differ from those we record internally. Given the scope and extent of the Technopak Report, disclosures herein are limited to certain excerpts and the Technopak Report has not been reproduced in its entirety in this Preliminary Placement Document. Accordingly, investors should read the industry-related disclosure in this Preliminary Placement Document in this context. Our Company, Subsidiary, Promoters, Directors, Key Managerial Personnel, Senior Management and the Book Running Lead Manager are not related to Technopak.

Industry sources and publications are also prepared based on information as of specific dates. Industry sources and publications may also base their information on estimates, projections, forecasts and assumptions that may prove to be incorrect. Due to possibly flawed or ineffective collection methods or discrepancies between published information and market practice and other problems, the statistics herein may be inaccurate or may not be comparable to statistics produced for other economies and should not be unduly relied upon. Further, we cannot assure you that they are stated or compiled on the same basis or with the same degree of accuracy as may be the case elsewhere. For details on the disclaimer of the Technopak Report please refer to “*Industry and Market Data*” appearing on page 16. Statements from third parties that involve estimates are subject to change, and actual amounts may differ significantly from those included in this Preliminary Placement Document. Accordingly, investors should not place undue reliance on, or base their investment decision solely on this information. For further details see “*Presentation of Financial and other Financial Information*” on page 14.

**37. *Our Promoters, certain of our Directors, Key Managerial Personnel and Senior Management hold Equity Shares in our Company and are therefore interested in our Company’s performance in addition to their remuneration and reimbursement of expenses.***

Our Promoter, certain of our Directors, Key Managerial Personnel and Senior Management are interested in our Company, in addition to regular remuneration or benefits and reimbursement of expenses, to the extent of their shareholding or the shareholding of their relatives in our Company. The table below sets forth the details of remuneration and shareholding of our Promoter, Directors, Key Managerial Personnel and Senior Management, as applicable:

Names	Percentage of total pre-Issue paid up Equity Share capital	Remuneration in Fiscal 2024 (in ₹ lakhs)*
<b>Promoters</b>		
Pradeep Kumar Kheruka	11.55	26.50
Shreevar Kheruka	1.70	1,120.13
<b>Directors</b>		
Rajesh Kumar Chaudhary	0.07	164.25
Anupa Rajiv Sahney	-	26.75
Kewal Kundanlal Handa	-	27.55
Kanwar Bir Singh Anand	-	26.65
<b>Key Managerial Personnel</b>		
Anand Sultania	-	66.71
Anshu Agarwal	-	70.76
<b>Senior Management Personnel</b>		
Rituraj Sharma	0.09	238.99
Balesh Talapady	-	38.53 **
Sweta Kochar	-	49.37 ***
Siddhartha Chatterjee	-	61.53
Manoj Kumar Singh	-	80.00
Mandar Anil Chandrachud^	-	-

\* Exclusive of ESOP related expenses/ perquisite value

^Appointed since April 22, 2024

\*\*Date of Joining is July 24, 2023

\*\*\*Date of Joining is October 16,2023

We cannot assure you that our Promoter, Directors, Key Managerial Personnel and our Senior Management Personnel will exercise their rights as shareholders to the benefit and best interest of our Company. For further information, see “Capital Structure”, and “Board of Directors and Senior Management” on pages 78 and 161, respectively.

**38. Our international sales and operations are subject to many uncertainties and we are exposed to foreign currency exchange rate fluctuations.**

We transact business in various currencies other than the Indian rupee and have significant customers abroad, which subject us to currency exchange risks. Any fluctuations in foreign currency exchange rates may have an asymmetric impact on our profits, results of operations, financial condition and cash flows and consequently on our business condition and profitability. As of March 31, 2024, the net unhedged foreign currency exposure of our Company was primarily USD 42,672 and Euro 6,60,157. Further, we do not have a formal hedging policy, therefore we cannot assure that we will not be exposed to the effect of any adverse fluctuations in the value of the Indian rupee against the USD, THB or Euro, or other foreign currencies in which we may transact business in the future.

Additional risks associated with international operations include difficulties in enforcing intellectual property and/or contractual rights, the burdens of complying with a wide variety of foreign laws, potentially adverse tax consequences, tariffs, quotas and other barriers and potential difficulties in collecting accounts receivable. In addition, we may face competition in other countries from companies that may have more experience with operations in such countries or with international operations. Additionally, such companies may have long-standing or well-established relationships with customers, which may put us at a competitive disadvantage. We may also face difficulties integrating new facilities in different countries into our existing operations, as well as integrating employees that we hire in different countries into our existing corporate culture. There can be no assurance that these and other factors will not impede the success of our international expansion plans, limit our ability to compete effectively in other countries or otherwise adversely affect our business, cash flows, financial condition and results of operations.

**39. Our ability to raise foreign capital may be constrained by Indian law governing foreign investment.**

Foreign investments into Indian companies are regulated by the Government of India and the RBI. For example, under the Consolidated FDI Policy, FEMA and the rules and regulations thereunder, including the FEMA Rules, the Government of India has specific prescribed requirements and conditionalities with respect to the level of

foreign direct investment permitted in certain business sectors both without prior regulatory approval (the “**Automatic Route**”) and with prior regulatory approval (the “**Approval Route**”). If we are unable to comply with the applicable conditions prescribed thereunder, including under the Automatic Route where applicable, our ability to raise capital through foreign direct investment will be restricted, which may adversely affect our business, cash flows, financial condition, results of operations and prospects.

Further, in accordance with FEMA Rules, we propose to allow participation in the non-resident category in the Issue only by Eligible FPIs under Schedule II of the FEMA Rules, subject to limit of the individual holding of an FPI (along with its relevant investor group, as defined in the FEMA Rules) not exceeding 10% of the post-Issue paid-up capital of our Company on a fully diluted basis, and subject to aggregate limits prescribed thereunder. We cannot assure you that the Government of India will not impose any further limits or conditions with respect to any such investments in the future. Any adverse decision by the Government of India in this regard could adversely affect our ability to raise capital from foreign investors in the future.

## **EXTERNAL RISK FACTORS**

### **Risks Related to India**

**40. *A substantial portion of our business and operations are located in India and as such, we are subject to economic, political and market conditions in India, many of which are beyond our control.***

The Indian economy and capital markets are influenced by economic, political and market conditions in India and globally. We are incorporated in India, and almost all of our business and our personnel are located in India. Consequently, our business, results of operations, financial condition and cash flows will be affected by a number of macroeconomic and demographic factors in India which are beyond our control. Factors that may adversely affect the Indian economy, and hence our results of operations, may include:

- the macroeconomic climate, including any increase in Indian interest rates or inflation;
- any exchange rate fluctuations, the imposition of currency controls and restrictions on the right to convert or repatriate currency or export assets;
- any scarcity of credit or other financing in India, resulting in an adverse impact on economic conditions in India and scarcity of financing for our expansions;
- prevailing income conditions among Indian consumers and Indian corporates;
- volatility in, and actual or perceived trends in trading activity on, India’s principal stock exchanges changes in India’s tax, trade, fiscal or monetary policies;
- political instability, terrorism or military conflict in India or in countries in the region or globally, including in India’s various neighbouring countries;
- occurrence of natural or man-made disasters (such as hurricanes, typhoons, floods, earthquakes, tsunamis and fires) which may cause us to suspend our operations;
- civil unrest, acts of violence, terrorist attacks, regional conflicts or situations or war may adversely affect the Indian markets as well as result in a loss of business confidence in Indian companies;
- epidemics, pandemics or any other public health concerns in India or in countries in the region or globally, including in India’s various neighboring countries, such as the highly pathogenic H7N9, H5N1 and H1N1 strains of influenza in birds and swine and, more recently, the COVID-19 pandemic;
- prevailing regional or global economic conditions, including in India’s principal export markets; and
- any downgrading of India’s debt rating by a domestic or international rating agency.

In particular, our total income and profitability are correlated to consumer discretionary spending in India, which is influenced by general economic conditions, salaries, employment levels and consumer confidence.

Recessionary economic cycles, a protracted economic slowdown, a worsening economy, increased unemployment, rising interest rates or other industry-wide cost pressures could also affect consumer behaviour and spending for consumer products and lead to a decline in our total income and profitability.

While our results may not necessarily track India's economic growth figures, the Indian economy's performance affects the environment in which we operate. Any slowdown or perceived slowdown in the Indian economy, or in specific sectors of the Indian economy, could adversely affect our business, results of operations, financial condition, cash flows and the price of the Equity Shares.

**41. *Changing laws, rules and regulations and legal uncertainties, including any adverse application of corporate and tax laws, may adversely affect our business, results of operations, financial condition, cash flows and prospects.***

The regulatory and policy environment in which we operate is evolving and subject to change. Such changes, including the instances mentioned below, may adversely affect our business, results of operations, financial condition, cash flows and prospects, to the extent that we are unable to suitably respond to and comply with any such changes in applicable law and policy.

For instance, GoI has announced the Interim -Union Budget for the Financial Year 2024-25 pursuant to which the Finance Act, 2024 has introduced various amendments to taxation laws in India. Unfavorable changes in or interpretations of existing, or the promulgation of new laws, rules and regulations including foreign investment and stamp duty laws governing our business and operations could result in us being deemed to be in contravention of such laws and may require us to apply for additional approvals.

In India, the Supreme Court, in a judgment delivered on August 24, 2017, has held that the right to privacy is a fundamental right. Following this judgment, the Government of India passed the Digital Personal Data Protection Act, 2023. The Act aims to balance the rights of individuals to protect their personal data with the need to process personal data for lawful and other incidental purposes. All data fiduciaries, determining the purpose and means of processing personal data, are mandated to provide an itemized notice in plain and clear language containing a description of the personal data sought to be collected along with the purpose of processing such data. This act further provides that where consent is the basis of processing personal data, the data principal providing the consent, may withdraw such consent at any time.

Further, the GoI introduced new laws relating to social security, occupational safety, industrial relations and wages namely, the Code on Social Security, 2020 ("**Social Security Code**"), the Occupational Safety, Health and Working Conditions Code, 2020, the Industrial Relations Code, 2020 and the Code on Wages, 2019, which consolidate, subsume and replace numerous existing central labour legislations, were to take effect from April 1, 2021 (collectively, the "**Labour Codes**"). The GoI has deferred the effective date of implementation of the respective Labour Codes, and they shall come into force from such dates as may be notified. Different dates may also be appointed for the coming into force of different provisions of the Labour Codes. While the rules for implementation under these codes have not been finalized, as an immediate consequence, the coming into force of these codes could increase the financial burden on our Company, which may adversely impact our profitability. For instance, under the Social Security Code, a new concept of deemed remuneration has been introduced, such that where an employee receives more than half (or such other percentage as may be notified by the Central Government) of their total remuneration in the form of allowances and other amounts that are not included within the definition of wages under the Social Security Code, the excess amount received shall be deemed as remuneration and accordingly be added to wages for the purposes of the Social Security Code and the compulsory contribution to be made towards the employees' provident fund.

Unfavourable changes in or interpretations of existing, or the promulgation of new laws, rules and regulations including foreign investment and stamp duty laws governing our business and operations could result in us being deemed to be in contravention of such laws and may require us to apply for additional approvals. We may incur increased costs and other burdens relating to compliance with new requirements, which may also require significant management time and other resources, and any failure to comply may adversely affect our business, results of operations, financial condition, cash flows and prospects. Uncertainty in the application, interpretation or implementation of any amendment to, or change in, governing law, regulation or policy, including by reason of an absence, or a limited body, of administrative or judicial precedent may be time consuming as well as costly for us to resolve and may impact the viability of our current business or restrict our ability to grow our businesses in the future.



**43. *A downgrade in ratings of India may affect the trading price of the Equity Shares***

India's sovereign debt rating could be downgraded due to several factors, including changes in tax or fiscal policy or a decline in India's foreign exchange reserves, all which are beyond our control. Our borrowing costs and our access to the debt capital markets depend significantly on the sovereign credit ratings of India. Any adverse revisions to India's credit ratings for domestic and overseas debt by international rating agencies may adversely impact our ability to raise additional external financing, and the interest rates and other commercial terms at which such additional financing is available. This could have an adverse effect on our business and future financial performance, our ability to obtain financing for capital expenditures and the trading price of the Equity Shares.

**44. *Financial instability in other countries may cause increased volatility in Indian financial markets.***

The Indian market and the Indian economy are influenced by economic and market conditions in other countries, including conditions in the United States of America, Europe and certain emerging economies in Asia. Although economic conditions are different in each country, investors' reactions to developments in one country can have adverse effects on the securities of companies in other countries, including India. A loss of investor confidence in the financial systems of other emerging markets may cause increased volatility in Indian financial markets and, indirectly, in the Indian economy in general. Any worldwide financial instability could also have a negative impact on the Indian economy. Financial disruptions may occur again and could harm our business, our future financial performance and the prices of the Equity Shares.

The ongoing Russia-Ukraine conflict and Israeli-Palestinian conflict could result in increased volatility in, or damage to, the worldwide financial markets and economy. Any other global economic developments or the perception that any of them could occur may continue to have an adverse effect on global economic conditions and the stability of global financial markets, and may significantly reduce global market liquidity and restrict the ability of key market participants to operate in certain financial markets. Any of these factors could depress economic activity and restrict our access to capital, which could have an adverse effect on our business, financial condition, cash flows and results of operations and reduce the price of our Equity Shares. Any financial disruption could have an adverse effect on our business, future financial performance, shareholders' equity and the price of our Equity Shares.

In addition, China is one of India's major trading partners and there are rising concerns of a possible slowdown in the Chinese economy as well as a strained relationship with India, which could have an adverse impact on the trade relations between the two countries. The sovereign rating downgrades for Brazil and Russia (and the imposition of sanctions on Russia) have also added to the growth risks for these markets. These factors may also result in a slowdown in India's export growth. Any significant financial disruption could have an adverse effect on our business, results of operations, financial condition and cash flows.

**45. *If inflation rises in India, increased costs may result in a decline in profits and result of operations may be adversely affected.***

Inflation rates in India have been volatile in recent years, and such volatility may continue. Increasing inflation in India could cause a rise in the costs of third party suppliers, rents, wages, raw materials and other expenses. In recent years, India has experienced consistently high inflation, especially and increasingly so in recent months, which has increased the price of, among other things, our rent, raw materials and wages. Further, while the Government of India has previously initiated economic measures to combat high inflation rates, it is unclear whether these measures will remain in effect, and there can be no assurance that Indian inflation levels will not worsen and rise in the future. If we are unable to increase our revenues sufficiently to offset our increased costs due to inflation, it could have an adverse effect on our business, results of operations, financial condition, cash flows and prospects.

**46. *Significant differences exist between the Indian Accounting Standards (Ind AS) used to prepare our financial information and other accounting principles, such as the United States Generally Accepted Accounting Principles (U.S. GAAP) and the International Financial Reporting Standards (IFRS), which may affect investors' assessments of our Company's financial condition.***

Our Audited Financial Statements for Financial Years 2022, 2023 and 2024, included in this Preliminary Placement Document are prepared under Ind AS, which differs from accounting principles with which prospective investors may be familiar, such as Indian GAAP, IFRS and U.S. GAAP.

Accordingly, the degree to which the Consolidated Financial Information and financial information included in this Preliminary Placement Document, will provide meaningful information is entirely dependent on the reader's level of familiarity with Indian accounting practices. Persons not familiar with Indian accounting practices, Ind AS, the Companies Act and the SEBI ICDR Regulations should limit their reliance on the financial disclosures presented in this Preliminary Placement Document.

**47. *Our business and activities may be regulated by the Competition Act, 2002 and proceedings may be enforced against us.***

The Competition Act, 2002, as amended (the "**Competition Act**") was enacted for the purpose of preventing practices that have or are likely to have an adverse effect on competition in India and has mandated the Competition Commission of India (the "**CCI**") to separate such practices. Under the Competition Act, any arrangement, understanding or action, whether formal or informal, which causes or is likely to cause an appreciable adverse effect on competition is void and attracts substantial penalties.

Further, any agreement among competitors which directly or indirectly involves determination of purchase or sale prices, limits or controls production, or shares the market by way of geographical area or number of consumers in the relevant market is presumed to have an appreciable adverse effect on competition in the relevant market in India and shall be void. Further, the Competition Act prohibits abuse of dominant position by any enterprise.

The combination regulation (merger control) provisions under the Competition Act require that the acquisition of shares, voting rights, assets or control or mergers or amalgamations which exceed any of the prescribed asset and turnover based thresholds shall be mandatorily notified to and pre-approved by the CCI. Further, the CCI has extra-territorial powers and can investigate any agreements, abusive conduct or combination occurring outside of India if such agreement, conduct or combination has an appreciable adverse effect in India. Any breach of the provisions of the Competition Act by our Company may attract substantial monetary penalties.

The applicability or impact of the provisions of the Competition Act on the agreements entered into by us cannot be predicted with certainty at this stage. However, if we pursue an acquisition driven growth strategy, we may be affected, directly or indirectly, by the application or interpretation of any provision of the Competition Act, any enforcement proceedings initiated by the CCI, any adverse publicity that may be generated due to scrutiny or prosecution by the CCI, or any prohibition or substantial penalties levied under the Competition Act, which would adversely affect our business, results of operations, financial condition, cash flows and prospects. We are not currently party to any outstanding proceedings, nor have we ever received any notice in relation to non-compliance with the Competition Act. Any enforcement proceedings initiated by the CCI in future, or any adverse publicity that may be generated due to scrutiny or prosecution by the CCI may affect our business, results of operations, financial condition and cash flows.

**48. *Our ability to raise foreign debt may be constrained by Indian law.***

As an Indian company, we are subject to exchange controls that regulate borrowing in foreign currencies. Such regulatory restrictions limit our financing sources and could constrain our ability to obtain financing on competitive terms and refinance existing indebtedness. In addition, we cannot assure you that any required regulatory approvals for borrowing in foreign currencies will be granted to us without onerous conditions, or at all. Limitations on raising foreign debt may have an adverse effect on our business growth, results of operations, financial condition and cash flows.

**Risks Related to the Equity Shares and the Issue**

**49. *The trading volume and market price of the Equity Shares may be volatile following the Issue, and you may not be able to sell your Equity Shares at or above the Issue Price.***

The Indian securities markets are smaller and more volatile than securities markets in more developed economies. The Indian stock exchanges have in the past experienced substantial fluctuations in the prices of listed securities. The governing bodies of the Indian stock exchanges have from time-to-time imposed restrictions on trading in certain securities, limitations on price movements and margin requirements. The market price of the Equity Shares may decline or fluctuate significantly due to a number of factors, some of which may be beyond our control, including:

- actual or anticipated fluctuations in our operating results;

- announcements about our earnings that are not in line with analyst expectations;
- the public's reaction to our press releases, other public announcements and filings with the regulator;
- significant liability claims, complaints from our customers, shortages or interruptions in the availability of raw materials, or reports of incidents of tampering of raw materials;
- changes in senior management or key personnel;
- macroeconomic conditions in India;
- fluctuations of exchange rates;
- the operating and stock price performance of comparable companies;
- changes in our shareholder base;
- changes in our dividend policy;
- issuances, exchanges or sales, or expected issuances, exchanges or sales;
- changes in accounting standards, policies, guidance, interpretations or principles; and
- changes in the regulatory and legal environment in which we operate;

Any of these factors may result in large and sudden changes in the volume and trading price of the Equity Shares. We cannot assure you that you will be able to resell your Equity Shares at or above the Issue Price. We cannot assure you that an active trading market for the Equity Shares will be sustained after this Issue, or that the price at which the Equity Shares have historically traded will correspond to the price at which the Equity Shares will trade in the market subsequent to this Issue.

**50. *Holders of Equity Shares may be restricted in their ability to exercise pre-emptive rights under Indian law and thereby suffer future dilution of their ownership position.***

Under the Companies Act, a company incorporated in India must offer its equity shareholders pre-emptive rights to subscribe and pay for a proportionate number of equity shares to maintain their existing ownership percentages prior to issuance of any new equity shares, unless the pre-emptive rights have been waived by the adoption of a special resolution by shareholders of such company.

However, if the law of the jurisdiction that you are in does not permit the exercise of such pre-emptive rights without us filing a placement document or registration statement with the applicable authority in such jurisdiction, you will be unable to exercise such pre-emptive rights, unless we make such a filing. To the extent that you are unable to exercise pre-emptive rights granted in respect of the Equity Shares, your proportional interests in our Company may be reduced.

**51. *Fluctuations in the exchange rate between the Rupee and the U.S. dollar could have an adverse effect on the value of the Equity Shares, independent of our operating results.***

The Equity Shares are quoted in Rupees on the Stock Exchanges. Any dividends in respect of the Equity Shares will be paid in Rupees and subsequently converted into U.S. dollars for repatriation. Any adverse movement in exchange rates during the time it takes to undertake such conversion may reduce the net dividend to investors. In addition, any adverse movement in exchange rates during a delay in repatriating the proceeds from a sale of Equity Shares outside India, for example, because of a delay in regulatory approvals that may be required for the sale of Equity Shares, may reduce the net proceeds received by shareholders. The exchange rate between the Rupee and the U.S. dollar has changed substantially in the last two decades and could fluctuate substantially in the future, which may have an adverse effect on the value of the Equity Shares and returns from the Equity Shares, independent of our operating results.

**52. *An investor will not be able to sell any of the Equity Shares subscribed in the Issue other than on a***

***recognized Indian stock exchange for a period of one year from the date of allotment of such Equity Shares.***

Pursuant to the SEBI ICDR Regulations, for a period of one year from the date of the allotment of the Equity Shares in the Issue, investors subscribing for the Equity Shares in the Issue may only sell such Equity Shares on NSE or BSE and may not enter into any off-market trading in respect of such Equity Shares. We cannot be certain that these restrictions will not have an impact on the market price of the Equity Shares. Further, allotments made to venture capital funds and alternative investment funds in the Issue are subject to the rules and regulations that are applicable to them, including in relation to lock-in requirements. This may affect the liquidity of the Equity Shares subscribed by investors and it is uncertain whether these restrictions will adversely impact the market price of the Equity Shares subscribed by investors.

## MARKET PRICE INFORMATION

As on the date of this Preliminary Placement Document, our Company's issued, subscribed and paid-up capital comprises 114,582,095 Equity Shares of face value of ₹ 1 each fully paid-up.

On June 21, 2024, the closing price of the Equity Shares on BSE and NSE was ₹ 341.35 and ₹ 340.80 respectively per Equity Share. Since the Equity Shares are available for trading on the Stock Exchanges, the market price and other information for each of BSE and NSE has been given separately.

- (i) The following tables set forth the reported high, low and average market prices and the trading volumes of the Equity Shares on the Stock Exchanges on the dates on which such high and low prices were recorded for the Financial Years ended 2024, 2023 and 2022:

BSE											
Financial Year	High (₹)	Date of high	Number of Equity Shares traded on the date of high	Total turnover of Equity Shares traded on date of high (₹ lakhs)	Low (₹)	Date of low	Number of Equity Shares traded on the date of low	Total turnover of Equity Shares traded on date of low (₹ lakhs)	Average price for the year (₹)	Total Volume of Equity Shares traded in the fiscals	Total Turnover of Equity Shares traded in the fiscals (₹ in lakhs)
2022	450.40	December 17, 2021	7,20,348	3,408.68	170.05	April 1, 2021	10,483	17.96	275.30	1,02,76,151	31,132
2023	450.00	October 18, 2022	64,575	290.44	250.15	June 20, 2022	7,538	18.62	353.26	48,34,533	17,945
2024	470.15	August 3, 2023	17,453	82.37	327.65	April 3, 2023	14,089	46.34	396.07	60,14,917	24,390

NSE											
Financial Year	High (₹)	Date of high	Number of Equity Shares traded on the date of high	Total turnover of Equity Shares traded on date of high (₹ lakhs)	Low (₹)	Date of low	Number of Equity Shares traded on the date of low	Total turnover of Equity Shares traded on date of low (₹ lakhs)	Average price for the year (₹)	Total Volume of Equity Shares traded in the fiscals	Total Turnover of Equity Shares traded in the fiscals (₹ in lakhs)
2022	450.75	December 17, 2021	84,95,461	40,169.38	169.70	April 1, 2021	61,517	105.36	275.27	9,50,75,625	2,87,934
2023	449.15	October 18, 2022	5,20,988	2,342.68	249.95	June 20, 2022	1,65,392	411.18	353.23	3,76,26,901	1,40,723
2024	469.50	August 3, 2023	4,46,012	2,110.94	327.85	April 3, 2023	92,565	307.44	396.06	4,01,88,581	1,60,412

(Source: [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com))

Notes:

- High and low prices are calculated based on daily closing prices, as against previously mentioned intraday high and low.
- In the case of a year, average represents the average of the closing prices of all trading days of each year presented.
- In case of two days with the same high price, low price, the date with the higher traded volume has been chosen.

The following table sets forth the details of the number of Equity Shares traded on the Stock Exchanges and the turnover during Financial Years 2024, 2023 and 2022:

Financial Year	Number of Equity Shares Traded		Turnover (In ₹ lakhs)	
	BSE	NSE	BSE	NSE
2022	1,02,76,151	9,50,75,625	31,132	2,87,934
2023	48,34,533	3,76,26,901	17,945	1,40,723
2024	60,14,917	4,01,88,581	24,390	1,60,412

- (ii) The following tables set forth the reported high, low and average market prices and the trading volumes of the Equity Shares on the Stock Exchanges on the dates on which such high and low prices were recorded during each of the last six months:

BSE											
Month	High (₹)	Date of high	Number of Equity Shares traded on the date of high	Total turnover of Equity Shares traded on date of high (₹ lakhs)	Low (₹)	Date of low	Number of Equity Shares traded on the date of low	Total turnover of Equity Shares traded on date of low (₹ lakhs)	Average price for the year (₹)	Equity Shares traded in the month	
										Volume	Turnover (₹ in lakhs)
December, 2023	446.80	December 4, 2023	70,914	311.31	334.80	December 28, 2023	18,761	63.19	354.76	4,03,782	1,499
January, 2024	359.40	January 24, 2024	77,472	282.78	338.15	January 3, 2024	9,022	30.62	346.69	6,08,507	2,160
February, 2024	400.90	February 16, 2024	1,29,242	526.56	343.65	February 12, 2024	26,141	91.20	374.03	8,68,010	3,357
March, 2024	389.75	March 14, 2024	49,061	189.52	357.10	March 28, 2024	18,888	68.35	376.34	4,80,901	1,815
April, 2024	377.35	April 8, 2024	9,224	34.73	352.15	April 24, 2024	12,150	42.97	364.00	1,55,885	570
May, 2024	365.25	May 18, 2024	1,259	4.59	309.60	May 31, 2024	36,091	112.76	350.12	2,95,538	1,014

NSE											
Month	High (₹)	Date of high	Number of Equity Shares traded on the date of high	Total turnover of Equity Shares traded on date of high (₹ lakhs)	Low (₹)	Date of low	Number of Equity Shares traded on the date of low	Total turnover of Equity Shares traded on date of low (₹ lakhs)	Average price for the year (₹)	Equity Shares traded in the month	
										Volume	Turnover (₹ in lakhs)
December, 2023	445.55	December 4, 2023	6,13,616	2,673.45	334.85	December 28, 2023	1,00,743	339.60	354.43	24,42,627	9,254
January, 2024	359.60	January 11, 2024	2,58,504	923.69	338.55	January 3, 2024	1,08,764	368.25	346.59	49,02,556	17,375
February, 2024	401.20	February 16, 2024	13,95,831	5,689.21	344.75	February 12, 2024	1,41,547	494.79	373.92	96,80,830	37,680
March, 2024	390.25	March 14, 2024	3,41,207	1,323.24	357.25	March 28, 2024	1,26,468	457.72	376.19	31,60,131	12,010
April, 2024	376.75	April 8, 2024	2,16,357	817.32	352.40	April 24, 2024	1,03,071	364.14	364.05	20,38,296	7,471
May, 2024	365.65	May 18, 2024	18,076	65.84	309.65	May 31, 2024	6,79,451	2,116.53	350.14	29,22,068	9,959

(Source: [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com))

Notes:

1. High, low and average prices are based on the daily closing prices.
2. In the case of a year, average represents the average of the closing prices of all trading days of each year presented.

3. In case of two days with the same high price, low price, the date with the higher traded volume has been chosen.

(iii) The following table sets forth the market price on the Stock Exchanges on January 25, 2024 that is, the first working day following the approval dated January 25, 2024 of our Board of Directors for the Issue:

Date	BSE					
	Open (₹)	High (₹)	Low (₹)	Close (₹)	Number of Equity Shares traded	Volume (₹ lakhs)
January 25, 2024	364.05	366.35	349.50	352.80	33,665	120.43

(Source: [www.bseindia.com](http://www.bseindia.com))

Date	NSE					
	Open (₹)	High (₹)	Low (₹)	Close (₹)	Number of Equity Shares traded	Volume (₹ lakhs)
January 25, 2024	364.75	366.00	348.10	353.20	1,86,909	670.35

(Source: [www.nseindia.com](http://www.nseindia.com))

## USE OF PROCEEDS

The Gross Proceeds from the Issue aggregate to ₹ [●] lakhs (the “**Gross Proceeds**”). Subject to compliance with applicable laws, the net proceeds from the Issue, after deducting fees, commissions and the estimated expenses of the Issue of approximately ₹ [●] lakhs, shall be approximately ₹ [●] lakhs (the “**Net Proceeds**”).

### Objects of the Issue

Subject to compliance with applicable laws and regulations, our Company intends to use the Net Proceeds towards the following (“**Objects**”):

(₹ in lakhs)		
Sr No.	Particulars	Amount which will be financed from Net Proceeds <sup>(2)</sup>
1.	Repayment/prepayment, in full or in part, of long term project loans and short term working capital loans availed by our Company	11,500
2.	General corporate purposes <sup>(1)</sup>	[●]
	<b>Total Net Proceeds<sup>(2)</sup></b>	<b>[●]</b>

<sup>(1)</sup> To be determined upon finalisation of the Issue Price and updated in the Placement Document. The amount utilised for general corporate purposes shall not exceed 25% of the Gross Proceeds.

<sup>(2)</sup> To be determined upon finalisation of the Issue Price.

Our main objects clause and objects incidental or ancillary to the main objects clause, as set out in our Memorandum of Association, enable us to undertake our existing business activities for which the borrowings were availed by our Company, and which are proposed to be repaid or prepaid from the Net Proceeds.

### Proposed schedule of implementation and deployment of Net Proceeds

(₹ in lakhs)			
Sr. No.	Particulars	Amount to be funded from Net Proceeds	Proposed schedule for deployment of the Net Proceeds
			Financial Year 2025
1	Repayment/prepayment, in full or in part, of long term project loans and short term working capital loans availed by our Company	11,500	11,500
2.	General corporate purposes*	[●]	[●]
	<b>Total Net Proceeds</b>	<b>[●]</b>	<b>[●]</b>

\* To be determined upon finalisation of the Issue Price and updated in the Placement Document. The amount utilised for general corporate purposes shall not exceed 25% of the Gross Proceeds.

The funding requirements, deployment of funds and the intended use of Net Proceeds indicated above is based on management estimates, current circumstances of our business, our existing business plans, prevailing market conditions, and other commercial and technical factors, which are subject to change in the future. Given the nature of our business, we may have to revise our funding requirements and intended deployment schedule on account of a variety of factors such as our financial condition, business strategy, delay in procuring and operationalizing assets or necessary licenses and approvals, and external factors such as market conditions, competitive environment, price fluctuations and interest or exchange rate fluctuations and other external factors which may not be within the control of our management. Depending upon such factors, we may have to reduce or extend the deployment period for the stated objects. Subject to applicable law, if the actual utilisation towards the objects is lower than the proposed deployment, such balance will be used for general corporate purposes to the extent that the total amount to be utilized towards general corporate purposes will not exceed 25% of the Gross Proceeds. In case of a shortfall in raising requisite capital from the Net Proceeds, business considerations may require us to explore a range of options including utilising our internal accruals and seeking additional debt from existing and future lenders. We believe that such alternate arrangements would be available to fund any such shortfalls. Further, in case of variations in the actual utilization of funds earmarked for the purposes set forth above, increased fund requirements for a particular purpose may be financed by surplus funds, if any, available in respect of the other purposes for which funds are being raised in the Issue, subject to compliance with applicable laws. For details, see “*Risk Factors – Our funding requirements and proposed deployment of the proceeds from this Issue are based on management estimates and have not been independently appraised*” on page 54.

Our Company proposes to deploy the entire Net Proceeds towards the Objects stated above. If the Net Proceeds are not utilized (in full or in part) for the Objects for the period stated above due to any reason, including (i) the timing of completion of the Issue; (ii) market conditions outside the control of our Company; and (iii) any other



economic, business and commercial considerations, the remaining Net Proceeds shall be utilized (in part or full) in subsequent periods in such manner as may be determined by our Company, in accordance with applicable laws. This may entail rescheduling and revising the funding requirement and increasing or decreasing such requirements for a particular purpose from the planned funding requirement as may be determined by our Company, subject to compliance with applicable laws. Further, our Company may also utilise any portion of or the entire Net Proceeds, towards the aforementioned Objects, ahead of the estimated schedule of deployment specified above.

## Details of the Objects

### 1. Repayment/prepayment, in full or in part, of long term project loans and short term working capital loans availed by our Company

We avail fund-based and non-fund-based facilities in the ordinary course of business from various banks and financial institutions, including inter alia, term loans, credit facilities and working capital loans. As of May 31, 2024, we had total outstanding borrowings of ₹ 16,975.26 lakhs, on a consolidated basis. We propose to utilise a portion of the Net Proceeds aggregating to ₹ 11,500 lakhs for repayment or prepayment, in full or in part, of certain long term project loans and short term working capital loans availed by our Company.

Our Company has obtained necessary consents from the lenders of these borrowings as per the requirements under the borrowing arrangements. Further, pursuant to the terms of the borrowing arrangements, prepayment of certain indebtedness may attract prepayment charges as prescribed by the respective lender. Such prepayment charges, as applicable, will also be funded out of the Net Proceeds.

The selection and extent of borrowings proposed to be repaid by our Company as mentioned below is based on various commercial considerations including, among others, the interest rate of the relevant borrowings, the amount of the borrowings outstanding, prepayment charges, and the remaining tenor of the borrowings. The scheduled prepayment and/or repayment will help us reduce our outstanding indebtedness and debt servicing costs, assist us in maintaining a favourable debt to equity ratio and enable utilization of our internal accruals for further investment in business growth and expansion. In addition, the improvement in the debt to equity ratio of our Company is intended to enable us to raise further resources in the future to fund potential business development opportunities and plans to grow and expand our business in the future.

The details of the outstanding borrowings availed by our Company, proposed for repayment or prepayment, in full or in part, from the Net Proceeds are set forth below:

Sr. No.	Name of the lender	Nature of borrowing*	Purpose of raising the loan*	Sanctioned amount as at May 31, 2024 (in ₹ lakhs)*	Amount outstanding as at May 31, 2024 (in ₹ lakhs)*	Interest rate (p.a.) (as on May 31, 2024) (%)*	Original Tenor	Prepayment Penalty*
1.	Kotak Mahindra Bank Limited	Term Loan	Reimbursement of capex expenditure incurred in last 6 months and fresh capex for opal ware glass furnace Expansion OG-2 and borosilicate press ware furnace expansion at Jaipur	11,439.00	9,003.33	8.45%	72 months with 12 months moratorium	No prepayment shall be allowed till September 30, 2024 (lock-in period). Post lock-in period, the borrower shall have the option to prepay the facility in part or full through Company's own internal accruals on specific dates

Sr. No.	Name of the lender	Nature of borrowing*	Purpose of raising the loan*	Sanctioned amount as at May 31, 2024 (in ₹ lakhs)*	Amount outstanding as at May 31, 2024 (in ₹ lakhs)*	Interest rate (p.a.) (as on May 31, 2024) (%)*	Original Tenor	Prepayment Penalty*
								of October 1 or April 1 of the applicable year by giving 15 days prior notice to the Bank without any prepayment charges. Any other prepayment of the liabilities of the Borrower, prior to completion of tenor of the facility, shall attract a penal charge of 2% per annum on the outstanding loan amount
		Working Capital Demand Loan	Working Capital	8,500.00	1,501.75	8.85%	1 Year	- Foreclosure of the working capital facilities availed, prior to their expiry date, by way of takeover by another lender, shall attract penal charge of 2% on the limits sanctioned by the Bank (applicable for FB w. cap facilities)
2.	ICICI Bank Limited	Cash Credit	Working Capital	5,000.00	4,137.28	9.00%	N.A.	The Company may prepay any of the outstanding tranches (in part or full), subject to payment of applicable prepayment

Sr. No.	Name of the lender	Nature of borrowing*	Purpose of raising the loan*	Sanctioned amount as at May 31, 2024 (in ₹ lakhs)*	Amount outstanding as at May 31, 2024 (in ₹ lakhs)*	Interest rate (p.a.) (as on May 31, 2024) (%)*	Original Tenor	Prepayment Penalty*
								premium as stipulated by the Bank
3.	HDFC Bank Limited	Term Loan	Solar Project at Bikaner-1	2,550.00	2,332.90	8.15%	8 years including 6-month moratorium	Nil through own sources. 0.5% in case of takeover up to 01 (one) year, and post 01 (one) year, NIL charges
			Solar Project at Bikaner-2	1,600.00	0.00	8.50%	8 years including 6-month moratorium	Nil through own sources. 0.5% in case of takeover up to 01 (one) year, and post 01 (one) year, NIL charges
<b>Total</b>					<b>16,975.26</b>			

\*As certified by Chaturvedi & Shah, Chartered Accountants vide their certificate dated June 24, 2024.

Given the nature of the borrowings and the terms of repayment, the aggregate outstanding amounts under the borrowings may vary from time to time and our Company may, in accordance with the relevant repayment schedule, repay or refinance some of its existing borrowings prior to Allotment. Further, the amounts outstanding under the borrowings as well as the sanctioned limits are dependent on several factors and may vary with the business cycle of our Company with multiple intermediate repayments, drawdowns and enhancement of sanctioned limits. Further, our Company may also avail additional borrowings after the date of this Preliminary Placement Document and/or draw down further funds under existing loans from time to time.

In light of the above, if at the time of filing the Placement Document, any of the aforementioned loans are repaid in part or full or refinanced or if any additional credit facilities are availed or drawn down and if the terms of new loans are more onerous than the older loans or if the limits under the working capital borrowings are increased, then the table above shall be suitably revised at the time of filing the Placement Document to reflect the revised amounts or loans as the case may be which have been availed by our Company.

## 2. General Corporate Purposes

Our Company proposes to deploy the balance Net Proceeds, aggregating to ₹ [●] lakhs, towards general corporate purposes as approved by our management from time to time, subject to such utilisation not exceeding 25% of the Gross Proceeds in compliance with the circular bearing reference no. NSE/ CML/2022/56 dated December 13, 2022, issued by NSE and circular no. 20221213-47 dated December 13, 2022, issued by BSE and applicable laws. The general corporate purposes for which our Company proposes to utilise Net Proceeds include, without limitation, (i) acquiring assets such as acquiring land, construction works, infrastructure development of land and building, plant and machinery, office equipment, furniture and fixtures, IT equipment, repairs and maintenance; maintenance, renovation and/or upgradation and addition in machinery and equipment; (ii) leasehold improvements; (iii) funding growth opportunities or strategic initiatives; (iv) providing security to the lenders who provide us non-fund based facilities in the form of bank guarantees or letters of credit through payment of cash margin in order to substitute letters of comfort availed by us; (v) investment in the Subsidiary in the form of equity or debt (whether convertible or non-convertible) or partially equity and partially debt towards working capital or capital expenditure requirement, and (vi) meeting any exigencies which we may face in the ordinary course of our business and any other purpose as permitted by applicable laws, subject to meeting regulatory requirements and

obtaining necessary approvals or consents, as applicable and other purpose as permitted by applicable laws and as approved by our Board or a duly appointed committee thereof from time to time. In addition to the above, our Company may utilise the Net Proceeds towards other purposes considered expedient and as approved periodically by our Board, subject to compliance with necessary provisions of the Companies Act, 2013. Subject to applicable law, our Company's management shall have flexibility in utilising surplus amounts, if any. Our management will have the discretion to revise our business plan from time to time and consequently our funding requirement and deployment of funds may change. This may also include rescheduling the proposed utilization of Net Proceeds and changing the allocation of funds from its planned allocation at the discretion of our management.

### **Monitoring of utilisation of funds**

Pursuant to Regulation 173A of the SEBI ICDR Regulations, our Company has appointed ICRA, a credit rating agency registered with the SEBI, as the monitoring agency ("**Monitoring Agency**") by way of an agreement dated June 21, 2024, as the size of our Issue exceeds ₹ 10,000 lakhs. The Monitoring Agency shall submit its report to our Company in the format specified in Schedule XI of the SEBI ICDR Regulations on a quarterly basis, till 100% of the Gross Proceeds of the Issue have been utilised. The Board of Directors and the management of our Company will provide their comments on the findings of the Monitoring Agency as specified in Schedule XI. Our Company shall, within 45 days from the end of each quarter, upload the report of the Monitoring Agency on our website and also submit the same to the Stock Exchanges.

Pursuant to Regulation 32(3) of the SEBI Listing Regulations, our Company shall, on a quarterly basis, disclose to the Audit Committee the uses and applications of the Gross Proceeds. On an annual basis, our Company shall prepare a statement of funds utilised for purposes other than those stated in this Preliminary Placement Document and place it before the Audit Committee and make other disclosures as may be required until such time as the Gross Proceeds remain unutilised and disclose every year, the utilization of the Proceeds during that year in its annual report. Such disclosure shall be made only until such time that the entire Gross Proceeds have been utilised in full. The report of the Monitoring Agency shall be placed before our Audit Committee on a quarterly basis, promptly upon its receipt.

Furthermore, in accordance with Regulation 32(1) of the SEBI Listing Regulations, our Company shall furnish to the Stock Exchanges on a quarterly basis, a statement indicating (i) deviations, if any, in the actual utilisation of the proceeds of the Issue from the Objects as stated above; and (ii) details of category wise variations in the actual utilisation of the proceeds of the Issue from the Objects as stated above. This information will also be published in newspapers simultaneously with the interim or annual financial results and explanation for such variation (if any) will be included in our Director's report, after placing the same before the Audit Committee.

### **Other confirmations**

In accordance with applicable laws, we undertake to not utilize proceeds from the Issue unless Allotment is made and the corresponding return of Allotment is filed with the RoC and final listing and trading approvals are received from each of the Stock Exchanges. The Net Proceeds shall be kept by our Company in a separate bank account with a scheduled bank and shall be utilised as approved by our Board and/ or a duly authorized committee of our Board, from time to time only for such purposes, as permitted under the Companies Act, prescribed Objects as disclosed above and other applicable laws.

Pending utilisation of the Net Proceeds for the Objects described above, our Company intends to temporarily invest funds in creditworthy instruments including money market mutual funds and deposits in scheduled commercial banks included in the Second Schedule of the Reserve Bank of India Act, 1934, as amended. Such investments would be in accordance with the investment policies as approved by our Board from time to time and applicable laws.

Neither our Promoters, Promoter Group nor our Directors are making any contribution either as part of the Issue or separately in furtherance of the Objects. Further, neither our Promoters nor our Directors shall receive any proceeds from the Issue, whether directly or indirectly. Since the Issue is only made to Eligible QIBs, our Promoters, Directors, Key Managerial Personnel or members of Senior Management are not eligible to subscribe in the Issue.

## CAPITALISATION STATEMENT

The following table sets forth our capitalization and total borrowings, on a consolidated basis, as at March 31, 2024 which has been derived from our Financial Year 2024 Audited Consolidated Financial Statements and as adjusted to give effect to the receipt of the Gross Proceeds of the Issue. This table should be read in conjunction with the sections titled “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” and “*Financial Information*” on pages 84 and 226, respectively.

*(in ₹ lakhs, unless otherwise stated)*

Particulars	Pre-Issue (as at March 31, 2024) (Un adjusted)	As adjusted for the Issue <sup>^</sup>
<b>1. Borrowings</b>		
Non-current borrowings (including current maturities)	12,016.90	[●]
Current borrowings	3,371.63	[●]
<b>Total Indebtedness (A)</b>	15,388.53	[●]
<b>2. Equity</b>		
Equity share capital	1,145.82	[●]
Other equity	56,854.29	[●]
<b>Total Equity (B)</b>	58,000.11	[●]
<b>Total Capitalisation (C= A+B)</b>	73,388.64	[●]
<b>Total Indebtedness / Total Equity (A/B)</b>	0.27	[●]

<sup>^</sup>The corresponding post-Issue capitalisation data for each of the amounts given in the above table is not determinable at this stage pending the completion of Issue and hence the same has not been provided in the above statement

**Notes:**

1. As per Financial Year 2024 Audited Consolidated Financial Statements of our Company.
2. The above terms shall carry the meaning as per Schedule III to the Companies Act, 2013 (as amended).

## CAPITAL STRUCTURE

The share capital of our Company as on the date of this Preliminary Placement Document is set forth below:

*(in ₹ lakhs, except share data)*

Particulars	Aggregate value at face value (except for securities premium account)
<b>A AUTHORISED SHARE CAPITAL</b>	
27,00,00,000 Equity Shares of ₹1 each and; 2,80,00,000 Preference Shares of ₹10 each	5,500.00
<b>B ISSUED, SUBSCRIBED AND PAID-UP CAPITAL BEFORE THE ISSUE</b>	
114,582,095 Equity Shares of ₹1 each	1,145.82
<b>C PRESENT ISSUE IN TERMS OF THIS PRELIMINARY PLACEMENT DOCUMENT</b>	
Up to [●] Equity Shares aggregating to ₹ [●] lakhs <sup>(1)(2)</sup>	[●]
<b>D ISSUED, SUBSCRIBED AND PAID-UP CAPITAL AFTER THE ISSUE</b>	
[●] <sup>(2)</sup> Equity Shares of face value of ₹ 1 each	[●]
<b>E SECURITIES PREMIUM ACCOUNT</b>	
Before the Issue (as of the date of this Preliminary Placement Document)	1,227.83
After the Issue <sup>(2)(3)</sup>	[●]

<sup>(1)</sup> This Issue has been authorised and approved by our Board of Directors pursuant to its resolution passed on January 24, 2024. The Shareholders of our Company have authorised and approved the Issue by way of a special resolution dated February 20, 2024.

<sup>(2)</sup> To be determined upon finalisation of the Issue Price.

<sup>(3)</sup> The securities premium account after the Issue is calculated on the basis of Gross Proceeds.

### Equity Share capital history of our Company

The following table sets forth details of allotments of Equity Shares of our Company since the date of incorporation:

Date of Allotment*	Number of equity shares allotted	Face value per equity share (in ₹)	Issue price per equity share (in ₹)	Nature of consideration	Nature of allotment	Cumulative Number of Equity Shares
November 25, 2010	10,000	10	10	Cash	Initial Subscription to the Memorandum of Association	10,000
May 30, 2011	9,19,595	10	20	Cash	Further Issue	9,29,595
February 25, 2012	10,000	10	30	Cash	Further Issue	9,39,595
March 24, 2012	9,39,595	10	NA	NA	Bonus Issue	18,79,190
March 26, 2012	31,20,810	10	10	Cash	Further Issue	50,00,000
December 28, 2012	1,02,50,000	10	10	Cash	Further Issue	1,52,50,000
December 26, 2013	70,00,000	10	10	Other than cash	Conversion of Unsecured Loans into Equity Shares	2,22,50,000
May 20, 2015	26,00,000	10	10	Cash	Rights Issue	2,48,50,000
June 9, 2015	9,00,000	10	10	Cash	Rights Issue	2,57,50,000
Pursuant to a Shareholder's resolution dated June 29, 2018 each of the equity share of face value of ₹10 of our Company, was sub-divided into Equity Share of face value ₹1 each.						25,75,00,000
The Composite Scheme of Amalgamation and Arrangement approved by the Board of Directors of our Company at its meeting held on June 18, 2018 involving: (a) amalgamation of Vylene Glass Works Limited, Fennel Investment and Finance Private Limited and Gujarat Borosil Limited with Borosil Glass Works Limited, subsequent to which the name of Borosil Glass Works Limited was changed to Borosil Renewables Limited ("BRL") and (b) demerger of the scientific and industrial products and consumer products businesses of BRL into our Company. The National Company Law Tribunal, Mumbai Bench ("NCLT") approved the 2020 Scheme vide its order dated January 15,						(25,75,00,000)

Date of Allotment*	Number of equity shares allotted	Face value per equity share (in ₹)	Issue price per equity share (in ₹)	Nature of consideration	Nature of allotment	Cumulative Number of Equity Shares
2020. Since our Company existed as wholly owned subsidiary of BRL, pursuant to the 2020 Scheme, 25,75,00,000 Equity Shares of ₹1 each and 2,80,00,000 Preference Shares of ₹10 each of our Company held by BRL, the demerged company stood cancelled as on October 1, 2018 (“ <b>Appointed Date</b> ”), accordingly, BRL ceased to be a holding company.						
March 13, 2020	114,059,537	1	NA	Other than cash	Allotment made pursuant to the 2020 Scheme in the ratio of one Equity Share of ₹1 of our Company against every one equity share of ₹1 held in BRL, the demerged company.	11,40,59,537
March 4, 2021	59,930	1	127.75	Cash	Allotment made pursuant to ESOP 2020	11,41,19,467
December 21, 2021	35,200	1	127.75	Cash	Allotment made pursuant to ESOP2020	11,41,54,667
February 24, 2022	8,000	1	127.75	Cash	Allotment made pursuant to ESOP 2020	11,41,62,667
May 25, 2022	29,350	1	127.75	Cash	Allotment made pursuant to ESOP 2020	11,41,92,017
June 28, 2022	17,500	1	127.75	Cash	Allotment made pursuant to ESOP 2020	11,42,09,517
June 28, 2022	11,590	1	221.00	Cash	Allotment made pursuant to New ESOS 2020	11,42,21,107
July 21, 2022	4,000	1	221.00	Cash	Allotment made pursuant to New ESOS 2020	11,42,25,107
August 24, 2022	8,700	1	127.75	Cash	Allotment made pursuant to ESOP 2020	11,42,33,807
September 22, 2022	70,000	1	162.25	Cash	Allotment made pursuant to ESOP 2020	11,43,03,807
September 22, 2022	22,500	1	127.75	Cash	Allotment made pursuant to ESOP 2020	11,43,26,307
September 22, 2022	4,500	1	221.00	Cash	Allotment made pursuant to NEW ESOS 2020	11,43,30,807
October 20, 2022	11,290	1	221.00	Cash	Allotment made pursuant to NEW ESOS2020	11,43,42,097
November 18, 2022	37,200	1	127.75	Cash	Allotment made pursuant to ESOP 2020	11,43,79,297
<b>Allotments in the one year immediately preceding the date of this Preliminary Placement Document</b>						
January 19, 2023	2,200	1	221.00	Cash	Allotment made pursuant to NEW ESOS 2020	11,43,81,497
January 19, 2023	5,000	1	127.75	Cash	Allotment made pursuant to ESOP 2020	11,43,86,497
January 19, 2023	9,680	1	162.25	Cash	Allotment made pursuant to ESOP 2020	11,43,96,177
February 25, 2023	8,700	1	127.75	Cash	Allotment made pursuant to ESOP 2020	11,44,04,877
March 20, 2023	9,610	1	221.00	Cash	Allotment made pursuant to NEW ESOS 2020	11,44,14,487
May 26, 2023	8,696	1	127.75	Cash	Allotment made pursuant to ESOP 2020	11,44,23,183
May 26, 2023	3,000	1	221.00	Cash	Allotment made pursuant to NEW ESOS 2020	11,44,26,183
June 19, 2023	1,500	1	293.00	Cash	Allotment made pursuant to NEW ESOS 2020	11,44,27,683
July 21, 2023	10,000	1	127.75	Cash	Allotment made pursuant to ESOP 2020	11,44,37,683
August 22, 2023	15,000	1	127.75	Cash	Allotment made pursuant to ESOP 2020	11,44,52,683
August 22, 2023	11,220	1	221.00	Cash	Allotment made pursuant to NEW ESOS 2020	11,44,63,903

Date of Allotment*	Number of equity shares allotted	Face value per equity share (in ₹)	Issue price per equity share (in ₹)	Nature of consideration	Nature of allotment	Cumulative Number of Equity Shares
August 22, 2023	2,211	1	293.00	Cash	Allotment made pursuant to New ESOS 2020	11,44,66,114
September 22, 2023	27,226	1	127.75	Cash	Allotment made pursuant to ESOP 2020	11,44,93,340
September 22, 2023	14,080	1	221.00	Cash	Allotment made pursuant to New ESOS 2020	11,45,07,420
September 22, 2023	27,222	1	293.00	Cash	Allotment made pursuant to New ESOS 2020	11,45,34,642
September 22, 2023	4,356	1	259.00	Cash	Allotment made pursuant to New ESOS 2020	11,45,38,998
October 16, 2023	8,700	1	127.75	Cash	Allotment made pursuant to ESOP 2020	114,547,698
October 16, 2023	564	1	293.00	Cash	Allotment made pursuant to New ESOS 2020	114,548,262
October 16, 2023	2,500	1	221.00	Cash	Allotment made pursuant to New ESOS 2020	11,45,50,762
November 22, 2023	18,395	1	127.75	Cash	Allotment made pursuant to ESOP 2020	11,45,69,157
November 22, 2023	10,090	1	221.00	Cash	Allotment made pursuant to New ESOS 2020	11,45,79,247
November 22, 2023	2,848	1	293.00	Cash	Allotment made pursuant to New ESOS 2020	11,45,82,095

### Preference share capital history of our Company

As on the date of this Preliminary Placement Document, our Company does not have any outstanding preference shares.

Our Company has not made any allotment of Equity Shares in the one year immediately preceding the date of this Preliminary Placement Document, including for consideration other than cash, or made any allotment of Equity Shares pursuant to a preferential issue, private placement or a rights issue except for allotments of equity shares pursuant to exercise of options granted under ESOP 2020 and NEW ESOS 2020.

### Employee Stock Option Scheme

#### ESOP 2020

Pursuant to the resolution of our Board dated February 3, 2020 and in accordance with the provisions of 2020 Scheme, our Company instituted the Borosil Limited Special Purpose Employee Stock Option Plan 2020 (“**ESOP 2020**”) to provide for the grant of options to employees of our Company who meet the eligibility criteria under the ESOP 2020. Under ESOP 2020, our Company has granted 4,43,388 employee stock options to eligible employees on the basis of criteria laid down in the ESOP 2020. All the options under the ESOP 2020 were granted by the Company in lieu of options held by a person under a similar employee stock plan/scheme in the Borosil Renewables Limited (“**BRL**”) which had demerged into our Company pursuant to the composite scheme of amalgamation and arrangement approved by The National Company Law Tribunal, Mumbai Bench (“**NCLT**”) vide its order dated January 15, 2020. The period during which the options granted by the Borosil Renewables Limited (“**BRL**”) were held by such persons were adjusted against the minimum vesting period required under the ESOP 2020. The ESOP 2020 shall continue to be in force until November 01, 2025, i.e. the last day upto which the options granted under the ESOP 2020 can be exercised by the option grantees. The ESOP 2020 is in compliance with the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021.

The details of the stock options outstanding under the ESOP 2020 as of the date of this Preliminary Placement Document are as follows:



Scheme	Total number of options reserve under the ESOP scheme	Total number of options granted	Total number of options vested	Total number of options exercised	Total number of options lapsed or forfeited	Total number of options outstanding
ESOP 2020	4,43,388	4,43,388	4,43,388	3,99,777	-	43,611

## NEW ESOS 2020

Pursuant to the resolution of our Board dated July 13, 2020 and the resolution of our shareholders dated September 29, 2020, our Company instituted the Borosil Limited Employee Stock Option Scheme 2020 (“New ESOS 2020”) to provide for the grant of options to employees of our Company who meet the eligibility criteria under the New ESOS 2020. Under the New ESOS 2020, our Company is allowed to grant 52,59,590 employee stock options to eligible employees. The eligibility and number of options to be granted to an eligible employee is determined on the basis of criteria laid down in the New ESOS 2020. The options granted vest on the eligible employees not earlier than one year and not later than five years from the date of grant of options. The New ESOS 2020 shall continue to be in force until (i) its termination by the Board or Nomination or Remuneration Committee of the Company as per provisions of applicable laws, or (ii) the date on which all of the options available for issuance under the New ESOS 2020 have been issued and exercised, whichever is earlier. The New ESOS 2020 is in compliance with the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021.

The details of the stock options outstanding under the New ESOS 2020 as of the date of this Preliminary Placement Document are as follows:

Scheme	Total number of options reserve under the ESOP scheme	Total number of options granted	Total number of options vested	Total number of options exercised	Total number of options lapsed or forfeited	Total number of options outstanding
NEW ESOS 2020	52,59,590	8,78,200	6,42,833	1,22,781	1,04,173	6,51,246

## Proposed Allottees in the Issue

In compliance with the requirements prescribed under the SEBI ICDR Regulations, Allotment shall be made at the sole discretion of our Company in consultation with the BRLM to Eligible QIBs. For details of the names of the proposed Allottees and the percentage of the post-Issue Equity Share capital that may be held by them, please see the section titled “*Details of Proposed Allottees*” on page 230.

## Pre-Issue and post-Issue Equity Shareholding Pattern

The following table provides the pre-Issue shareholding pattern as on June 21, 2024, and the post-Issue shareholding pattern:

S. No.	Category	Pre-Issue <sup>(1)</sup>		Post-Issue <sup>(2)</sup>	
		No. of Equity Shares held	% of shareholding	No. of Equity Shares held	% of shareholding
<b>A.</b>	<b>Promoter’s holding<sup>(3)</sup></b>				
1.	Indian				
	Individual/Hindu Undivided Family	6,18,87,412	54.01	[●]	[●]
	Bodies corporate	1,85,23,364	16.17	[●]	[●]
	<b>Sub-total</b>	8,04,10,776	70.18	[●]	[●]
2.	Foreign	4,445	0.00	[●]	[●]
	<b>Sub-total (A)</b>	8,04,15,221	70.18	[●]	[●]
<b>B.</b>	<b>Non-promoter’s holding</b>				
1.	Institutional investors	21,76,649	1.90	[●]	[●]
2.	Non-institutional investors	46,60,096	4.07	[●]	[●]
	Private corporate bodies	24,26,713	2.12	[●]	[●]
	Directors and relatives	90,430	0.08	[●]	[●]
	Indian public	2,39,70,977	20.92	[●]	[●]
	Others including non-resident Indians (NRIs)	8,42,009	0.73	[●]	[●]

S. No.	Category	Pre-Issue <sup>(1)</sup>		Post-Issue <sup>(2)</sup>	
		No. of Equity Shares held	% of shareholding	No. of Equity Shares held	% of shareholding
	<b>Sub-total (B)</b>	3,41,66,874	29.82	[●]	[●]
	<b>Grand total (A+B)</b>	11,45,82,095	100.00	[●]	[●]

<sup>(1)</sup> Based on beneficiary position data of our Company as at June 21, 2024.

<sup>(2)</sup> The details of the post-Issue shareholding pattern have been intentionally left blank and will be filled in before filing of the Placement Document with the Stock Exchanges.

<sup>(3)</sup> Includes shareholding of the members of the Promoter Group.

### Other confirmations

Our Promoters, Directors, Key Managerial Personnel and members of the Senior Management of our Company do not intend to participate in the Issue.

- There would be no change in control in our Company consequent to the Issue.
- Our Company shall not make any subsequent qualified institutions placement until the expiry of two weeks from the date of the Issue. Further, Equity Shares allotted pursuant to this Issue cannot be sold by the Allottees for a period of one year from the date of Allotment, except on the Stock Exchanges.
- Our Equity Shares have been listed for a period of at least one year prior to the date of the issuance of the notice dated January 27, 2024 to our Shareholders for approval of this Issue.
- Apart from the options granted under the ESOP 2020 and NEW ESOS 2020, there are no outstanding options or rights to convert debentures, loans or other instruments convertible into the Equity Shares as on the date of this Preliminary Placement Document.

## DIVIDENDS

The declaration and payment of dividends by our Company is governed by applicable provisions of the Companies Act and our Articles of Association. Our Board has approved and adopted a formal dividend distribution policy on May 27, 2021, in terms of Regulation 43A of the SEBI Listing Regulations. For further information, please see the section titled “*Description of the Equity Shares*” on page 211.

No dividend or interim dividend has been paid by our Company on the Equity Shares from April 1, 2024 to the date of this Preliminary Placement Document and Financial Years 2024, 2023 and 2022.

Further there are no dividends that have been declared but are yet to be paid out by our Company for Fiscal 2024 since April 1, 2024 until the date of this Preliminary Placement Document.

### **Future Dividends**

The dividend pay-out in the past is not necessarily indicative of the dividend distribution policy of our Company or dividend amounts, if any, in the future. The dividend pay-out decision of our Company will depend on a number of internal and external factors, including, but not limited to, profits earned during the year, capital requirements, business expansion, investments in Subsidiary, uncertainty in business conditions, volatility in the capital markets, regulatory restrictions, interest and inflation rate and any other factor that the Board may deem fit. For a summary of some of the restrictions that may inhibit our ability to declare or pay dividends, see “*Risk Factors – Internal Risk Factors- We cannot assure payment of dividends on the Equity Shares in the future and our ability to pay dividends in the future will depend upon future earnings, financial condition, cash flows, working capital requirements, capital expenditures and restrictive covenants of our financing arrangements on page 57.*”

The Equity Shares to be issued in connection with this Issue shall qualify for all dividends, including interim dividend, if any, that is declared after Allotment.

Please also see the sections titled “*Taxation*” and “*Risk Factors*” on pages 214 and 42, respectively.

Investors are cautioned not to rely on past dividends as an indication of the future performance of our Company or for an investment in the Equity Shares offered in the Issue.

## MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

*You should read the following discussion in conjunction with the Audited Financial Statements. The Audited Financial Statements have been prepared in accordance with Ind AS. Ind AS differs in certain material respects from IFRS and US GAAP. For more information, see "Risk Factors – External Risk Factors – Risks Related to India – Significant differences exist between the Indian Accounting Standards (Ind AS) used to prepare our financial information and other accounting principles, such as the United States Generally Accepted Accounting Principles (U.S. GAAP) and the International Financial Reporting Standards (IFRS), which may affect investors' assessments of our Company's financial condition." on page 65.*

*Our Financial Year ends on March 31 of each year. Accordingly, all references to a particular Financial Year are to the 12-month period ended March 31 of that year.*

*The National Company Law Tribunal, Mumbai Bench ("NCLT") had sanctioned the Composite Scheme of Arrangement amongst Borosil Limited ("**Demerged Company**" or the "**Company**"), Klass Pack Limited (renamed as "**Borosil Scientific Limited**") ("**BSL**" or "**Resulting Company**" or "**Transferee Company**") and Borosil Technologies Limited ("**BTL**" or "**Transferor Company**") and their respective shareholders and creditors ("**Scheme**") through its order dated November 2, 2023 which inter alia provided for: (a) reduction and reorganization of share capital of BSL; (b) demerger of Scientific and Industrial Products Business from the Company into BSL and consequent issue of shares by BSL; and (c) amalgamation of BTL with BSL. The Appointed Date of the Scheme was April 1, 2022. The Scheme became effective from December 2, 2023. Pursuant to the Scheme, BSL, BTL and Goel Scientific Glass Works Limited have ceased to be subsidiaries of the Company. The audited consolidated financial statements for Financial Year 2024 reflects the impact of the demerger pursuant to the Scheme, however, the comparative figures the comparative period financial information for the period ended March 31, 2023, have been restated by the management for giving effect to the Scheme to make them comparable. However, the financial information derived from and arising out of the audited consolidated financial statements for the Financial Years 2023 and 2022 does not reflect the effect of the Scheme and accordingly includes the financial performance of the Scientific and Industrial Products Business as well as consumer product business. Accordingly, the financial information for Financial Years 2023 and 2022 represents business, results of operations, cash flows and financial condition of the Company prior to giving effect of the Scheme. For further information on the restructuring please refer to "Our Business – Group Restructuring" and "Risk Factor – Our audited consolidated financial statements for Financial Year 2024 reflects the impact of the demerger pursuant to the Scheme implemented by our Company." appearing on pages 145 and 47, respectively.*

*This Preliminary Placement Document also contains forward-looking statements that involve risks, assumptions, estimates and uncertainties. Our actual results could differ materially from those anticipated in these forward-looking statements as a result of certain factors, including but not limited to the considerations described below. For details, see "Forward-Looking Statements" beginning on page 17.*

*Certain non-GAAP financial measures and certain other statistical information relating to our operations and financial performance have been included in this section and elsewhere in this Preliminary Placement Document. Such non-GAAP financial measures should be read together with the nearest GAAP measure. See "Presentation of Financial and other Financial Information – Non- GAAP financial measures" on page 15.*

*The industry-related information contained in this section is derived from the industry report titled "Industry Report on Kitchenware and Kitchen Appliances Market in India" dated June 22, 2024, prepared by Technopak Advisors Private Limited ("**Technopak**" and such report, the "**Technopak Report**"). We have commissioned and paid for the Technopak Report for the purposes of confirming our understanding of the industry exclusively in connection with the Offer. We officially engaged Technopak in connection with the preparation of the Technopak Report pursuant to an engagement letter dated January 24, 2024. Unless otherwise indicated, the industry-related information contained in this section is derived from the Technopak Report (extracts of which have been appropriately incorporated as part of "Industry Overview" beginning on page 109).*

### Overview

We are a prominent player in the consumer products market in India with a range of products across storage, cooking and serving solutions for a modern kitchen. Our Company is the market leader in the Borosilicate glass segment with 58% market share and has been a household name for several decades in India, known for wide range of glass consumerware products. (Source: Technopak Report). Borosil has been the pioneer of many

consumer categories in India, including microwavable glassware, glass lunch boxes, multi-utility glass storage, etc. We have a strong market position across consumer products categories with a market share of 58% and 26% in the borosilicate glassware and opalware respectively, according to the Technopak Report. Borosil has a diverse range of products across different product categories, types of material, and price points enabling it to serve as a “one-stop-shop”, with consumers across all income levels purchasing their products (*Source: Technopak Report*).

Our Company offers affordable, high-quality products for everyday use in contemporary designs for the progressive homemaker. In recent times, Borosil has expanded its consumer offering from its core glassware range to opalware dinner sets (sold under the brand ‘Larah’), small kitchen appliances, storage products, glass lunch boxes, stainless steel cookwares and steel vacuum insulated flasks & bottles. Among the Company’s consumer products, opalware has been the fastest growing line with a share of 38.32%, 35.13% and 37.96% of the revenue of operations from its consumer products segment for the financial years 2022, 2023 and 2024, respectively.

Our experience in the consumer products industry has enabled us to better understand the preferences and needs of consumers in India. This has enabled us to curate an extensive product portfolio that caters to a diverse range of consumer requirements and offers a broad range of contemporary products across different types of material and price points. As of March 31, 2024, we offered 10341 stock-keeping units ("SKUs") across our product categories. The table below sets forth the brands and range of products offered across our three product categories:

Product Categories	Brands	Overview of range of products offered
Glassware	Borosil	Borosilicate serving ware including mixing bowls, bake dishes, oval casserole, glass tumblers, glass katories, storage containers, storage jars and lunch boxes
Non-Glassware	Borosil	Modern kitchen appliances OTG/sandwich makers, cookware and pressure cookers, mixer grinders, stainless steel bottles, stainless steel insulated bottles and kettles
Opalware	Larah	Dinnerware, serving sets, sift sets, lunch boxes and tea/coffee series.

We own and operate a manufacturing facility at Jaipur in India, as of March 31, 2024. We had announced setting up a borosilicate glass pressware furnace with a production capacity of 25 tonnes per day (TPD) at Jaipur at an estimated project cost of ₹ 15,000 lakhs. The borosilicate glass furnace was commissioned in January 2024. The company began commercial production on March 28, 2024. This will enable us to reduce our dependence on imports, expand our product offerings, cater to domestic and overseas demand for pressware products made of borosilicate glass and may also provide a competitive edge due to the low cost of production. As of March 31, 2024, our opalware plant at Jaipur operates at 93.6% utilization capacity to meet the demand of our brand Larah. We started our second furnace for opalware in the month of December 2022 followed by commercial production in the month of January 2023 and consequently our Company has increased its opalware production capacity from 42 TPD as of December, 2022 to 84 TPD as of January, 2023. Our manufacturing capabilities allow us to manufacture a diverse range of in-house products while maintaining quality standards. The remaining products (consisting mainly of stainless steel insulated flasks, bottles, cookware, small kitchen appliances and certain glassware items) are manufactured by third party contract manufacturers who manufacture products with our branding pursuant to contracts with us. Additionally, our borosilicate drinkware, tea and coffee series and storage are being manufactured by Borosil Scientific Limited in their manufacturing unit at Bharuch, Gujarat. The scale at which we manufacture our products, combined with our supply chain management enables us to derive the benefits of economies of scale across various aspects of our business model. Further, we maintain optimal inventory levels across our manufacturing facilities by implementing technology and utilising available market information.

We have a strong pan-India distribution network. Our Company has 273 distributors and 23,594 retail outlets across the country as of March 31, 2024. Our nationwide sales and distribution network is supported by our 230 member sales and marketing team, as of March 31, 2024. In addition to this, we also supply our products to over 27 countries and our revenue from exports aggregated to 6.05%, 7.10% and 4.09%, of our revenue from operations for the Financial Years 2022, 2023 and 2024, respectively. We equip our field staff across our distribution network with an enterprise resource planning system, which assists us in forecasting production levels and helps us in optimising inventory levels. We have developed and maintain longstanding relationships with our distributors and retailers over the years. Further, our products also reach consumers through modern trade and export channels, e-commerce marketplaces and our own website. In addition, we also sell our products in bulk quantities to corporate clients and government departments.

To enhance brand awareness and strengthen brand recall for the brands that we use, we utilise a diverse array of promotional and marketing efforts, including in-shop displays, merchandising, advertisements in print and social media, retail branding and product branding. We have developed a strong brand identity through effective brand advertisements and marketing campaigns, including "Borosil Lunch Bag campaign", "Larah Samosa campaign" "Larah Festive campaign" and "Borosil OTG campaign". All our marketing efforts are initiated and coordinated by our internal marketing team comprising of 27 employees, as of March 31, 2024. We have a full-fledged internal creative team with creative directors, graphic designers and 3D artists. We have developed in-house capabilities of fully equipped internal studios in Mumbai & Gurugram, which can conceptualize and develop content. The studio team comprises content managers, videographers, photographers and editors. We also employ external agencies at multi locations for brand development, audio-visual communication, creative developments and public relations. Our internal digital media team is handled by both internal resources and external agencies depending on our requirements. Our digital marketing initiatives cover engagement content through our social media platforms including awareness related posts, product videos, unboxing videos and handy tips regarding our products. We have a well-established subscriber base on these social media platforms. We also run automated campaigns on Google ad services and awareness campaigns across Facebook and Youtube on a periodic basis. We have also tied up with various influencers across food and lifestyle sections.

A list of operating and financial metrics for the Financial Years 2022, 2023 and 2024, is set out below:

(₹ in lakhs)			
	As at/ For the financial year ended March 31,		
Metric	2022	2023	2024*
<b>Revenue from Operations</b>	83,986.16	102,712.13	94,225.18
<b>EBITDA</b>	16,817.55	15,112.95	15,051.35
<b>EBITDA Margin</b>	20.02%	14.71%	15.97%
<b>ROCE</b>	16.62%	11.59%	13.90%
<b>Product Category Revenue Contribution</b>			
Glassware (A)	14,601.25	17,799.03	19,803.73
Non-glassware (B)	20,741.81	30,324.67	38,654.44
Opalware (C)	21,957.09	26,058.30	35,767.01
Total Consumer ware (A + B + C)	57,300.15	74,182.00	94,225.18
Scientific ware	26,686.01	28,530.13	-

\* The financial details provided for Fiscal 2024, are prepared after giving effect to the Scheme. Hence these numbers may not be comparable to the financial information provided for the Financial Years ended March 31, 2023 and March 31, 2022.

## GROUP RESTRUCTURING PROCESS

Our Company used to operate two distinct businesses. The consumer products business comprises glassware, non-glassware and opalware product ranges while the scientific and industrial products business is made up of lab glassware, lab instrumentation, primary pharma packaging and process chemistry. Both the businesses were functioning as separate profit centres with separate business heads and largely independent teams. Each were responsible for delivering on their own profitability and this had been the case for quite a few years. Both the business divisions had their own distinct capital and operating requirements and catered to distinct investor profiles. Consequently, the Board through its resolution dated February 07, 2022, had approved a scheme to segregate the two businesses with each business being listed independently on the stock exchanges.

The Hon'ble National Company Law Tribunal, Mumbai Bench ("NCLT") had sanctioned the Composite Scheme of Arrangement amongst Borosil Limited ("Demerged Company" or the "Company"), Klass Pack Limited (renamed as "Borosil Scientific Limited") ("BSL" or "Resulting Company" or "Transferee Company") and Borosil Technologies Limited ("BTL" or "Transferor Company") and their respective shareholders and creditors ("Scheme") through its order dated November 2, 2023 which inter alia provided for: (a) reduction and reorganization of share capital of BSL; (b) demerger of Scientific and Industrial Products Business from the Company into BSL and consequent issue of shares by BSL; and (c) amalgamation of BTL with BSL. The Appointed Date of the Scheme was April 1, 2022. The Scheme became effective from December 2, 2023. Pursuant to the Scheme, BSL, BTL and Goel Scientific Glass Works Limited have ceased to be subsidiary companies of

the Company.

On December 5, 2023, Klass Pack Limited was renamed as Borosil Scientific Limited. Borosil Scientific Limited is listed on the Stock Exchanges with effect from June 7, 2024.

## Significant Factors Affecting Our Results of Operations

### Our diversified product portfolio and product mix

We focus on identifying the needs and preferences of our consumers through our network of distributors and innovating our products to cater to their differing requirements and preferences, while endeavouring that our products are available across various price points and meet quality standards expected by our consumers. As of March 31, 2024, we offered 10,341 SKUs across our product categories. We offer an extensive product range across our three product categories. We have a diverse range of products across different product categories, types of material and price points, which enables us to serve as a "one-stop-shop", with consumers across all income levels purchasing our products (*Source: Technopak Report*). Our wide spectrum of product offerings cater to a wide range of consumer needs.

We have demonstrated the ability to expand our SKUs and products across various price points. For example, in a number of product categories, we had initially started with value-added products at higher price points, and subsequently expanded into more affordable products. Our diversified product portfolio has also allowed us to maintain stable profit margins over the years by enabling us to withstand fluctuations in raw material prices.

Our products are made of different types of materials, such as steel, opal, glass and copper. We have been the pioneer of many consumer categories in India, including microwavable glassware, glass lunch boxes, multi-utility glass storage, etc. (*Source: Technopak Report*). For details relating to our brands and products, see "- Description of Our Business - Brands and Products" on page 151.

Our diversified product portfolio has allowed us to build a resilient business model that enables us to grow our business even through adverse events such as the COVID-19 pandemic. Our diversified product portfolio, which caters to a wide range of consumer uses across different age groups, festive seasons and occasions, has allowed us to maintain stable growth in our revenue over the years by enabling us to withstand fluctuations in demand arising from seasonality of demand for certain of our products.

In order to cater to evolving consumer demands, we seek to constantly develop and launch new range of products by leveraging our vast experience, market knowledge and innovation capabilities. In order to increase our market share of consumer products market in India combined with our financial performance we have been innovating and introducing new range of products in various categories of opalware, glassware and non-glassware. During the Financial Years 2022, 2023 and 2024, we launched 2,377, 4,142 and 3,866 new SKUs (across our three product categories), respectively. As of March 31, 2024, we offered 10,341 SKUs across our product categories.

### Our dependence on third party suppliers for raw materials and purchase of stock-in-trade

We depend entirely on third-party suppliers for the supply of raw materials, packaging materials and stock-in-trade. The tables below set forth details of material consumed with a percentage of our total expenses, for the periods indicated:

Particulars	For the Financial Year 2022		For the Financial Year 2023		For the Financial Year 2024	
	(₹ in lakhs)	(% of total expenses)	(₹ in lakhs)	(% of total expenses)	(₹ in lakhs)	(% of total expenses)
Cost of materials consumed	13,227.47	18.09%	17,275.21	18.33%	6,092.81	6.99%
Packing Material Consumed	5,279.20	7.22%	5,798.35	6.15%	5,383.37	6.17%
Purchase of Stock-in-trade	22,767.04	31.14%	27,636.79	29.33%	41,578.33	47.67%

For details, see "Our Business – Description of Our Business and Operations – Raw Materials and Utilities" on page 154.

We source our raw materials on a purchase order basis, and do not enter into long term contracts (typically 12 months or longer) with raw material suppliers. Thus, our business is susceptible to fluctuations in raw material prices. The prices of raw materials are affected by several factors beyond our control, including, among others, production capacity, transportation costs, disruptions in infrastructure, regulation, governmental policies, labour unrest, export restrictions and demand among other competitors and users. For example, the imposition of any taxes on raw materials or implementation of new regulations banning the use of certain materials could result in a significant increase in the cost of raw materials and may require us to either increase the price of our products or source alternative raw materials to use in our production. While there were no past material instances of imposition of any taxes on raw materials or implementation of new regulations banning the use of certain materials in the past, there is no assurance that such events will not occur in the future. We have a limited ability to control the timing and amount of changes to prices that we pay for raw materials, and we may be unable to increase our product prices in sufficient time to fully offset increasing raw material prices. Our ability to transfer increases in raw material costs to our consumers is dependent on, among others, market condition as well as pricing of similar products by our competitors. In the past, we have been successful in transferring increases in raw material costs to consumers through increased product prices, although there has typically been a time lag. However, to the extent that we are not able to transfer increases in costs to our consumers, or if there is a significant lag in our ability to do so, our business, results of operations, financial condition and cash flows may be adversely affected.

Further, disruptions in the availability of quality raw materials from suppliers may lead to a deterioration in quality of our products, as the quality of our products is primarily derived from the quality of our raw materials. The availability of quality raw materials, and stock-in-trade is affected by several factors, including production capacity constraints, natural disasters and geopolitical factors that impact supply chain operations. For example, due to the impact on the global supply chain caused by the COVID-19 pandemic, we faced delays in the procurement of certain raw materials and stock-in-trade in the past, though this did not have a material impact on our business and results of operations. While we maintain a diversified supplier base and do not rely on a few suppliers for the supply of our raw materials, we cannot assure you that we will be able to maintain our current line-up of suppliers or adequate supply of quality raw material at all times. Our suppliers do not supply raw materials exclusively to us and accordingly, some of them may choose to supply raw materials to other parties, including our competitors, instead of us. The non-availability or unforeseen shortage of quality raw materials may force us to source raw materials from alternative suppliers that may not meet our quality standards, which may lead to a deterioration in quality of our products and in turn affect our business, results of operations, financial condition and cash flow.

#### ***Our ability to improve manufacturing efficiency***

Our ability to improve our manufacturing efficiency is important to improving our profit margins. We have implemented automation and integrated technology into our processes at key stages of design, manufacturing and distribution to increase efficiency and ensure quality in a cost-effective manner. To improve our manufacturing efficiency, we intend to continue improving our capacity utilisation and manage our operating costs through increased automation of certain manufacturing processes. For example, in recent years, we have implemented certain projects to reduce energy costs like replacement and installation of energy efficient chillers, lights, air compressors and automation of idle time machine stoppage and enhance efficiency through usage of modified orifice ring, tube and plunger with special material and also implemented online tempering. We also intend to upgrade our existing machinery and purchase new machinery with modern technology to achieve better productivity and minimize our wastage.

#### ***Our ability to grow our distribution network***

Our nationwide sales and distribution network is supported by our 230 member sales and marketing team, as of March 31, 2024. We equip our field staff across our distribution network with an enterprise resource planning system, which assists us in forecasting production levels and helps us in optimising inventory levels. We have developed and maintain longstanding relationships with our distributors, and retailers over the years. Over the last few years, we have invested in our distributor management system (DMS) and sales force automation tool (Borosil SAARTHI) to improve our market reach, market visibility and employee productivity through an effective online inventory management and replenishment of our products thereby improving our turnaround time. Our focus on digitalisation and automation has played a significant role in our transformation.

Our products also reach our domestic consumers through modern trade and e-commerce marketplaces and our own websites. We also have an established export channel for our business. In addition, we also sell our products in bulk quantities to corporate clients and government departments.



We strive to balance product availability and inventory levels such that we can continue to deploy resources in an efficient manner. Even with our vast geographical outreach, our operations have the ability to respond to our network of distributors and trade consumers, as well as changing consumer preferences and constantly fluctuating demand.

### ***Our ability to compete effectively in the Indian consumer products industry***

Our ability to compete effectively in the Indian consumer products industry is dependent on factors such as our product range, product mix, production capacity, advertising and marketing efforts, design and market penetration. Our ability to respond to changing consumer preferences and the products and sales efforts by our competitors is also critical for us to compete effectively and maintain a competitive position in the Indian consumer products industry.

We face significant competition from a number of competitors, some of which are larger and have substantially greater resources than us, including the ability to spend more on advertising and marketing and offer substantial discounts. From time to time, we have had to increase our advertising, marketing and promotional efforts, including our incentive programs to our distribution network, offer substantial discounts on our less popular products, and widen or improve our product range in order to compete effectively with our competitors, which in turn have increased our expenses during such periods. Some of our competitors in certain product categories also have competitive advantages such as longer operating histories, better brand recognition and more established supply relationships.

### **Material Accounting Policies**

#### **Business Combination and Goodwill/Capital Reserve:**

We use the pooling of interest method of accounting to account for common control business combination and acquisition method of accounting to account for other business combinations.

The acquisition date is the date on which control is transferred to the acquirer. Judgement is applied in determining the acquisition date and determining whether control is transferred from one party to another. Control exists when we are exposed to, or has rights to variable returns from its involvement with the entity and has the ability to affect those returns through power over the entity. In assessing control, potential voting rights are considered only if the rights are substantive.

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests, and any previous interest held, over the net identifiable assets acquired and liabilities assumed. If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, we re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognised at the acquisition date. If the re-assessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognised in Other Comprehensive Income (OCI) and accumulated in other equity as capital reserve. However, if there is no clear evidence of bargain purchase, the entity recognises the gain directly in other equity as capital reserve, without routing the same through OCI.

Consideration transferred includes the fair values of the assets transferred, liabilities incurred by our Company to the previous owners of the acquiree, and equity interests issued by us. Consideration transferred also includes the fair value of any contingent consideration. Consideration transferred does not include amounts related to the settlement of pre-existing relationships. Any goodwill that arises on account of such business combination is tested annually for impairment.

Any contingent consideration is measured at fair value at the date of acquisition. If an obligation to pay contingent consideration that meets the definition of a financial instrument is classified as equity, then it is not re-measured and the settlement is accounted for within other equity. Otherwise, other contingent consideration is re-measured at fair value at each reporting date and subsequent changes in the fair value of the contingent consideration are recorded in the consolidated statement of profit and loss.

A contingent liability of the acquiree is assumed in a business combination only if such a liability represents a present obligation and arises from a past event, and its fair value can be measured reliably. On an acquisition-by-acquisition basis, our Company recognises any non-controlling interest in the acquiree either at fair value or at the

non-controlling interest's proportionate share of the acquiree's identifiable net assets.

In case of Pooling of interest method of accounting, the assets and liabilities of the combining entities recognises at their carrying amounts. No adjustment is made to reflect the fair value or recognise any new assets and liabilities. The financial information in the consolidated financial statements in respect of prior periods restates as if the business combination had occurred from the beginning of the preceding period. The difference, if any, between the amount recorded as share capital issued plus any additional consideration in the form of cash or other assets and the amount of share capital of the transferor is transferred to capital reserve and presented separately from other capital reserves.

Transaction costs that we incur in connection with a business combination such as finders' fees, legal fees, due diligence fees, and other professional and consulting fees are expensed as incurred.

***Property, Plant and Equipment:***

Property, plant and equipment are carried at cost, net of recoverable taxes, trade discount and rebates less accumulated depreciation, amortisation and impairment losses, if any. Cost includes purchase price, borrowing cost and any cost directly attributable to bring the assets to its working condition for its intended use. In case of Property, Plant and Equipment, we have availed the carrying value as deemed cost on the date of transition i.e. 1st April, 2015.

Depreciation on the property, plant and equipment is provided using straight line method over the useful life of assets as specified in schedule II to the Companies Act, 2013, except in case of Property, Plant and Equipment as described below:

Particulars	Useful life considered for depreciation (Years)
Furnace	2-4 Years
Moulds	3-5 Years
Plastic Pallet	3 Years

Depreciation on property, plant and equipment which are added / disposed off during the year is provided on pro-rata basis with reference to the date of addition / deletion. Freehold land is not depreciated.

The assets' residual values, useful lives and method of depreciation are reviewed at each financial year end and are adjusted prospectively, if appropriate.

Capital work-in-progress includes cost of property, plant and equipment under installation / under development as at the balance sheet date.

Property, plant and equipment are eliminated from consolidated financial statement, either on disposal or when retired from active use. Profits / losses arising in the case of retirement / disposal of property, plant and equipment are recognised in the consolidated statement of profit and loss in the year of occurrence.

Leasehold land is amortised over the period of lease. Buildings constructed on leasehold land are depreciated based on the useful life specified in schedule II to the Companies Act, 2013, where the lease period of land is beyond the life of the building. In other cases, buildings constructed on leasehold lands is amortised over the primary lease period of the land.

***Investment Properties:***

Investment properties are measured initially at cost, including transaction costs and net of recoverable taxes, trade discounts and rebates. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and impairment losses, if any. In case of Investment properties, we have availed the carrying value as deemed cost on the date of transition i.e. April 1, 2015.

Depreciation on investment properties is provided using straight line method over the estimated useful lives as specified in Schedule II to the Companies Act, 2013. Residual values, useful lives and method of depreciation of investment properties are reviewed at each financial year end and are adjusted prospectively, if appropriate. The effects of any revision are included in the consolidated statement of profit and loss when the changes arise.

Though we measure investment properties using cost based measurement, the fair value of investment property is disclosed in the notes.

Investment properties are derecognised either when they have been disposed of or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in consolidated statement of profit and loss in the period of derecognition.

***Intangible Assets:***

Intangible assets are carried at cost, net of recoverable taxes, trade discount and rebates less accumulated amortisation and impairment losses, if any. Cost includes expenditure that is directly attributable to the acquisition of the intangible assets. In case of Intangible Assets, we have availed the carrying value as deemed cost on the date of transition i.e. April 1, 2015.

Identifiable intangible assets are recognised when it is probable that future economic benefits attributed to the asset will flow to us and the cost of the asset can be reliably measured.

Computer software's are capitalised at the amounts paid to acquire the respective license for use and for Development and the same is amortised over the period of useful lives or period of three years, whichever is less. The assets' useful lives and method of amortisation are reviewed at each financial year end and adjusted prospectively, if appropriate.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the consolidated statement of profit and loss when the asset is derecognised.

***Inventories:***

Inventories are valued at the lower of cost and net realizable value except scrap (cullet), which is valued at raw material cost, where it is re-usable, otherwise at net realisable value. Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale. The cost of inventories comprises of cost of purchase, cost of conversion and other costs incurred in bringing the inventories to their respective present location and condition. Cost of raw materials, packing materials and stores, spares and consumables are computed on the weighted average basis. Cost of work in progress, finished goods and stock-in-trade is determined on absorption costing method.

***Cash and cash equivalents:***

Cash and cash equivalent in the balance sheet comprise cash at banks, cash on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of our cash management.

***Impairment of non-financial assets - property, plant and equipment and intangible assets:***

We assess at each reporting date as to whether there is any indication that any property, plant and equipment and intangible assets or group of assets, called cash generating units (CGU) may be impaired. If any such indication exists the recoverable amount of an asset or CGU is estimated to determine the extent of impairment, if any. When it is not possible to estimate the recoverable amount of an individual asset, we estimate the recoverable amount of the CGU to which the asset belongs.

An impairment loss is recognised in the consolidated Statement of Profit and Loss to the extent, asset's carrying amount exceeds its recoverable amount. The recoverable amount is higher of an asset's fair value less cost of disposal and value in use. Value in use is based on the estimated future cash flows, discounted to their present value using pre-tax discount rate that reflects current market assessments of the time value of money and risk specific to the assets.

The impairment loss recognised in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

***Non-current assets (or disposal groups) held for sale:***

Non-current assets are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. This condition is regarded as met only when a sale is highly probable from the date of classification, management are committed to the sale and the asset is available for immediate sale in its present condition. Non-current assets are classified as held for sale from the date these conditions are met and are measured at the lower of carrying amount and fair value less cost to sell. Any resulting impairment loss is recognised in the Consolidated Statements of Profit and Loss as a separate line item. On classification as held for sale, the assets are no longer depreciated. Assets and liabilities classified as held for sale are presented separately as current items in the balance sheet.

**Financial instruments – initial recognition, subsequent measurement and impairment:**

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

**I) Financial assets -Initial recognition and measurement:**

All financial assets are initially recognized at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets, which are not at fair value through profit or loss, are adjusted to the fair value on initial recognition. Financial assets are classified, at initial recognition, as financial assets measured at fair value or as financial assets measured at amortised cost. However, trade receivables that do not contain a significant financing component are measured at transaction price.

**Financial assets - Subsequent measurement:**

For the purpose of subsequent measurement, financial assets are classified in two broad categories:

- a) Financial assets at fair value
- b) Financial assets at amortised cost

Where assets are measured at fair value, gains and losses are either recognised entirely in the consolidated statement of profit and loss (i.e. fair value through profit or loss) or recognised in other comprehensive income (i.e. fair value through other comprehensive income).

A financial asset that meets the following two conditions is measured at **amortised cost** (net of any write down for impairment) unless the asset is designated at fair value through profit or loss under the fair value option.

- a) **Business model test:** The objective of our business model is to hold the financial asset to collect the contractual cash flow.
- b) **Cash flow characteristics test:** The contractual terms of the financial asset give rise on specified dates to cash flow that are solely payments of principal and interest on the principal amount outstanding.

A financial asset that meets the following two conditions is measured at **fair value through other comprehensive income** unless the asset is designated at fair value through profit or loss under the fair value option.

- a) **Business model test:** The financial asset is held within a business model whose objective is achieved by both collecting contractual cash flow and selling financial assets.
- b) **Cash flow characteristics test:** The contractual terms of the financial asset give rise on specified dates to cash flow that are solely payments of principal and interest on the principal

amount outstanding.

All other financial asset is measured at fair value through profit or loss.

#### **Financial assets - Derecognition:**

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from our consolidated statement of financial position) when:

- a) The rights to receive cash flows from the asset have expired, or
- b) We transferred its rights to receive cash flow from the asset.

#### **Impairment of financial assets**

In accordance with Ind AS 109, our Company uses 'Expected Credit Loss' (ECL) model, for evaluating impairment of financial assets other than those measured at fair value through profit and loss (FVTPL).

Expected credit losses are measured through a loss allowance at an amount equal to:

- a) The 12-months expected credit losses (expected credit losses that result from those default events on the financial instrument that are possible within 12 months after the reporting date); or
- b) Full lifetime expected credit losses (expected credit losses that result from all possible default events over the life of the financial instrument).

For trade receivables we apply 'simplified approach' which requires expected lifetime losses to be recognised from initial recognition of the receivables. We use historical default rates to determine impairment loss on the portfolio of trade receivables. At every reporting date these historical default rates are reviewed and changes in the forward looking estimates are analysed.

For other assets, we use 12 month ECL to provide for impairment loss where there is no significant increase in credit risk. If there is significant increase in credit risk full lifetime ECL is used.

## **II) Financial liabilities - Initial recognition and measurement:**

The financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

#### **Financial liabilities - Subsequent measurement:**

Financial liabilities are subsequently carried at amortized cost using the effective interest method. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate at their fair value due to the short maturity of these instruments.

#### **Financial Liabilities - Financial guarantee contracts:**

Financial guarantee contracts issued by our Company are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined and the amount recognised less cumulative amortisation.

#### **Financial Liabilities - Derecognition:**

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another, from the same lender on substantially

different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the consolidated statement of profit and loss.

### **III) Derivative Instruments**

We hold derivative financial instruments such as foreign exchange forward contract to mitigate the risk of changes in exchange rates on foreign currency exposures. The counter party for such contracts is generally a bank.

#### **a) Financial Assets or Liabilities ,carried at fair value through profit or loss**

This category includes derivative financial assets or liabilities which are not designated as hedges.

Although the group believes that these derivatives constitute hedges from an economic perspective , they may not qualify for hedge accounting under Ind AS 109 ,Financial Instruments. Any derivative that is either not designated as hedge, or is so designated but is ineffective as per Ind As 109, is categorised as a financial asset or financial liability, at fair value through profit or loss.

Derivatives not designated as hedges are recognised initially at fair value and attributable transaction costs are recognised in net profit in the statement of profit and loss when incurred. Subsequent to initial recognition, this derivatives are measured at fair value through profit or loss and resulting gains or losses are included in other income. Assets/ Liabilities in this category are presented as Current Assets/ Current Liabilities if they are either held for trading or are expected to be realised within 12 months after the Balance sheet date.

#### **b) Cash flow hedge**

We designate certain foreign exchange forward contracts as cash flow hedges to mitigate the risk of foreign exchange exposure on highly probable forecast cash transactions.

When a derivative is designated as a cash flow hedge instrument the effective portion of changes in the fair value of the derivative is recognized in other comprehensive income and accumulated in the cash flow hedge reserve. Any ineffective portion of changes in the fair value of the derivative is recognized immediately in the net profit in the Statement of Profit and Loss. If the hedging instrument no longer meets the criteria for hedge accounting, then hedge accounting is discontinued prospectively. If the hedging instrument expires or is sold, terminated or exercised, the cumulative gain or loss on the hedging instrument recognized in cash flow hedge reserve till the period the hedge was effective remains in cash flow hedge reserve until the forecasted transaction occurs. The cumulative gain or loss previously recognized in the cash flow hedge reserve is transferred to the net profit in the condensed Statement of Profit and Loss upon the occurrence of the related forecasted transaction. If the forecasted transaction is no longer expected to occur, then the amount accumulated in cash flow hedge reserve is reclassified to net profit in the Statement of Profit and Loss.

### **Provisions, Contingent Liabilities, Contingent Assets and Commitments:**

Provisions are recognised when our Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. If the effect of the time value of money is material, provisions are discounted using equivalent period government securities interest rate. Unwinding of the discount is recognised in the consolidated statement of profit and Loss as a finance cost. Provisions are reviewed at each balance sheet date and are adjusted to reflect the current best estimate.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain

future events not wholly within the control of our Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made. Information on contingent liability is disclosed in the Notes to the consolidated financial statements. Contingent assets are not recognised. However, when the realisation of income is virtually certain, then the related asset is no longer a contingent asset, but it is recognised as an asset.

#### **Revenue recognition and other income:**

##### ***Sale of goods and Services:***

We derive revenues primarily from sale of products comprising Consumer ware Products (CP).

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration entitled in exchange for those goods or services. Generally, control is transferred upon shipment of goods to the customer or when the goods is made available to the customer, provided transfer of title to the customer occurs and we have not retained any significant risks of ownership or future obligations with respect to the goods shipped.

Revenue from rendering of services is recognised over the time by measuring the progress towards complete satisfaction of performance obligations at the reporting period.

Revenue is measured at the amount of consideration which we expect to be entitled to in exchange for transferring distinct goods or services to a customer as specified in the contract, excluding amounts collected on behalf of third parties (for example taxes and duties collected on behalf of the government). Consideration is generally due upon satisfaction of performance obligations and a receivable is recognized when it becomes unconditional.

We do not have any contracts where the period between the transfer of the promised goods or services to the customer and payment by the customer exceeds one year. As a consequence, it does not adjust any of the transaction prices for the time value of money.

Revenue is measured based on the transaction price, which is the consideration, adjusted for volume discounts, scheme discount and price concessions, if any, as specified in the contract with the customer. Revenue also excludes taxes collected from customers.

##### ***Contract balances:***

##### **Trade receivables:**

A receivable represents our right to an amount of consideration that is unconditional.

##### **Contract liabilities:**

A contract liability is the obligation to transfer goods or services to a customer for which we have received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before we transfer goods or services to the customer, a contract liability is recognised when the payment is made. Contract liabilities are recognised as revenue when we perform under the contract.

##### **Other Income:**

Incentives on exports and other Government incentives related to operations are recognised in the consolidated statement of profit and loss after due consideration of certainty of utilization/receipt of such incentives.

##### **Interest Income:**

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to our Company and the amount of income can be measured reliably. Interest income is accrued on

a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

**Dividend Income:**

Dividend Income is recognised when the right to receive the payment is established.

**Rental income:**

Rental income arising from operating leases is accounted for on a straight-line basis over the lease terms and is included as other income in the consolidated statement of profit or loss.

**Foreign currency reinstatement and translation:**

Transactions in foreign currencies are recorded at the exchange rate prevailing on the date of transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency closing rates of exchange at the reporting date.

Exchange differences arising on settlement or translation of monetary items are recognised in consolidated statement of profit and loss.

All other finance gains / losses are presented in the consolidated statement of profit and loss on a net basis.

In case of an asset, expense or income where a non-monetary advance is paid/received, the date of transaction is the date on which the advance was initially recognized. If there were multiple payments or receipts in advance, multiple dates of transactions are determined for each payment or receipt of advance consideration.

**Employee Benefits:**

Short term employee benefits are recognized as an expense in the consolidated statement of profit and loss of the year in which the related services are rendered.

Leave encashment is accounted as Short-term employee benefits and is determined based on projected unit credit method, on the basis of actuarial valuations carried out by third party actuaries at each Balance Sheet date.

Contribution to Provident Fund, a defined contribution plan, is made in accordance with the statute, and is recognised as an expense in the year in which employees have rendered services.

Contribution to Superannuation fund, a defined contribution plan, is made in accordance with the respective Company's policy, and is recognised as an expense in the year in which employees have rendered services.

The cost of providing gratuity, a defined benefit plans, is determined using the Projected Unit Credit Method, on the basis of actuarial valuations carried out by third party actuaries at each Balance Sheet date. Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to other comprehensive income in the period in which they arise. Other costs are accounted in consolidated statement of profit and loss.

Remeasurements of defined benefit plan in respect of post employment and other long-term benefits are charged to the other comprehensive income in the year in which they occur. Remeasurements are not reclassified to consolidated statement of profit and loss in subsequent periods.

**Share-based payments:**

The cost of equity-settled transactions with employees is measured at fair value at the date at which they



are granted. The fair value of share awards are determined with the assistance of an external valuer and the fair value at the grant date is expensed on a proportionate basis over the vesting period based on the our estimate of shares that will eventually vest. The estimate of the number of stock options likely to vest is reviewed at each balance sheet date up to the vesting date at which point the estimate is adjusted to reflect the current expectations.

#### **Taxes on Income:**

Income tax expense represents the sum of current tax (including income tax for earlier years) and deferred tax. Tax is recognised in the consolidated statement of profit and loss, except to the extent that it relates to items recognised directly in equity or other comprehensive income, in such cases the tax is also recognised directly in equity or in other comprehensive income. Any subsequent change in direct tax on items initially recognised in equity or other comprehensive income is also recognised in equity or other comprehensive income.

Current tax provision is computed for Income calculated after considering allowances and exemptions under the provisions of the applicable Income Tax Laws. Current tax assets and current tax liabilities are off set and presented as net.

Deferred tax is recognised on differences between the carrying amounts of assets and liabilities in the Balance sheet and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences, and deferred tax assets are generally recognised for all deductible temporary differences, carry forward tax losses, unutilised tax credits and allowances to the extent that it is probable that future taxable profits will be available against which those deductible temporary differences, carry forward tax losses, unutilised tax credits and allowances can be utilised. Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates that have been enacted or substantively enacted by the end of the reporting period. The carrying amount of Deferred tax liabilities and assets are reviewed at the end of each reporting period.

#### **Borrowing Costs:**

Borrowing costs specifically relating to the acquisition or construction of qualifying assets that necessarily takes a substantial period of time to get ready for its intended use are capitalized (net of income on temporarily deployment of funds) as part of the cost of such assets. Borrowing costs consist of interest and other costs that we incurs in connection with the borrowing of funds. For general borrowing used for the purpose of obtaining a qualifying asset, the amount of borrowing costs eligible for capitalization is determined by applying a capitalization rate to the expenditures on that asset. The capitalization rate is the weighted average of the borrowing costs applicable to the borrowings of the respective Company that are outstanding during the period, other than borrowings made specifically for the purpose of obtaining a qualifying asset. The amount of borrowing costs capitalized during a period does not exceed the amount of borrowing cost incurred during that period. All other borrowing costs are expensed in the period in which they occur.

#### **Current and non-current classification:**

We present assets and liabilities in statement of financial position based on current/non-current classification.

We have presented non-current assets and current assets before equity, non-current liabilities and current liabilities in accordance with Schedule III, Division II of Companies Act, 2013 notified by MCA.

#### **An asset is classified as current when it is:**

- a) Expected to be realised or intended to be sold or consumed in normal operating cycle,
- b) Held primarily for the purpose of trading,
- c) Expected to be realised within twelve months after the reporting period, or

- d) Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

**A liability is classified as current when it is:**

- a) Expected to be settled in normal operating cycle,
- b) Held primarily for the purpose of trading,
- c) Due to be settled within twelve months after the reporting period, or
- d) There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents. Deferred tax assets / liabilities are classified as non-current assets / liabilities. We have identified twelve months as its normal operating cycle.

**Fair value measurement:**

We measure financial instruments at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- a) In the principal market for the asset or liability, or
- b) In the absence of a principal market, in the most advantageous market for the asset or liability

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

We use valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the consolidated financial statements are categorised within the fair value hierarchy.

**Off-setting financial Instrument:**

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable rights to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable rights must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the respective Company or counterparty.

**Principal Components of Income and Expenditure**

***Total Income***

Total income consists of (i) revenue from operations and (ii) other income.

*Revenue from operations:* Revenue from operations consists of revenue from sales of products, representing the revenue we generated from the sale of products across all our product categories.

*Other income:* Other income primarily consists of interest income on financial assets measured at fair value through profit or loss, income on financial assets measured at amortized cost, dividend income from financial assets measured at fair value through profit or loss and other non-operating income. Interest income on financial assets measured at amortized cost includes fixed deposits with banks and others. Interest income on financial assets measured at fair value through profit or loss includes non-current investments and current investments. Other non-operating income includes profit on sale of property, plant and equipment, gain on sale of investments, gain on financial instruments measured at fair value through profit or loss, rental income, gain on foreign exchange transactions (net), sundry balance written back, insurance claim received, export incentives and miscellaneous income.

### ***Expenses***

Expenses include cost of material consumed, purchases of stock-in-trade, changes in inventories of work-in-progress, finished goods and stock-in-trade, employee benefit expense, finance costs, depreciation and amortisation expense and other expenses.

*Cost of material consumed:* Cost of material consumed consists of the cost of raw materials consumption.

*Purchases of stock-in-trade:* Purchases of stock-in-trade consists of stock-in-trade purchases.

*Changes in inventories of work-in-progress, finished goods and stock-in-trade:* Changes in inventories of finished goods consists of net increases or decreases in inventories of finished goods, semi-finished goods and stock-in-trade.

*Employee benefit expense:* Employee benefit expense consists of salaries, wages and allowances, contributions to provident and other funds, gratuity, share based payments and staff welfare expenses.

*Finance costs:* Finance costs consists of interest on financial liabilities measured at amortised cost and interest on finance lease liabilities.

*Depreciation and amortisation expense:* Depreciation and amortization expense consists of depreciation of property, plant and equipment, amortisation of intangible assets and depreciation of investment properties.

*Other expenses:* Other expenses primarily consist of manufacturing and other expenses (which consists mainly of packing materials consumed, power and fuel, processing charges, contract labour expenses, repairs to buildings and plant and machinery), selling and distribution expenses (which consists mainly of sales promotion and advertisement expenses, freight outward, warehousing expenses and discount and commission), and administrative and general expenses (which consists mainly of rent, information technology expenses, insurance, legal and professional fees, and bad debts).

### **Tax Expense**

Tax expense consists of current tax and deferred tax.

### **Non – GAAP Measures**

In addition to our results determined in accordance with Ind AS, we believe the following non-GAAP financial measures are useful to our Company and our investors as a means of assessing and evaluating our operating performance in comparison to prior periods: EBITDA, EBITDA Growth (CAGR), Average Capital Employed, Return on Capital Employed, Capital Expenditures, Return on Equity, Debt to Equity Ratio, Adjusted Net (cash) / Debt, Interest Coverage Ratio, Net fixed asset turnover ratio, and Gearing ratio. We classify a financial measure as being a non – GAAP financial measure if that financial measure excludes or includes amounts, or is subject to adjustments that have the effect of excluding or including amounts, that are not included or excluded in the most directly comparable measure calculated and presented in accordance with Ind-AS as in effect from time to time in our financial statements. The non-GAAP financial measures are supplemental measures that are not required by, or are not presented in accordance with, Ind-AS. Non-GAAP financial measures do not include operating, other statistical measures or ratios calculated using exclusively financial measures calculated in accordance with

Ind-AS. Moreover, the way we calculate the non-GAAP financial measures may differ from that of other companies reporting measures with similar names, which may limit these measures' usefulness as a comparative measure. Our management believes these non-GAAP financial measures are useful to compare general operating performance from period to period and to make certain related management decisions. We believe that non-GAAP financial information, when taken collectively with financial measures prepared in accordance with Ind AS, may be helpful to investors because it provides an additional tool for investors to use in evaluating our ongoing operating results and trends and in comparing our financial results with other companies in our industry because it provides consistency and comparability with past financial performance. However, our management does not consider these non-GAAP measures in isolation or as an alternative to financial measures determined in accordance with Ind AS.

Non-GAAP financial information is presented for supplemental informational purposes only, has limitations as an analytical tool and should not be considered in isolation or as a substitute for financial information presented in accordance with Ind AS. Non-GAAP financial information are not recognized under Ind AS and do not have standardized meanings prescribed by IND AS. In addition, non-GAAP financial measures used by us may differ from similarly titled non-GAAP measures used by other companies. The principal limitation of these non-GAAP financial measures is that they exclude significant expenses and income that are required by Ind AS to be recorded in our financial statements, as further detailed below. In addition, they are subject to inherent limitations as they reflect the exercise of judgment by management about which expenses and income are excluded or included in determining these non-GAAP financial measures. A reconciliation is provided below for each non-GAAP financial measure to the most directly comparable financial measure prepared in accordance with Ind AS. Investors are encouraged to review the related Ind AS financial measures and the reconciliation of non-GAAP financial measures to their most directly comparable Ind AS financial measures included below and to not rely on any single financial measure to evaluate our business.

### Our Results of Operations

The following tables set forth the selected financial data from our Audited Financial Statements, the components of which are also expressed as a percentage of total income for such years/periods:

Particulars	For the Financial Years					
	2022		2023		2024	
	₹ (in lakhs)	% of Total Income	₹ (in lakhs)	% of Total Income	₹ (in lakhs)	% of Total Income
<b>Income</b>						
Revenue from operations	83,986.16	97.16%	102,712.13	97.64%	94,225.18	98.15%
Other income	2,457.48	2.84%	2,478.97	2.36%	1,780.80	1.85%
<b>Total income</b>	<b>86,443.64</b>	<b>100.00%</b>	<b>105,191.10</b>	<b>100.00%</b>	<b>96,005.98</b>	<b>100.00%</b>
<b>Expenses</b>						
Cost of material consumed	13,227.47	15.30%	17,275.21	16.42%	6,092.81	6.35%
Purchases of stock-in-trade	22,767.04	26.34%	27,636.79	26.27%	41,578.33	43.31%
Changes in inventories of finished goods, semi-finished goods and stock-in-trade	(5,202.35)	(6.02)%	(3,671.13)	(3.49)%	(9,674.83)	(10.08)%
Employee benefit expense	10,277.36	11.89%	12,243.37	11.64%	8,660.30	9.02%
Finance costs	111.63	0.13%	239.50	0.23%	876.66	0.91%
Depreciation and amortisation expense	3,383.47	3.91%	3,921.28	3.73%	5,391.27	5.62%
Other expenses	28,556.57	33.04%	36,593.91	34.79%	34,298.02	35.72%
<b>Total expenses</b>	<b>73,121.19</b>	<b>84.59%</b>	<b>94,238.93</b>	<b>89.59%</b>	<b>87,222.56</b>	<b>90.85%</b>
<b>Profit before</b>	<b>13,322.45</b>	<b>15.41%</b>	<b>10,952.17</b>	<b>10.41%</b>	<b>8,783.42</b>	<b>9.15%</b>

Particulars	For the Financial Years					
	2022		2023		2024	
	₹ (in lakhs)	% of Total Income	₹ (in lakhs)	% of Total Income	₹ (in lakhs)	% of Total Income
exceptional items and tax						
Exceptional items	1,121.17	1.30%	(933.33)	(0.89%)	-	-
Profit before tax	12,201.28	14.11%	11,885.50	11.30%	8,783.42	9.15%
<b>Tax expenses</b>						
Current tax	2,962.06	3.43%	2,841.39	2.70%	1729.83	1.80%
Short/(excess) provision of tax relating to earlier years					-	-
Deferred tax charges/(credit)	716.17	0.83%	23.44	0.02%	466.93	0.49%
<b>Total tax expense</b>	<b>3,678.23</b>	<b>4.25%</b>	<b>2,864.83</b>	<b>2.72%</b>	<b>2,196.76</b>	<b>2.29%</b>
<b>Profit after tax</b>	<b>8,523.05</b>	<b>9.86%</b>	<b>9,020.67</b>	<b>8.58%</b>	<b>6,586.66</b>	<b>6.86%</b>
<b>Add: Share of loss from the Associate</b>						
<b>Profit for the period/year</b>	<b>8,523.05</b>	<b>9.86%</b>	<b>9,020.67</b>	<b>8.58%</b>	<b>6,586.66</b>	<b>6.86%</b>

### Financial Year 2024 compared to Financial Year 2023

The financial information for the Financial Year 2023 comprises the Scientific and Industrial Products Business which was demerged into Borosil Scientific Limited with effect from December 2, 2023, in accordance with the Scheme. For further information please refer to “*Our Business – Group Restructuring*” appearing on page 145. Accordingly, the Audited 2023 Financial Statements represents business, results of operations, cash flows and financial condition of the Company including scientific and industrial products business of the Company, and the results of operations of Financial Year 2024 compared to Financial Year 2023 would not be comparable to this extent.. For further information please refer to “*Risk Factor – Our audited consolidated financial statements for Financial Year 2024 reflects the impact of the demerger pursuant to the Scheme implemented by our Company.*” appearing on page 47.

### Income

*Total income:* Total income was ₹ 96,005.98 lakhs in Financial Year 2024 and ₹ 1,05,191.10 lakhs in Financial Year 2023.

*Revenue from operations:* Revenue from operations was ₹ 94,225.18 lakhs in Financial Year 2024 and ₹ 1,02,712.13 lakhs in Financial Year 2023

*Other income:* Other income was ₹ 1,780.8 lakhs in Financial Year 2024 and ₹ 2,478.97 lakhs in Financial Year 2023.

### Expenses

*Cost of material consumed:* Our cost of material consumed was ₹ 6,092.81 lakhs in Financial Year 2024 and ₹ 17,275.21 lakhs in Financial Year 2023

*Purchases of stock-in-trade:* Purchases of stock-in-trade was ₹ 41,578.33 lakhs in Financial Year 2024 and ₹ 27,636.79 lakhs in Financial Year 2023.

*Changes in inventories of work-in-progress, finished goods and stock-in-trade:* The changes in inventories of work-in-progress, finished goods and stock-in-trade was ₹ (9,674.83) lakhs in Financial Year 2024 and ₹ (3,671.13) lakhs in Financial Year 2023.

*Employee benefit expense:* Employee benefit expense was ₹ 8,660.3 lakhs in Financial Year 2024 and ₹ 12,243.37 lakhs in Financial Year 2023.

*Finance costs:* Finance costs were ₹ 876.66 lakhs in Financial Year 2024 and ₹ 239.5 lakhs in Financial Year 2023.

*Depreciation and amortization expense:* Depreciation and amortization expense was ₹ 5,391.27 lakhs in Financial Year 2024 and ₹ 3,921.28 lakhs in Financial Year 2023.

*Other expenses:* Other expenses were ₹ 34,298.02 lakhs in Financial Year 2024 and ₹ 36,593.91 lakhs in Financial Year 2023.

*Total tax expenses:* Our total tax expenses was ₹ 2,196.76 lakhs in Financial Year 2024 and ₹ 2,864.83 lakhs in Financial Year 2023.

*Profit for the year from continuing operations:* As a result of the foregoing, our profit for the year was ₹ 6,586.66 lakhs for the Financial Year 2024 and ₹ 9,020.67 lakhs for the Financial Year 2023.

### **Financial Year 2023 compared to Financial Year 2022**

The financial information for the Financial Years 2023 and 2022 also comprise the Scientific and Industrial Products Business which was demerged into Borosil Scientific Limited with effect from December 2, 2023, in accordance with the Scheme. For further information please refer to “*Our Business – Group Restructuring*” appearing on page 145. Accordingly, the financial information for Financial Years 2023 and 2022 represents business, results of operations, cash flows and financial condition of the Company prior to giving effect of the Scheme. For further information please refer to “*Risk Factor – Our audited consolidated financial statements for Financial Year 2024 reflects the impact of the demerger pursuant to the Scheme implemented by our Company.*” appearing on page 47.

### **Income**

*Total income:* Total income increased by 21.69% to ₹ 105,191.10 lakhs in Financial Year 2023 from ₹ 86,443.64 lakhs in Financial Year 2022, primarily due to increase in revenue from operations on account of increase in sale of products.

*Revenue from operations:* Revenue from operations increased by 22.30% to ₹ 102,712.13 lakhs in Financial Year 2023 from ₹ 83,986.16 lakhs in Financial Year 2022, primarily due to increase in sale of products on account of higher volumes in domestic and international markets coupled with 29.46% increase in our revenue from consumer ware segment to ₹ 74,182.00 lakhs in Financial Year 2023 from ₹ 57,300.15 lakh in Financial Year 2022.

*Other income:* Other income marginally increased by 0.87% to ₹ 2,478.97 lakhs in Financial Year 2023 from ₹ 2,457.48 lakhs in Financial Year 2022.

### **Expenses**

*Cost of material consumed:* Our cost of material consumed increased by 30.60% to ₹ 17,275.21 lakhs in Financial Year 2023 from ₹ 13,227.47 lakhs in Financial Year 2022, primarily due to increase in higher sales resulting into higher production which was in line with our increase in revenue from operations.

*Purchases of stock-in-trade:* Purchases of stock-in-trade increased by 21.39% to ₹ 27,636.79 lakhs in Financial Year 2023 from ₹ 22,767.04 lakhs in Financial Year 2022, primarily due to higher sales resulting into higher purchase order which was in line with our increase in revenue from operations.

*Changes in inventories of work-in-progress, finished goods and stock-in-trade:* The changes in inventories of work-in-progress, finished goods and stock-in-trade was ₹ (3,671.13) lakhs in Financial Year 2023. We had inventories of work-in-progress, finished goods and stock-in-trade aggregating to ₹ 13,433.28 lakhs at the beginning of Financial Year 2023 and inventories of work-in-progress, finished goods and stock-in-trade aggregating to ₹ 17,444.16 lakhs at the end of Financial Year 2023. The increase in inventory was to cater to anticipated increase in demand for our products.

*Employee benefit expense:* Employee benefit expense increased by 19.13% to ₹ 12,243.37 lakhs in Financial Year 2023 from ₹ 10,277.36 lakhs in Financial Year 2022, primarily due to increase in salaries, wages and allowances on account of annual increments and increase in our employee strength in the ordinary course of business, employee welfare expenses and share based payments.

*Finance costs:* Finance costs increased by 114.55% to ₹ 239.50 lakhs in Financial Year 2023 from ₹ 111.63 lakhs in Financial Year 2022, primarily due to increase in interest expense on financial liabilities measured at amortised cost.

*Depreciation and amortization expense:* Depreciation and amortization expense increased by 15.90% to ₹ 3,921.28 lakhs in Financial Year 2023 from ₹ 3,383.47 lakhs in Financial Year 2022, primarily due to increase in depreciation on account of additions in property, plant and equipment.

*Other expenses:* Other expenses increased by 28.15% to ₹ 36,593.91 lakhs in Financial Year 2023 from ₹ 28,556.57 lakhs in Financial Year 2022, primarily due to increase in manufacturing and other expenses and higher selling and distribution expenses commensuration with increase in our revenue from operations.

*Total tax expenses:* Our total tax expenses decreased by 22.11% to ₹ 2,864.83 lakhs in Financial Year 2023 from ₹ 3,678.23 lakhs in Financial Year 2022, primarily due to higher deferred tax expenses incurred by us in financial year 2022 on account of discontinuation of depreciation allowance on goodwill pursuant to the Finance Act, 2021.

*Profit for the year from continuing operations:* As a result of the foregoing, our profit for the year increased by 5.84% to ₹ 9,020.67 lakhs for the Financial Year 2023 as compared to our profit for the year of ₹ 8,523.05 lakhs for the Financial Year 2022.

## Liquidity and Capital Resources

Historically, our primary liquidity requirements have been to finance our working capital and capital expenditure. We have met these requirements through cash flows from operations and internal accruals. As at March 31, 2024, we had ₹ 9,140.45 lakhs in current trade receivables, ₹ 539.50 lakhs in cash and cash equivalents, and ₹ 148.31 lakhs as bank balances other than cash and cash equivalents. We believe that, after taking into account the expected cash to be generated from operations, and repayment of borrowing from the proceeds of the Issue, we will have sufficient liquidity for our present requirements and anticipated requirements for capital expenditure and working capital for 12 months following the date of this Preliminary Placement Document.

## Cash Flows

The financial information for the Financial Years 2023 and 2022 also comprise the Scientific and Industrial Products Business which was demerged into Borosil Scientific Limited with effect from December 2, 2023, in accordance with the Scheme. For further information please refer to “*Our Business – Group Restructuring*” appearing on page 145. Accordingly, the financial information for Financial Years 2023 and 2022 represents business, results of operations, cash flows and financial condition of the Company prior to giving effect of the Scheme. For further information please refer to “*Risk Factor – Our audited consolidated financial statements for Financial Year 2024 reflects the impact of the demerger pursuant to the Scheme implemented by our Company.*” appearing on page 47.

The following table summarizes our cash flows data for the Financial Years 2022, 2023 and 2024:

Particulars	For the Financial Year		
	2022	2023	2024
Net cash (used in)/generated by operating activities	7,656.75	6,374.48	4,803.25
Net cash (used in)/generated by investing activities	(3,699.06)	(17,691.41)	(10,608.01)
Net cash (used in)/generated by financing activities	(2,355.97)	9,926.80	5,529.18
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>1,601.72</b>	<b>(1,390.13)</b>	<b>(275.58)</b>
Cash and cash equivalents at the beginning of the period/year	652.41	2,254.13	815.08
<b>Cash and cash equivalents at the end of the period/year</b>	<b>2254.13</b>	<b>864.00</b>	<b>539.50</b>

*Net cash generated by operating activities*

Net cash generated by operating activities was ₹ 4,803.25 lakhs in Financial Year 2024. While our profit before tax for the year was ₹ 8,783.42 lakhs, we had cash flow before changes in working capital of ₹ 14,450.98 lakhs, primarily as a result of depreciation and amortisation expense of ₹ 5,391.27 lakhs, interest cost of ₹ 876.66 lakhs, interest income of ₹ 133.37 lakhs and profit on sale of investments of ₹ 724.06 lakhs. Our working capital adjustments for Fiscal 2024 primarily consisted of increase in trade and other receivables of ₹ 6,211.61 lakhs, increase in inventories of ₹ 10,841.56 lakhs, and increase in trade and other payables of ₹ 9,077.47 lakhs. Our direct taxes paid for Fiscal 2024 amounted to ₹ 1,672.03 lakhs.

Net cash generated by operating activities was ₹ 6,374.48 lakhs in Financial Year 2023. While our profit before tax for the year was ₹ 11,885.50 lakhs, we had cash flow before changes in working capital of ₹ 13,282.50 lakhs, primarily as a result of depreciation and amortisation expense of ₹ 3,921.28 lakhs, interest cost of ₹ 239.50 lakhs, interest income of ₹ 133.96 lakhs and profit on sale of property, plant and equipment of ₹ 1,558.37 lakhs and receipt of insurance claim of ₹ 933.33 lakhs. Our working capital adjustments for Fiscal 2023 primarily consisted of increase in trade and other receivables of ₹ 2,858.96 lakhs, increase in inventories of ₹ 4,800.02 lakhs, and increase in trade and other payables of ₹ 2,859.57 lakhs. Our direct taxes paid for Fiscal 2023 amounted to ₹ 2,108.61 lakhs.

Net cash generated by operating activities was ₹ 7,656.75 lakhs in Financial Year 2022. While our profit before tax for the year was ₹ 12,201.28 lakhs, we had cash flow before changes in working capital of ₹ 14,762.77 lakhs, primarily as a result of depreciation and amortisation expense of ₹ 3,383.47 lakhs, interest cost of ₹ 111.63 lakhs, interest income of ₹ 192.99 lakhs and gain on financial instruments measured at fair value through profit of ₹ 1,362.45 lakhs. Our working capital adjustments for Fiscal 2022 primarily consisted of increase in trade and other receivables of ₹ 1,887.07 lakhs, increase in inventories of ₹ 4,572.55 lakhs, and increase in trade and other payables of ₹ 2,155.38 lakhs. Our direct taxes paid for Fiscal 2022 amounted to ₹ 2,801.78 lakhs.

#### ***Net cash flows (used in)/generated by investing activities***

Net cash flows used in investing activities was ₹ 10,608.01 lakhs in Financial Year 2024, primarily consisting of payments made on purchase of property, plant and equipment and intangible assets of ₹ 17,515.87 lakhs and investment in units of mutual funds / bonds / debentures of ₹ 1,469.38 lakhs, and partially offset by sale of property, plant and equipment of ₹ 121.41 lakhs and sale of investments in units of mutual funds, bonds and debentures of ₹ 8,110.88 lakhs. The property, plant and equipment purchased during the year consists of borosilicate glass furnace and other property, plant and equipment.

Net cash flows used in investing activities was ₹ 17,691.41 lakhs in Financial Year 2023, primarily consisting of payments made on purchase of property, plant and equipment and intangible assets of ₹ 26,756.50 lakhs and investment in units of mutual funds / bonds / debentures of ₹ 18,112.72 lakhs, and partially offset by sale of property, plant and equipment of ₹ 4,297.92 lakhs and sale of investments in units of mutual funds, bonds and debentures of ₹ 20,201.67 lakhs. The property, plant and equipment purchased during the year consists of opal glass furnace, borosilicate glass furnace, warehouse at Bharuch, injection moulding plant and other property, plant and equipment.

Net cash flows used in investing activities was ₹ 3,699.06 lakhs in Financial Year 2022, primarily consisting of purchase of property, plant and equipment and intangible assets of ₹ 8,788.56 lakhs and investment in units of mutual funds, bonds and debentures of ₹ 23,525.98 lakhs, and partially offset by sale of investment in units of mutual funds, bonds and debentures of ₹ 29,716.02 lakhs. The property, plant and equipment purchased during the year consists of opal glass furnace and other property, plant and equipment.

#### ***Net cash (used in)/generated by financing activities***

Net cash flow generated by financing activities was ₹ 5,529.18 lakhs in Financial Year 2024, primarily consisting of proceeds of non-current borrowings of ₹ 7,467.51 lakhs, repayment of non-current borrowings of ₹ 2,098.52 lakhs and movement in current borrowings of ₹ 1,190.91 lakhs. This was partially offset by interest paid aggregating to ₹ 1,191.58 lakhs and lease payments aggregating to ₹ 231.19 lakhs.

Net cash flow generated by financing activities was ₹ 9,926.80 lakhs in Financial Year 2023, primarily consisting of proceeds of non-current borrowings of ₹ 6,843.77 lakhs and movement in current borrowings of ₹ 2,862.39 lakhs. This was partially offset by interest paid aggregating to ₹ 300.80 lakhs and lease payments aggregating to ₹ 137.62 lakhs.



Net cash flow used in financing activities was ₹ 2,355.97 lakhs in Financial Year 2022, primarily consisting of payment of dividend of ₹ 1,141.19 lakhs, movement in current borrowings of ₹ 600 lakhs and margin money of ₹ 415.26 lakhs. This was partially offset by proceeds from issue of share capital of ₹ 55.20 lakhs.

### ***Indebtedness***

As at March 31, 2024, we had total borrowings (consisting of current borrowings and non-current borrowings) of ₹ 15,388.53 lakhs of which ₹ 9,294.23 lakhs was non-current borrowings and ₹ 6,094.30 lakhs was current borrowings. Our debt – to – equity ratio was 0.27 as at March 31, 2024. Some of our financing agreements include various conditions and covenants that require us to obtain lender consents prior to carrying out certain activities and entering into certain transactions. We cannot assure you that we will be able to obtain these consents and any failure to obtain these consents could have significant adverse consequences for our business.

### ***Capital Expenditure***

For the Financial Year 2022, 2023 and 2024, our capital expenditure was ₹ 8,662.70 lakhs, ₹ 26,865.26 lakhs, and ₹ 17,515.87 lakhs respectively which mainly consists of opalware furnace, borosilicate glass furnace and other plants and equipment.

### ***Contingent liabilities and Capital Commitments***

The following table sets forth our contingent liabilities as of March 31, 2024:

Nature of Contingent Liability	As of March 31, 2024
	(₹ in lakhs)
Entry Tax	17.84
Income Tax	48.20
Goods and Service Tax	1.62
Building and Other Construction Workers Welfare	15.20
Bank guarantees	165.00
Letter of credit	564.58

The following table sets forth our commitments as of March 31, 2024:

Nature of Commitments	As at March 31, 2024
	(₹ in lakhs)
Estimated amount of contracts remaining to be executed on capital account and not provided for (cash outflow is expected on execution of such capital contracts)	
Related to property, plant and equipment	5,919.24
Related to intangible assets	0.35
Commitments towards investments (cash outflow is expected on execution of such capital contracts)	17.50
Commitment towards EPCG license	19.88

### ***Off-balance sheet commitments and arrangements***

We do not have any off-balance sheet arrangements, derivative instruments, swap transactions or relationships with affiliates or other unconsolidated entities or financial partnerships that would have been established for the purpose of facilitating off-balance sheet arrangements.

### ***Related party transactions***

We have engaged in the past, and may engage in the future, in transactions with related parties. For further details please see the section titled “*Related Party Transactions*” on page 41.

Quantitative and qualitative disclosures about risk arising from financial instruments

We have exposure to the following risks arising from financial instruments:

- Market Risk
- Credit Risk
- Liquidity Risk
- Competition and price Risk

#### ***Market risk***

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market prices comprise three types of risk: foreign currency rate risk, interest rate risk and other price risks, such as equity price risk and commodity risk. Financial instruments affected by market risk include loans and borrowings, deposits and investments. For details of market risk in respect of us, please see “*Financial Information*” beginning on page 226.

#### ***Credit risk***

Credit risk is the risk that a counter party will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. We are exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and other financial instruments. For details of credit risk in respect of us, please see “*Financial Information*” beginning on page 226.

#### ***Liquidity risk***

Liquidity risk is the risk that we may not be able to meet its present and future cash and collateral obligations without incurring unacceptable losses. Our objective is to, at all times, maintain optimum levels of liquidity to meet its cash and collateral requirements. We rely on operating cash flows and short-term borrowings in the form of working capital loan to meet our needs for funds. We do not breach any covenants (where applicable) on any of our borrowing facilities. We have access to a sufficient variety of sources of funding as per requirement. Our Company has also the sanctioned limit from the banks. For details of liquidity risk in respect of us, please see “*Financial Information*” beginning on page 226.

#### ***Competition and price risk***

Our Company faces competition from local and foreign competitors. Nevertheless, we believe that we have competitive advantage in terms of high quality products and by continuously upgrading its expertise and range of products to meet the needs of our customers.

#### ***Unusual or infrequent events or transactions***

Except as disclosed in this Preliminary Placement Document, to our knowledge, there have been no unusual or infrequent events or transactions that have in the past or may in the future affect our business operations or future financial performance.

#### ***Known trends or uncertainties***

Our business has been subject, and we expect it to continue to be subject, to significant economic changes arising from the trends identified above in “— *Significant Factors Affecting Our Results of Operations*” and the uncertainties described in “*Risk Factors*”, beginning on pages 87 and 42, respectively. To our knowledge, except as disclosed in this Preliminary Placement Document, there are no known trends or uncertainties that have or had or are expected to have a material adverse impact on revenues or income of our Company from continuing operations.

#### ***Supplier or Customer Concentration***

We do not have any material dependence on a single or few suppliers. We have a wide customer base and do not have any material dependence on any particular customer.

### ***New Products or Business Segments***

Except as disclosed in this Preliminary Placement Document, including as described in “*Our Business*” beginning on page 143, there are no new products or business segments in which we operate.

### ***Seasonality***

Our business is subject to seasonality as we generally see higher demand of our products from our customers during the festive seasons. For details, see “*Risk Factors – Our business is subject to seasonality, which may contribute to fluctuations in our results of operations and financial condition*” on page 47.

### ***Competitive conditions***

We face significant competition from a number of competitors, some of which are larger and have substantially greater resources than us, including the ability to spend more on advertising and marketing and offer substantial discounts. Some of our competitors also have competitive advantages such as longer operating histories, better brand recognition and more established supply relationships. For further details, see “*Risk Factors – Internal Risk Factors – We face significant competition which may lead to a reduction in our market share, cause us to increase our expenditure on advertising and marketing as well as cause us to offer discounts, which may result in an adverse effect on our business, results of operations, financial condition and cash flows.*” on page 45.

### ***Future relationship between cost and income***

Other than as described in “*Risk Factors*”, “*Our Business*” and above in “ — *Significant Factors Affecting our Results of Operations*” beginning on pages 42, 143 and 87, respectively, to our knowledge, there are no known factors that may adversely affect our business prospects, results of operations and financial condition.

### ***Significant Developments after March 31, 2024***

Except as set out in this Preliminary Placement Document, to our knowledge, no circumstances have arisen since the date of the last financial statements as disclosed in this Preliminary Placement Document which materially or adversely affect or are likely to affect, our operations or profitability, or the value of our assets or our ability to pay our material liabilities within the next 12 months.

### ***Changes to Significant Accounting Policies***

There have been no changes in our accounting policies during Fiscal 2022, 2023 and 2024.

### ***Reservations, Qualifications, or Adverse Remarks of our Auditors in the last five fiscals immediately preceding the year of this Preliminary Placement Document***

There are no reservations, qualifications or adverse remarks of our Statutory Auditors in their respective reports on our audited financial statements for the last five Fiscals preceding the date of this Preliminary Placement Document. However, the following emphasis of matter are mentioned in the audit reports, as provided below:

<b>Fiscal/ Period</b>	<b>Emphasis of Matter</b>
<b>Fiscal 2022</b>	<b>Emphasis of matter Paragraph included in the consolidated audited financial statements</b> “We draw attention to Note 38.1 to the Consolidated Financial Statements, in respect of loss of property including fixed assets & inventories due to fire at Company’s warehouse situated at Bharuch, Gujarat and loss of inventories due to heavy rain at the Company’s warehouse situated at Bhiwandi, Maharashtra. Pending finalization of balance Insurance claim, loss of ₹. 646.50 lakhs for the year ended 31st March, 2022 has been recognised as per Company’s estimates. Our opinion is not modified in respect of this matter.” “*Note 38.1 There is a fire at the Company’s warehouse situated at Bharuch, Gujarat resulting in loss of property (including fixed assets and inventories) of ₹ 4,233.85 lakhs. The Insurance Company has finalised the part settlement of the claim and accordingly, the Company has received ₹ 3,297.58 lakhs. Further, there is loss of property of ₹ 236.14 lakhs due to heavy rain resulting in overflow of Kamvari river in Bhiwandi, Maharashtra which caused water logging leading to spoilage of inventories at the Company’s warehouse situated there. The Insurance Company has finalized the claim and accordingly, the

<b>Fiscal/ Period</b>	<b>Emphasis of Matter</b>
	<i>Company has received ₹ 225.75 lakhs till date. Company has recognised net loss of ₹ 646.50 lakhs for the year ended 31<sup>st</sup> March 2022. Any difference between pending claim amount as estimated and claim settlement amount will be recognized upon the final settlement of such claim.”</i>
<b>Fiscal 2021</b>	<p><b>Emphasis of matter Paragraph included in the consolidated audited financial statements</b></p> <p><i>“We draw attention to Note 56 to the financial statements in respect of fire at Company’s warehouse situated at Bharuch on 1st April, 2021, resulting in loss of property including inventories of finished goods, raw materials etc. The Company is in process of assessing the impact of the same on its financial position. Our opinion is not modified in respect of this matter.”</i></p> <p><i>“*Note 56 There had been a fire on 1st April, 2021 in the warehouse situated at the Bharuch of the Company resulting in loss of property including inventories of finished goods, raw materials etc. but there are no human casualties or injuries. The Company has insurance in place to cover the damages at the warehouse. The Company is in dialogue with Insurance Company to finalise the assessment of the Claim.”</i></p>

### **Interest Coverage Ratio**

Set forth below is the interest coverage ratio for the years/ period indicated:

<b>Year</b>	<b>Year ended March 31, 2024</b>	<b>Year ended March 31, 2023</b>	<b>Year ended March 31, 2022</b>
Profit before tax (A)	8,783.42	11,885.50	12,201.28
Depreciation and amortization expense (B)	5391.27	3,921.28	3,383.47
Finance Cost (C)	876.66	239.50	111.63
<b>Adjusted Profit (D= A+B+C)</b>	<b>15,051.35</b>	<b>16,046.28</b>	<b>15,696.38</b>
<b>Finance Costs (E)</b>	<b>876.66</b>	<b>239.50</b>	<b>111.63</b>
<b>Interest Coverage Ratio (F= D/E)</b>	<b>17.17</b>	<b>67.00</b>	<b>140.61</b>

## INDUSTRY OVERVIEW

Unless otherwise indicated, the industry-related information contained in this section is derived from the industry report titled “Industry Report on Kitchenware and Kitchen Appliances Market in India” dated June 22, 2024 prepared by Technopak Advisors Private Limited (“Technopak” and such report, the “Technopak Report”). We have commissioned and paid for the Technopak Report for the purposes of confirming our understanding of the industry exclusively in connection with the Offer. We officially engaged Technopak in connection with the preparation of the Technopak Report pursuant to an engagement letter dated January 24, 2024. For details regarding the disclaimer of Technopak, please see “Industry and Market Data” on page 16.

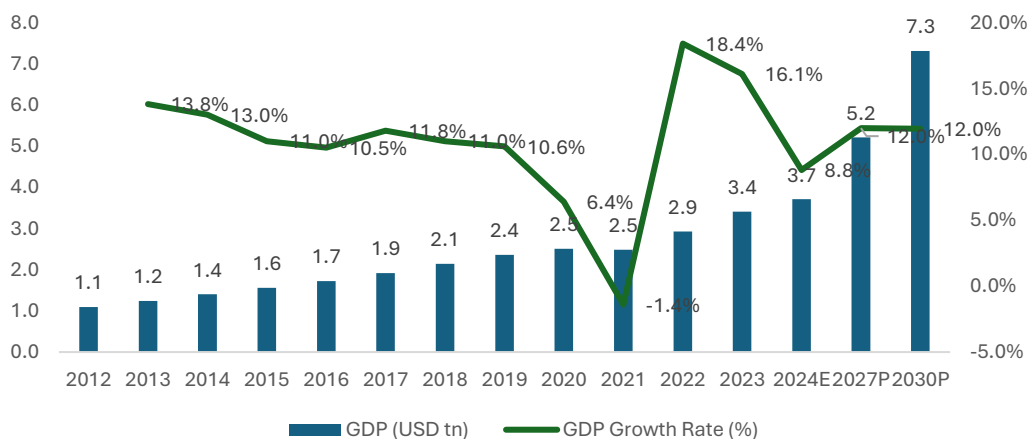
### 1. Overview of Indian Economy

#### 1.1. GDP and GDP Growth

**India: World's 5th largest economy and expected to be in top 3 global economies by FY 2030**

India was ranked fifth in the world in terms of nominal gross domestic product ("GDP") for FY 2024 and was the third largest economy in the world in terms of purchasing power parity ("PPP"). India is expected to be a ~USD 7.3 trillion economy by FY 2030 and is estimated to be the third largest economy surpassing Germany and Japan.

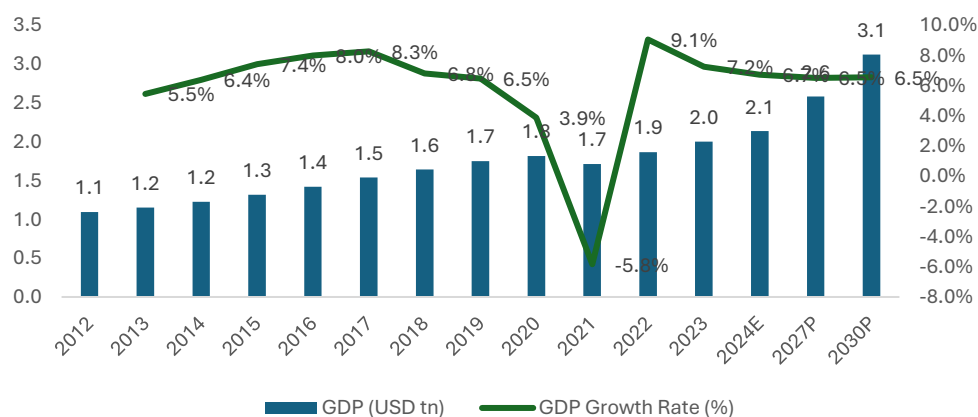
*Exhibit 1.1: India's GDP at current prices (Nominal GDP) (In USD Tn) and GDP Growth Rate (%) (FY)*



Source: RBI, Technopak Analysis

Note: 1USD = INR 80

*Exhibit 1.2: India's GDP at constant prices (Real GDP) (In USD Tn) and GDP Growth Rate (%) (FY)*



Source: RBI, Technopak Analysis

Note: 1USD = INR 80

India's nominal GDP has grown at a CAGR of 9.9% between FY 2018 and FY 2024E and is expected to continue this trend by registering a CAGR of 12.0% % for the 6-year time-period from FY 2024E to FY 2030.

## 1.2 Private Final Consumption Expenditure

GDP growth in India is expected to be driven by the rising Private Final Consumption Expenditure. India is a private consumption-driven economy, where the share of domestic consumption is measured as Private Final Consumption Expenditure (PFCE). This PFCE comprises both goods (food, lifestyle, home, pharmacy etc.) and services (food services, education, healthcare etc.). The high share of private consumption to GDP has the advantage of insulating India from volatility in the global economy. It also implies that sustainable economic growth directly translates into sustained consumer demand for goods and services. India's domestic consumption has grown at a CAGR of 11.2% between FY 2016 and FY 2023, compared to 5.1% and 6.8% in the US and China, respectively during the similar period of CY 2015 and CY 2022.

In FY 2023, PFCE accounted for ~60% of India's GDP, which was higher than that in China (~53%), but lower than other large economies such as Germany (~73%), Japan (~77%) and UK (~83%) during a similar period of CY 2022. With the rapidly growing GDP and PFCE, India is poised to become one of the top consumer markets globally. It is estimated that the PFCE's contribution to India's GDP will be 58.5% for FY 2024.

Exhibit 1.4: Private Final Consumption Expenditure (In USD Tn) for key economies (CY)

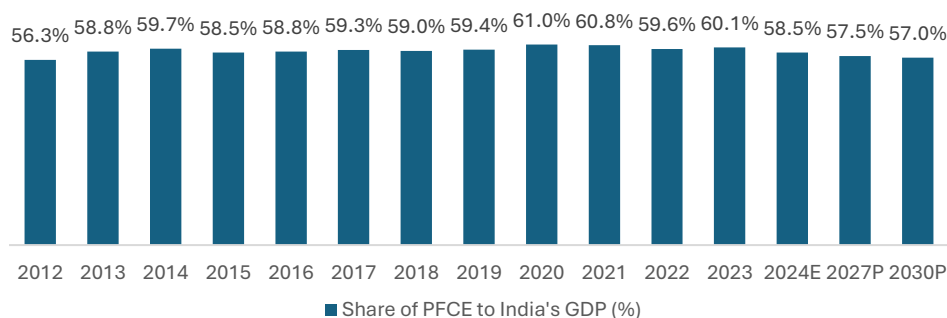
Country	2012	2015	2018	2019	2020	2021	2022	Contribution to GDP		CAGR
								2019	2022	
<b>U.S.</b>	13.6	14.9	16.8	17.4	17.3	19.3	21.1	81.4%	82.9%	5.1%
<b>China</b>	4.4	6.0	7.7	8.0	8.1	9.6	9.5	56.0%	53.0%	6.8%
<b>Japan</b>	4.9	3.4	3.8	3.8	3.8	3.8	3.3	74.5%	77.2%	-0.4%
<b>Germany</b>	2.6	2.4	2.9	2.8	2.8	3.1	3.0	72.2%	73.0%	3.2%
<b>India</b>	0.7	1.0	1.4	1.5	1.5	1.9	2.0	61.0%	60.1%	11.2%
<b>Brazil</b>	2.0	1.5	1.6	1.6	1.2	1.3	1.6	85.1%	81.1%	0.9%
<b>U.K.</b>	2.3	2.5	2.4	2.4	2.2	2.6	2.6	83.0%	82.9%	0.6%
<b>World</b>	55.7	55.3	63.0	64.1	62.4	70.3	71.5	73.0%	70.5%	3.7%

Source: World Bank, RBI, Technopak Research & Analysis

\* For India, CY 2012 refers to FY 2013 and so on, India Data in FY, 1USD = INR 80

### Private Final Consumption Expenditure to India's GDP

Exhibit 1.6: Share of Private Final Consumption Expenditure to India's GDP (%) (FY)



Source: Ministry of Statistics and Program Implementation

A high share of private final consumption expenditure to GDP indicates that an economy is driven by consumer spending, which can be a positive sign for economic growth. However, if the share of private

consumption expenditure is excessively high, it may lead to inflationary pressures and an unsustainable economy. India's share of PFCE to GDP has increased over the years, reaching 60.1 % in FY 2023, up from 56.3% in FY 2012. According to the Ministry of Statistics and Program Implementation, the share of India's PFCE to GDP is expected to decrease from 60.1% in FY 2023 to approximately 57.0% by FY 2030.

### 1.3 Key growth drivers

#### *Demographic profile of India*

India has one of the youngest populations globally compared to other leading economies. The median age in India is estimated to be 29.5 years for CY 2023 as compared to 38.5 years and 39.8 years in the US and China, respectively, and is expected to remain under 30 years until 2030. With a growing young population, there is an increasing demand for premiumization. The younger population is naturally predisposed to adopting new trends and exploration, given their educational profile and exposure to media and technology. This presents an opportunity for domestic consumption in the form of branded products and organized retail.

*Exhibit 1.9: Median Age: Key Emerging & Developed Economies in (CY 2023)*

Country	India	China	USA	Singapore	Russia	South Korea	Canada	UK
Median Age (Yrs.)	29.5	39.8	38.5	38.9	41.5	45	42.4	40.6

*Source: World Population Review*

#### *More than half of India's population falls in the 15-49 year age bracket*

As of April 2023, India was the most populated country in the world, home to 1.42 billion people, which is about one-sixth of the world's population. About 54% of the total population falls within the 15 to 49 years age group, while 80% of the population is below 50 years old. This demographic distribution highlights that India's youth and working-age population contribute to positive demographics.

#### *Women Workforce*

Numerous factors, including better healthcare and greater media focus, are allowing women in India, in both urban and rural areas, to exercise greater influence on their families and society. The most important factor, however, is educational opportunity. Additionally, this increase of women in the workforce has led to a shift in household activity patterns, including an upward trend towards purchase of branded products, including fashion and lifestyle. The female labour force participation rate in the country has improved significantly by 4.2 percentage points from 32.8% in FY 2022 to 37.0% in FY 2023 owing to improvement in education, work opportunities and government initiatives.

#### *Urbanization*

Urbanization is one of the most important pillars of India's growth story, as urban areas serve as the core drivers for consumption. India had the second-largest urban population in the world (in absolute terms) at 508 million in CY 2022, ranking only below China. Indian urban system constitutes ~11% of the total global Urban population. However, only 36% of India's population is classified as urban, compared to a global average of ~58%. It is the pace of India's urbanization that is a key trend fuelling India's economic growth. Currently, the urban population contributes 63% to India's GDP. Looking ahead, it is estimated that 37% (519 million) of India's population will be living in urban centres by CY 2025 and is expected to account for 75% of India's GDP in FY 2026. This trend is expected to continue, with approximately 41% of India's population living in urban centres by CY 2030.

#### *Growing Middle Class*

The increase in number of households with annual earnings ranging from USD 10,000 to USD 50,000 is poised to drive the Indian economy by fostering demand for a wide array of goods, improved services, housing, healthcare, education, and more. Households with an annual income between USD 10,000 and USD 50,000 constituted a minor portion, accounting for 5.8% of the total population in FY 2010. This

share increased to 30.6% in FY 2020 and is expected to continue in the same vein, rising to 42% of the total population by FY 2030. The expanding middle class sector in India is accompanied by a growing appetite for premiumization across various sectors, including goods and services, construction, housing services, financial services, telecommunications, and retail.

### Nuclearization

The growth in the number of households currently exceeds population growth, which indicates an increase in nuclearization in India. Average household size has reduced from 5.3 in FY 2001 to 4.2 in FY 2021 and is further projected to reduce to 3.9 by FY 2030. 69% of households had less than five members in FY 2011 as compared to 62% in FY 2001. Growth in the number of nuclear families is leading to an increase in the number of households, thereby creating a strong demand for housing units and discretionary expenditure in India.

### Share of Merchandise vs Services Retail

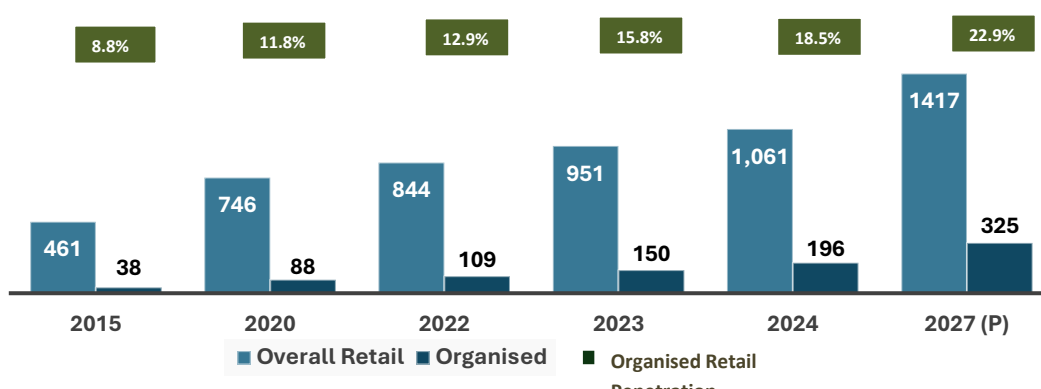
In FY 2023, India's private consumption accounted for 60.1% of the total GDP. Nearly 52% of total private consumption was contributed by service industry sectors such as Healthcare, Travel, Hospitality, Food Services etc. and the rest 48% was contributed by merchandise retail comprising of Food & Grocery (32.4%), Jewellery (3.2%), Apparel & Accessories (3.1%), Consumer Durables (3.0%) etc.

## 1.4. Retail Market in India

The Indian retail market has historically been characterized as largely fragmented and unorganized. In FY 2015, the total retail market in India stood at USD 461 Bn. Organized retail, while still in its nascent stage contributed 8.8% (in 2015) to the total retail market in India while the unorganized sector had a significant share, contributing to 91.2% of the total retail market. The emergence of an increasing middle class, rise of consumerism and entry of foreign retailers gave a significant push to the development of organized retail in India.

While the total retail market in India in FY 2023 reached a value of USD 951 Bn and grew by 9.5% CAGR over 8 years, the organized retail market reached a value of USD 150 Bn contributing to 15.8% of the overall retail market and grew by 18.7% CAGR over 8 years. In FY 2024, the total retail market is expected to reach a value of USD 1,061 Bn and the organized retail market to reach a value of USD 196 Bn contributing 18.5% of the overall retail market. This shift is expected to increase over the next few years. By FY 2027, it is expected that the overall retail market would reach a value of USD 1,417 Bn growing at 10.1% CAGR between FY 2024-27 whereas the organized retail market is expected to reach a value of USD 325 Bn contributing to ~23% of the total retail market in India and maintain its growth rate of 18.4% CAGR over the next 3 years.

Exhibit 1.19: Overall Retail Market (US\$ Bn) (FY)



Retail Market	CAGR (FY 2015-20)	CAGR (FY 2020-22)	YoY (FY 2022-24)	CAGR (FY 2024-27)
Overall Retail	10.1%	3%	12.1%	10.1%
Organised Retail	18.1%	7.7%	34.1%	18.4%

Source: Technopak Research



General trade (GT) refers to the unorganized retail market. This channel has the largest market share in the retail category and is dominated by unorganized players having wide reach to the market. GT is expected to grow at a CAGR of 8.1% from FY 2024 to FY 2027. However, going forward this segment is estimated to be key for online + offline collaborations and formalization of retail.

Modern Retail – Brick and Mortar retail is key in evolution of organized retail in India. Share of B&M in India retail is projected to increase from 10.3% in FY 2024 to 11.9% in FY 2027, implying a 18.4% CAGR. This growth in the channel will be driven by market entry beyond top 500 cities and growth of omni-channel in the retail sector. The key component of growth in B&M retail is through robust consumption growth in Urban Consumption Centres, increased customer reach and brand awareness.

Online Retail or E-Commerce has the highest growth rate across all retail channels and is expected to grow at a CAGR of 21.6% between FY 2024 and FY 2027. This growth was driven by Increased internet penetration and consumer preference for ordering from the comfort of homes.

### ***Organized retail penetration across countries***

The organized retail industry has seen the maximum growth worldwide, especially in economies like India, China, USA, etc. India’s organized retail contribution to total retail was low at 18.5% in FY 2024, compared to ~87% in USA, 83% in UK and 45% in China for the similar period of CY 2023. The organized retail penetration in India is expected to increase to 22.9% by FY 2027.

Emerging economies like India have a growing middle class, who are willing to explore modern retail and seek organized retail formats as they offer both awareness and access to global brands. India is the fifth largest and preferred destination globally for retail. India’s retail sector is experiencing exponential growth with retail development taking place in major cities and metros along with Tier 2 and Tier 3 cities. This has led to generations of employment in the country and has positively benefitted the economic environment in the country as well.

### ***Share of Retail in India’s Consumption Basket***

India’s retail consumption basket includes need-based retail and discretionary retail availed by the consumers. The total retail consumption basket of India is expected to witness a CAGR of 10.1 % from FY 2024 to FY 2027 and is expected to reach ~USD 1,417 Bn by FY 2027. India’s retail consumption basket which includes need-based retail and discretionary retail has grown over the years. The spending by customers on discretionary categories has seen a rise owing to higher income levels and enhanced standards of living.

### ***Key Discretionary Categories across Retail***

Apparel, Accessories & Watches, Jewellery, Consumer Electronics and Home & Living are the key categories which accounted for 8.9%, 7.9%, 7.1% and 4.3% of overall retail respectively in FY 2024. The share of Home & Living which includes Houseware is expected to grow to 4.5% in FY 2027, growing at a CAGR of 13.3% from FY 2024 to FY 2027. It is expected to grow faster than the overall retail market which is expected to register a CAGR of 10.1% from FY 2024 to FY 2027.

*Exhibit 1.24: India’s Consumption Basket (values in USD Bn)*

		Categories	2015	2020	2022	2023	2024	2027P	CAGR 2024-27
		<b>Total Retail</b>	<b>461</b>	<b>746</b>	<b>844</b>	<b>951</b>	<b>1,061</b>	<b>1,417</b>	<b>10.12%</b>
<b>Retail</b>	<b>% Share of Discretionary Categories in Total retail</b>	Apparel, Accessories & Watches	38	62	57	76	95	147	<b>15.83%</b>
		Jewellery	33	56	56	70	84	124	<b>14.00%</b>
		Consumer Electronics	25	48	53	63	75	111	<b>14.06%</b>
		Home & living	21	32	32	38	45	65	<b>13.29%</b>
		Footwear	6	9	8	10	12	19	<b>16.88%</b>
		Others	17	35	43	47	51	66	<b>8.97%</b>
		<b>Total</b>	<b>141</b>	<b>242</b>	<b>248</b>	<b>303</b>	<b>361</b>	<b>531</b>	<b>13.73%</b>

	Categories	2015	2020	2022	2023	2024	2027P	CAGR 2024-27
	<b>Total Retail</b>	<b>461</b>	<b>746</b>	<b>844</b>	<b>951</b>	<b>1,061</b>	<b>1,417</b>	<b>10.12%</b>
	<b>Discretionary</b>							
	<b>% of Total Retail</b>	<b>31%</b>	<b>32%</b>	<b>29%</b>	<b>32%</b>	<b>34%</b>	<b>37%</b>	<b>-</b>

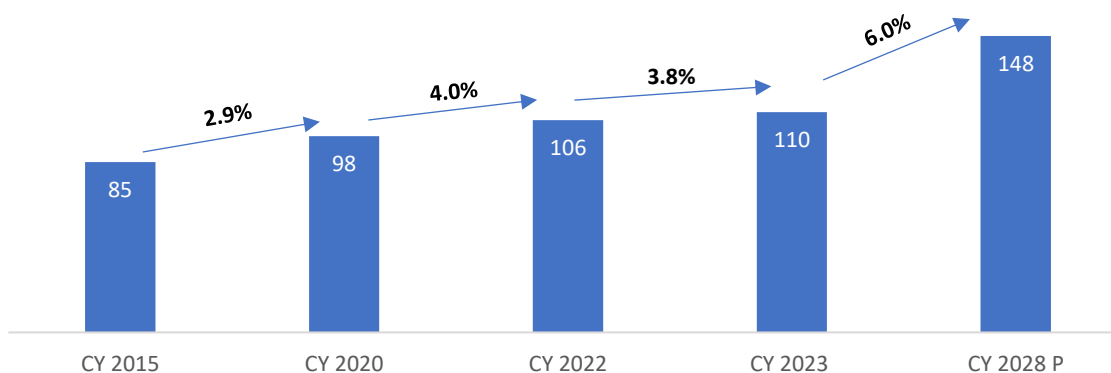
Source: Technopak Analysis

## 2. Indian Consumerware Market

### 2.1 Global Consumerware Market

The Global Consumerware market was valued at USD 106 Bn in CY 2022. This market has witnessed a steady growth over the years with market size increasing from to USD 98 Bn in CY 2020 to USD 106 Bn, growing at a CAGR of 4%. Various factors like increasing disposable income, changing consumer lifestyles, growing demand for modular kitchens and functional living spaces are further adding to the growth of the Global Consumerware industry. Consequently, the market size is projected to reach USD 148 Bn in CY 2028 from USD 110 Bn in CY 2023 growing at a CAGR of 6.0%.

Exhibit 2.1: Market Size of Global Consumerware Industry (In USD Bn)



Source: Technopak Analysis. Consumerware including Consumer Houseware and Consumer Glassware defined as- Houseware: Hydration (Includes Bottles, jugs, flasks made of plastic, steel, glass, mix of materials, insulated etc.). Cookware (Includes Cooking range of pans, cookers etc made of steel, non-stick, cast iron etc). Insulated Ware (Includes casseroles made of plastic, steel, mix of materials). Lunchboxes (Made of plastic, steel, glass, mix of materials). Storage containers (Made of plastic, steel, glass, mix of materials). Small kitchen appliances (like food processors, OTG, toasters, grillers etc). Glassware: Glass, opal, melamine, porcelain made--dinner sets, cups/mugs, bowls, bakeware, serving plates and glasses (Excluding glassware covered in Consumer houseware categories i.e. glass bottles, flasks, Insulated Ware, lunchboxes, containers).

The key consumption markets in the Global Consumerware market are US Europe (Germany, UK, France dominate in Europe) and Asia Pacific (China being the dominant country in this region). The industry's growth is driven by several factors common to these regions, such as increasing urbanization, rising disposable income and the growth of e-commerce.

The US market is highly competitive and has several established players like Wayfair, Rubbermaid, Kitchenaid and Rosanna etc. which are constantly innovating and introducing new products to meet the evolving demands of consumers.

The market in China is fragmented, with several local and regional players like SANHO offering low-cost products. However, the market is also witnessing the entry of several international players who are introducing premium and quality houseware products to cater to the growing demand for such products. The Indian Consumerware market is also characterized by a high degree of fragmentation and an unorganized structure. Indian economy continues to grow, and as consumer preference is evolving, there is an increasing demand for branded Consumerware products. Japan on the other hand is highly mature, and manufacturers need to focus on innovation and product differentiation to remain competitive.

Germany, UK, and France are also significant markets for Consumerware products. The market in Germany is highly regulated, and manufacturers need to comply with strict quality standards. The UK market is highly fragmented, with several small and medium-sized players competing with larger, established players.

### Key Growth Drivers

1. ***Introduction of Advanced and Affordable Materials:*** The Consumerware industry has been introducing advanced and quality materials at affordable prices. For instance, ceramic ware has gained popularity in hotels due to its durability, heat resistance, and aesthetic appeal. Additionally, clay cookers, pots, and other earthenware are materials that preserve nutrients and flavour by cooking the food at a low temperature. The availability of such materials at reasonable prices has expanded the market and driven the adoption of Consumerware products.
2. ***Rise of Modular Kitchens & Aesthetic Consumerware:*** The surge in popularity of modular kitchens and the growing demand for aesthetic Consumerware products have sparked increased spending on remodelling and improvement endeavours. Consumers are increasingly inclined to invest in premium cookware and tableware items that complement the contemporary designs of modular kitchens. This prevailing trend is stimulating the expansion of the Consumerware market, specifically for products catering to modular kitchen enthusiasts' aesthetic preferences.
3. ***Increasing spend on Remodelling and Improvement Projects:*** Amid the COVID-19 pandemic, the need for aesthetically pleasing and functional homes surged as people spent more time indoors in 2020 and 2021. While the pandemic accelerated this trend, other factors like smaller households, urbanization, and societal changes also played a significant role in driving demand for Consumerware products such as cookware, tableware, and home decor.
4. ***Influence of Social Media:*** The rise of social media influencers, particularly in the Consumerware industry, has had a significant impact on consumer behaviour. Influencers with expertise in interior design, home organization, and culinary arts have gained large following on platforms like Instagram, YouTube, and Pinterest. They showcase Consumerware products, provide inspiration, and offer tips on styling and usage. The influence of these social media personalities has led to increased consumer awareness and desire for Consumerware products, contributing to higher consumption.
5. ***Increasing Disposable Income:*** Rising disposable income has increased demand for premium and high-quality houseware products. Consumers are increasingly opting for products that offer functionality, durability, and aesthetics.

### Key Trends

1. ***Increasing Popularity of non-traditional materials:*** The Indian houseware market is witnessing a notable shift towards branded products made from non-traditional materials like Porcelain, Opalware and heat resistant glass. Consumers now prefer modern materials for their aesthetic appeal, reliability, and trust associated with reputable brands. This trend reflects evolving lifestyles and tastes, with consumers seeking sophisticated Consumerware that adds a touch of modern luxury to their homes. Branded ceramic cookware, appreciated for its heat retention and versatility, underscores the demand for quality and assurance in consumer choices. Similarly, silicone's popularity in branded cookware is attributed to its high heat resistance and performance across various cooking scenarios. Brands promoting sustainability, such as those using bamboo, also attract environmentally-conscious consumers.
2. ***Evolving Distribution Channels:*** : Distribution channels in the Consumerware market are evolving. Offline channels, including brick-and-mortar stores, supermarkets, and hypermarkets, still dominate globally, capturing about 85% of the market share. Offline dominance persists as consumers prefer physical verification of products like cookware due to the significant variation in prices based on material, design, quality, and size. However, online channels are gaining momentum, particularly among young professionals who appreciate the convenience of ordering, delivery, and easy returns for branded products available through online platforms.

3. ***Growing Trend of Multi-Channel market:*** Branded retailers in the evolving Consumerware market are adopting multi-channel strategies to enhance the consumer experience. Establishing a robust online presence and partnering with e-commerce platforms ensures easy access to branded products across multiple channels. Incorporating branded products within this multi-channel approach fosters trust and credibility, leveraging the brand's reputation and consistency. Click-and-collect services enable customers to conveniently order online and pick up purchases from nearby physical stores. Retailers also utilize data analytics and customer insights to offer personalized recommendations, strengthening consumer-brand relationships.
4. ***Premiumisation through branded products:*** A notable trend in the Indian houseware market is the premiumization of branded products, driven by consumers' willingness to invest in top-quality offerings. Branded Consumerware appeals to consumers with higher disposable incomes, offering assurance of superior quality, innovative designs, and enhanced functionality. Brands providing exclusive and innovative products satisfy consumer aspirations for personalization. The perceived value is heightened when consumers connect with the brand's reputation and heritage. Social media and lifestyle trends contribute to portraying branded products as desirable and aspirational, bolstering the success of trusted brands in the Indian Consumerware market.

### **Branded Global Consumerware Market**

The Global Consumerware market is dominated by branded players, accounting for ~60% of the market share, which grew at CAGR of ~6-7% from CY 2015 to CY 2023. The remaining 40% of the market is accounted for by unbranded players. However, this split may vary as per different regions & locations. In North America, branded players account for approximately 65% of the market share, while in Asia Pacific, they account for about 52-53% of the market. In Europe, the Middle East, and Africa, branded players account for ~62-63% of the market share.

In terms of product categories, branded players dominate the market for high-value products such as home appliances, while unbranded players dominate the market for low-value/economy products such as kitchen utensils and cleaning supplies. However, in recent years, branded players have been expanding their product portfolios to include economy products as well, to capture a larger share of the market.

### **Does the Indian Market resonate with Global Trends?**

Indian consumers are becoming increasingly open to embracing global Consumerware trends, resulting in a diverse market that caters to a wide range of preferences and needs. With globalization and increased access to information and technology, consumers in India are becoming more aware of global trends and preferences. This awareness influences their choices and preferences when it comes to Consumerware products.

1. ***Smart Water Bottles:*** Globally companies like HidrateSpark and Thermos have gained recognition for their innovative smart water bottles. HidrateSpark offers a range of smart water bottles that track hydration levels and sync with mobile apps to provide personalized hydration goals and reminders. Thermos, a well-established brand, offers a variety of insulated and reusable water bottles designed to keep beverages hot or cold for extended periods, promoting sustainability and convenience. In Indian market, following a similar trend, companies like HydraCoach and Boltt have introduced their version of smart water bottles.
2. ***Functional Insulatedware/ Thermoware:*** Stackable and space-saving Thermoware containers have become increasingly popular, allowing for efficient storage in kitchens and on-the-go. Lunch boxes have transformed as well, with bento-style boxes gaining prominence due to their multiple compartments for organized and portioned meals. Insulated lunch bags have also witnessed advancements, combining style with functionality to maintain the temperature of packed meals. The market is witnessing a shift towards sustainable lunch boxes made from biodegradable or reusable materials, aligning with the growing global focus on environmental consciousness. Zojirushi, a renowned Japanese brand, offers a wide range of such products combining functionality and durability with their innovative designs.
3. ***Storage Containers:*** Storage containers have witnessed several notable trends as well.

Stackable and modular designs have gained favour among consumers, enabling efficient utilization of storage space. Airtight and leak-proof containers have seen advancements in sealing mechanisms, ensuring food remains fresh and preventing spills during storage or transport. Clear and transparent containers are increasingly preferred, allowing for easy visibility of stored items and facilitating organization in households and commercial settings.

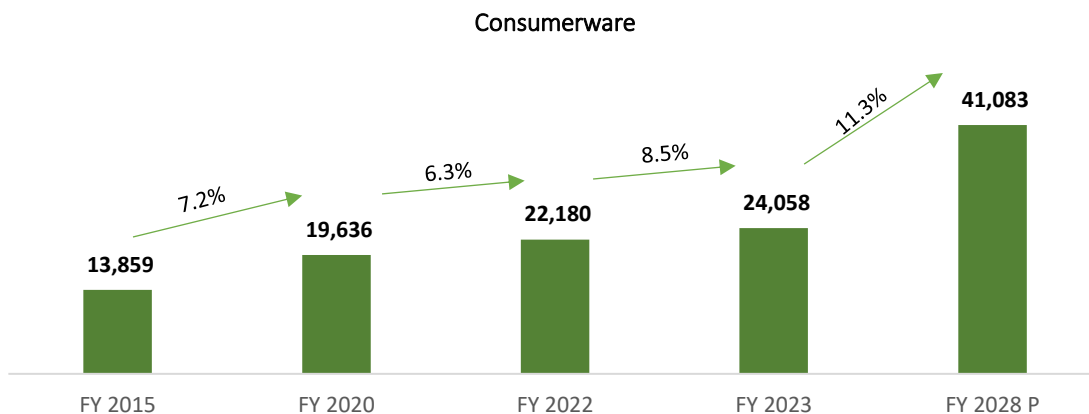
4. **Small Kitchen Appliances and Health focused Appliances:** The small kitchen appliances segment has also witnessed remarkable innovation with the integration of smart features, such as Wi-Fi connectivity and app control, enhancing functionality and convenience. Compact and multi-functional appliances have gained popularity, catering to the needs of space-constrained kitchens. Moreover, the market has seen a rise in appliances designed for healthier food preparation, such as cold-pressed juicers, air fryers, steamers, and smoothie blenders, aligning with the growing consumer focus on well-being and nutrition. Instant Pot has also revolutionized the small kitchen appliance market with its multi-functional pressure cookers, offering features like smart connectivity and various cooking functions in one appliance. Their products cater to the needs of busy individuals looking for convenient and efficient cooking solutions. In the Indian market following the similar trend, companies like Wonderchef with their Nutri Pot and Borosil with Digikook have introduced their version of smart multi-functional pressure cooker.

Overall, the Indian Consumerware market is embracing global trends and adapting them to cater to the unique preferences and needs of Indian consumers. As the market continues to evolve, there are ample opportunities for both global and local brands to innovate and provide cutting-edge products that resonate with the ever-changing demands of Indian consumers.

## 2.2 Indian Consumerware Market

The Indian Consumerware market was valued at INR.13,895 Cr in FY 2015 and grew at a CAGR of 7.1% in the next eight years to reach a market size of INR 24,058 Cr in FY 2023. Factors such as rising disposable income, nuclearization of families, and the demand for organized and functional kitchen spaces contributed to this growth. Projections indicate a continued growth with a CAGR of 11.3% in the subsequent five years, reaching a market size of INR 41,083 Cr by FY 2028. This growth is driven by demographic shifts, such as changes in kitchen responsibilities and an increase in working women, alongside rising product ownership per individual. The evolving Indian consumer, characterized by higher discretionary spending and improved product accessibility through online platforms and multi-brand outlets, further fuels market expansion. Moreover, the emphasis on innovative and aesthetically pleasing products that prioritize functionality has propelled the growth of branded players and the industry as a whole.

*Exhibit 2.3: Market share of Indian Consumerware Industry (In INR Crore)*



Source: Technopak Analysis

*Houseware: Hydration (Includes Bottles, jugs, flasks made of plastic, steel, glass, mix of materials, insulated etc.). Cookware (Includes Cooking range of pans, cookers, kadhais etc made of steel, non-stick, cast iron, aluminium etc). Thermoware (Includes casseroles made of plastic, steel, mix of materials). Lunchboxes (Made of plastic, steel, glass, mix of materials). Storage containers (Made of plastic, steel, glass, mix of materials).*

*Glassware: Glass, opal, melamine, porcelain made—dinner sets, cups/mugs, bowls, bakeware, serving plates and glasses (Excluding glassware covered in Consumer houseware categories i.e. glass bottles, flasks, Insulated Ware, lunchboxes, containers.*

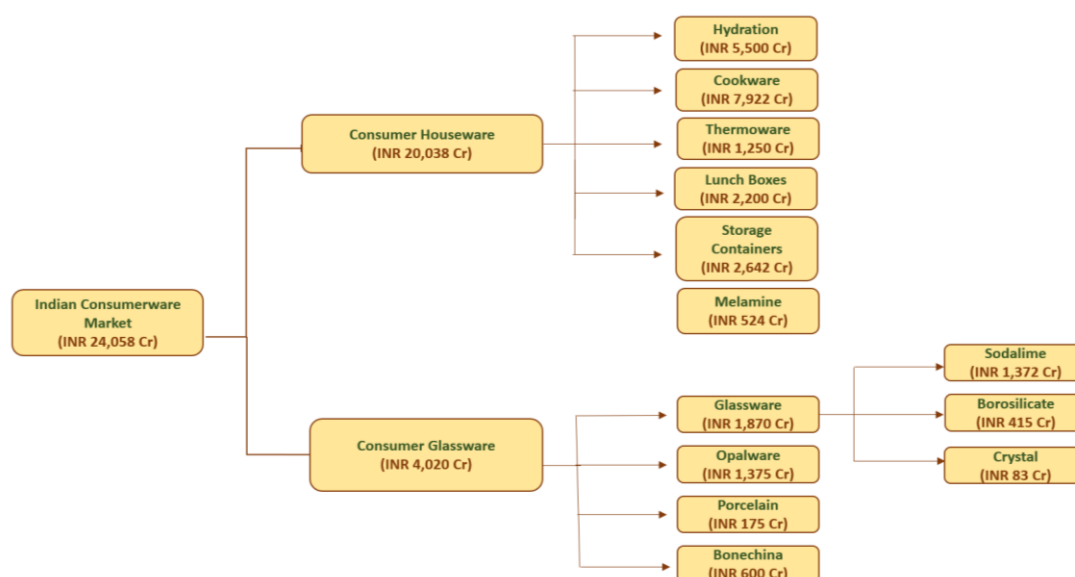
### Consumerware Market Segmentation

The Indian Consumerware Market is broadly divided into two categories, Consumer Houseware and Consumer Glassware. The Consumer Houseware and Consumer Glassware markets are further segmented into various subcategories like:

**Consumer Houseware:** Hydration, Cookware, Thermoware, Lunchboxes and Storage Containers, Melamine

**Consumer Glassware:** Glassware (includes Sodalime, Borosilicate and Crystal), Opalware, Porcelain and Bonechina

*Exhibit 2.4: Category wise segmentation of Indian Consumerware Market. Market size-FY 2023*



Source: Technopak Analysis

Both Houseware and Glassware categories have shown a steady growth over the period of time. Looking ahead, the Houseware industry is projected to continue growing, from a market size of INR 20,038 Cr in FY 2023 to reach INR 33,013 Cr by FY 2028, growing at a CAGR of 10.5%, indicating strong growth potential for companies operating within this space.

The Consumer Glassware industry has been growing at a double-digit CAGR over the years and it is projected to continue the growth momentum reaching INR 8,070 Cr by FY 2028.

### Consumerware Channel Segmentation

The Indian Consumerware market has witnessed a significant transformation in its channel segmentation over the years. In FY 2015, the general trade held a dominant position, accounting for a substantial market share of 96.5%. However, as the market evolved, there has been a gradual decline in the general trade's contribution, but nevertheless, it remains the dominant channel for this category.

The modern trade segment experienced steady growth during the same period. In FY 2015, the modern trade channel held a modest market share of 1.5%, which increased to 7.4% by FY 2023. This growth can be attributed to the rising demand for branded products, increased consumer preference for organized retail experiences, and the expansion of organized retail chains across the country.

The emergence of e-commerce has also played a pivotal role in shaping Consumerware market's channel segmentation. In FY 2015, e-commerce held a relatively small market share of 2%. However, as consumers increasingly embraced online shopping, the e-commerce sector experienced rapid growth, capturing a market share of 9.5% by FY 2023. This growth is likely to continue, with a projected market

share of 12% by FY 2028, driven by factors such as convenience, wider product selection, competitive pricing, and the increasing penetration of internet connectivity in India.

### ***Branded Indian Consumerware Market***

As of FY 2023, branded play dominated nearly 54% (~INR 13,017 Crore) of the Consumerware market in India. This represents a significant increase from the market share of around 45% (~INR 6,175 Cr) recorded in the FY 2015, reflecting a CAGR of 9.8% for the branded market. The branded play is estimated to capture ~61% (~INR 25,160 Cr) market share by FY 2028 at the CAGR of 14.1% for the period FY 2023-28 as the branded market continues to grow with a double-digit CAGR, and a rate double than the unbranded market.

### **Growth Drivers for Branded Market**

#### **1. *Rising Awareness among consumers towards safety and quality***

The escalating consumer awareness regarding safety and quality has become a significant driver for the growth of branded players in the Indian market. Consumers in India exhibit a heightened sense of brand consciousness, perceiving branded products as indicators of trust, superior quality, and safety. This trend has resulted in a preference for branded offerings across various income segments, providing branded players with ample opportunities to expand their market share through strategic investments in marketing and advertising initiatives, thereby enhancing brand visibility and consumer awareness.

#### **2. *Technological Intervention***

Branded players in the Indian Consumerware market are making significant investments in research and development to drive technological innovation and offer novel products that cater to the changing needs and preferences of consumers. This strategic approach enables branded players to differentiate themselves from unbranded alternatives by delivering superior innovation and product quality. Today, one of the main focus of branded players is on technologically-advanced Consumerware products that enhance convenience and functionality. Many such players have brought innovations such as microwave-safe and oven-proof glassware, electric lunch boxes with inbuilt heating capabilities, and insulated casseroles and lunch boxes designed to keep food warm for extended periods. E.g., Borosil has been the pioneer of many consumer categories in India, including microwavable glassware, glass lunch boxes, multi-utility glass storage, etc. These innovations address the growing demand for on-the-go food containers and provide added value to consumers seeking convenient meal solutions.



#### **3. *Economies of Scale***

Recognized industry players are capitalizing on their economies of scale to enhance distribution efficiencies and extend their footprint into new markets. Esteemed brands such as Borosil, Cello, Prestige and Milton are making substantial investments in technology and logistics to optimize their supply chain management and broaden their distribution networks.

Borosil, for example, has fortified its presence with a robust distribution network encompassing ~28,500 retailers across India. The company has not only invested in cutting-edge technology to enhance supply chain management but has also set up a full-fledged customer response

management system at the backend. Similarly, Milton has adopted an ERP system to elevate inventory management, production planning, and sales forecasting processes, showcasing a commitment to leveraging economies of scale for strategic market positioning.

#### 4. *Evolving Aspirations: From Utility to Lifestyle*

In tandem with the rise in disposable income, the aspirations of Indian consumers have undergone a significant transformation. There is a shift from houseware being perceived as utilitarian essentials to viewing them as lifestyle-enhancing accessories. Today, consumers are actively seeking products that not only fulfil their basic needs but also align with their unique personal taste, style, and individuality. To effectively tap into these evolving aspirations, brands must offer innovative designs, appealing aesthetics, and captivating product experiences. By doing so, they can position themselves to capture the attention and loyalty of Indian consumers, ultimately driving their purchasing decisions.

#### 5. *GST Regime*

The introduction of the Goods and Services Tax (GST) regime has had a significant impact on the transparency of the entire value chain from manufacturers to retailers. This has resulted in a strong disincentive for trade practices such as underreporting of production and sales, non-billed transactions, and non-compliant behaviour. Additionally, the availability of input tax credits for taxes paid at different stages of the value chain has made the trade of branded products more acceptable. As a result, GST compliance has increased input costs for unbranded players, thereby narrowing the price gap between branded and unbranded products, and hence creating an opportunity for branded players to increase their market share.

### **Why Branded Players Have an Edge?**

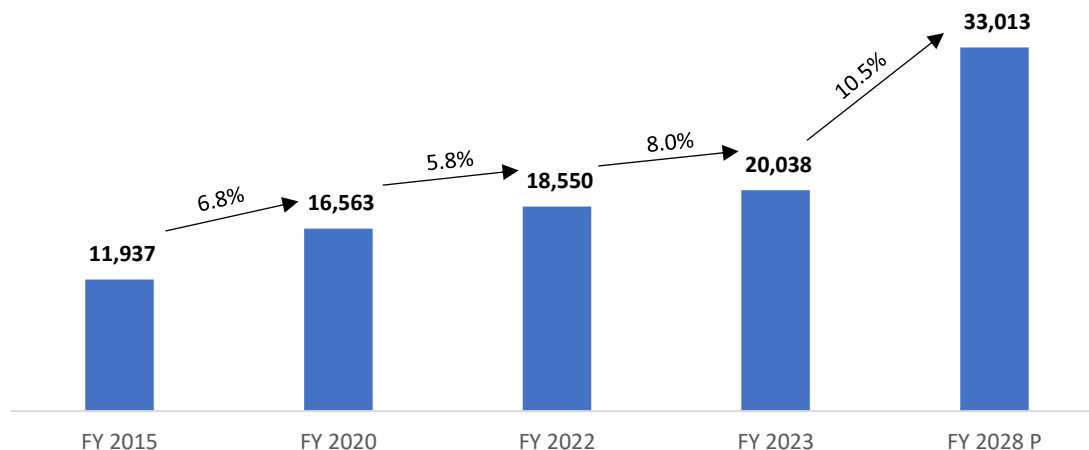
1. **Brand recognition:** Branded players benefit from strong brand recognition and a positive brand image. This helps to build trust and loyalty among consumers, making it easier to introduce new products and expand into new markets. For example, Borosil has been a household name for several decades in India, known for its wide range of glass Consumerware products. This brand recognition helps when a brand expands into other categories. Similarly, La Opala is a household name in the Opalware category and brands like Cello and Milton are trusted for their wide range of household products, particularly insulated water bottles and lunch boxes.
2. **Economies of scale:** Leading brands have access to economies of scale, which allows them to produce and sell products at a lower cost than their competitors. This helps them to price their products competitively and gain market share.
3. **Distribution network:** Established brands have well-developed distribution networks that allow them to reach a wider audience and expand their customer base. This helps them to gain a competitive advantage and increase their market share. For example, Tupperware has a strong distribution network, with products available in over 100 countries through a network of direct sales agents and retail outlets. Borosil also has a very strong distribution network with more than 23,500 retailers across India.
4. **Research and development:** Brands have the resources to invest in research and development, which helps them to innovate and introduce new products that cater to the changing needs and preferences of consumers. For example, electric kettles, electric lunchboxes, air fryers, which have gained popularity among consumers looking for convenient and efficient solutions. Players like Borosil, Milton often act as category-creators introducing new product innovations, while unbranded players follow them once a product gains traction.
5. **Marketing and advertising:** Established brands have larger marketing budgets, which allows them to promote their products more effectively and build brand awareness. This helps them to attract new customers and retain existing ones. For example, tie up of Borosil with celebrity chef Harpal Singh Sokhi; collaboration of Cello with Bollywood celebrities like Amitabh Bachchan etc. in order to reinforce their brand image as trusted and reliable brands in the Indian Consumerware market.



### 2.3 Consumer Houseware Market

The Indian Houseware Market was valued at INR 18,550 Crore in FY 2022. The market size grew at a CAGR of 8.0% to reach a market size of INR 20,038 Crore in FY 2023. The market is projected to reach INR 33,013 Crore, with a CAGR of 10.5% over the five-year period.

*Exhibit 2.8: Market size of Indian Consumer Houseware Market (In INR Crore )*



Source: Technopak Analysis

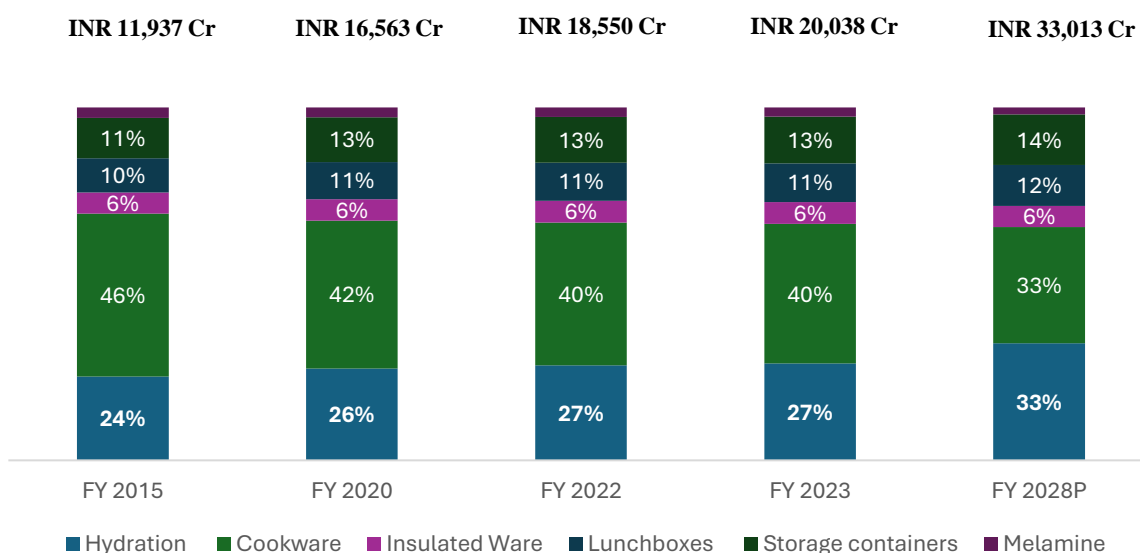
#### **Branded Vs Unbranded**

As of FY 2015, Branded play controlled nearly 42% (~INR 4,974 Cr) of the Houseware market in India. The branded market grew at a CGAR of 9.4% in the next eight years to reach a market share of 51% (~INR 10,189 Cr) in FY 2023. The Branded play is projected to capture ~59% (~INR 19,521 Cr) market share by FY 2028 at a CAGR of 13.4% for the period FY 2023-28. The branded market is growing at a higher rate compared to the unbranded market driving the growth of the Houseware market.

#### **Category wise segmentation**

The Consumer Houseware market in India includes a diverse range of products with Cookware accounting for 40% of total sales in this market in FY 2023. This was followed by Hydration at 27% and Storage Containers at 13% for the same time period. Lunchboxes and Thermoware constituted 11% and 6% respectively. The growth of this market can be attributed to factors such as increasing disposable incomes, changing lifestyle preferences, and the increase in nuclear families.

*Exhibit 2.10: Category wise share- Indian Consumer Houseware Market*



Source: Technopak Analysis.

**Note-Houseware includes- Hydration** (Includes Bottles, jugs, flasks made of plastic, steel, glass, mix of materials, insulated etc.). **Cookware** (Includes Cooking range of pans, cookers, kadhais etc made of steel, non-stick, cast iron, aluminium etc). **Insulated Ware** (Includes casseroles made of plastic, steel, mix of materials). **Lunchboxes** (Made of plastic, steel, glass, mix of materials). **Storage containers** (Made of plastic, steel, glass, mix of materials).

### 2.3.1 Hydration

The hydration category encompasses products for storing and serving beverages like water, juice, tea, and coffee, both hot and cold. They're crafted from various materials such as glass, plastic, stainless steel, and ceramic. Water bottles, available in different shapes and sizes made from plastic, stainless steel, or glass, are a popular choice for on-the-go hydration. Additionally, hydration products include insulated flasks and jugs designed to maintain drink temperatures for longer periods. Insulated flasks are ideal for carrying hot beverages like coffee or tea, while insulated mugs are suitable for both hot and cold drinks.



The Hydration market constituted 28% of the total houseware market in FY 2023. The market size is projected to reach INR 10,967 Crore, growing at a CAGR of 14.8% from FY 2023 till FY 2028.

The Hydration market is organised with some of the key players being brands such as Borosil, Cello, Milton and Tupperware. These brands offer a range of hydration products such as water bottles, insulated flasks, and mugs, in different sizes, shapes, and materials. The popularity of these products has increased in recent years due to the growing awareness about the importance of staying hydrated, as well as the convenience and portability offered by hydration products. This category is expected to grow in the coming years, driven by factors such as increasing health awareness, the rise of the fitness industry, and the growing popularity of outdoor activities. Additionally, rising ownership per person, driven by the need for personal/customizable hydration products and their versatility, further adds to the market expansion.

### 2.3.2 Cookware

Cookware comprises kitchen products for cooking food on a stove or in an oven, including frying pans, saucepans, stockpots, and pressure cookers. Made from materials like stainless steel, aluminium, cast iron, copper, and ceramic; each material offers unique properties. Stainless steel is favoured for its

durability and ease of cleaning, while cast iron excels in heat retention. Copper conducts heat well, and ceramic is valued for its non-stick properties. In the Indian market, prominent brands like Borosil, Cello, Prestige, Hawkins, Pigeon, and Vinod Cookware offer a diverse range of products to suit various cooking needs. The category has been continuously evolving with new materials, designs, and technologies to meet consumer preferences.



The Cookware market constituted approximately 41% of the Indian Consumer Houseware Industry in FY 2023 and is expected to grow at a CAGR of 6.5% from INR 7,992 Crore in FY 2023 to reach a market value of INR 10,854 Crore in FY 2028.

### 2.3.3 *Thermoware*

Thermoware is a category of products designed to keep food and beverages hot or cold for an extended period. It is commonly made of plastic, glass, or stainless steel and uses insulation technology to maintain the temperature of the contents and is popularly known as Thermoware amongst the customers. Thermoware products include vacuum flasks, insulated water bottles, lunch boxes, and food containers i.e. casseroles. These products are ideal for those who prefer to carry homemade food and beverages to work, school, or while travelling. The key benefit of Thermoware (Insulatedware) is that it allows users to enjoy hot or cold food and drinks without the need for heating or cooling, making it a convenient option for people on the go. Key players in this category in India include Borosil, Cello, Milton, and Tupperware. These brands offer a range of Insulated Ware products in different sizes, designs, and materials to cater to a variety of customer needs and preferences.

*Note-* For market sizing, Casseroles have been included in Insulated Ware, as insulated bottles/flasks have been taken in Hydration, while insulated lunchboxes are in the category of Lunch Boxes.



The Thermoware market constituted ~6% of the Indian Consumer Houseware Industry in FY 2023 and is projected to grow at a CAGR of 9.7% from FY 2023 (INR 1,250 Crore) till FY 2028 to reach a market value of INR 1,986 Crore.

### 2.3.4 *Lunch Boxes*

Lunch boxes are containers used to carry food for consumption away from home. They come in various sizes, designs, and materials such as plastic, stainless steel, and glass. Lunch boxes are popular in India due to the culture of carrying home-cooked meals to work or school. Some lunch boxes also come with insulated containers that help to keep food warm or cold for extended periods. Key players in the Indian market for lunch boxes include brands such as Milton, Tupperware, Cello, Signoraware and Borosil.



The Lunch Boxes market constituted approximately 11% of the Indian Consumer Houseware Industry in FY 2023. It has grown at a CAGR of 7.2% from INR 1,739 Crore in FY 2020 to INR 2,000 Crore in FY 2022. In FY 2023, the market size was INR 2,200 Crore and is further expected to grow at a CAGR of 11.7% from FY 2023 till FY 2028 to reach a market value of INR 3,826 Crore.

### 2.3.5 Storage Containers

Storage containers are used to keep food fresh and to store dry food items such as cereals, pulses, and spices. These containers come in various sizes and materials such as plastic, glass, and steel. Some storage containers are stackable, airtight, and leak-proof, making them convenient for use in the kitchen and for carrying food while traveling. Key players in the Indian market for storage containers include brands such as Tupperware, Borosil, Milton, Cello, and Lock & Lock.



The Storage Container market constituted approximately 14% of the Indian Consumer Houseware Industry in FY 2023 and is expected to grow at a CAGR of 12.3% from FY 2023 till FY 2028 to reach a market value of INR 4,719 Crore.

#### ***Branded Play in Consumer Houseware Market***

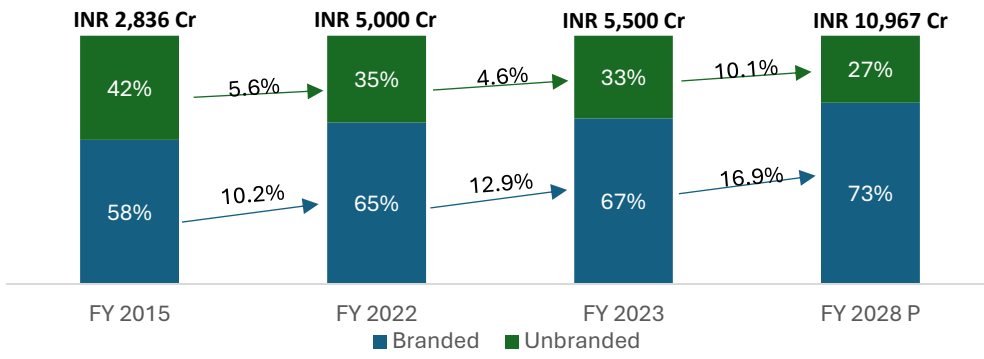
Categories like Hydration, Thermowareware, Lunch Boxes had a higher share of branded play in the market in FY 2023, whereas categories like Cookware and Storage Containers are mostly unbranded.

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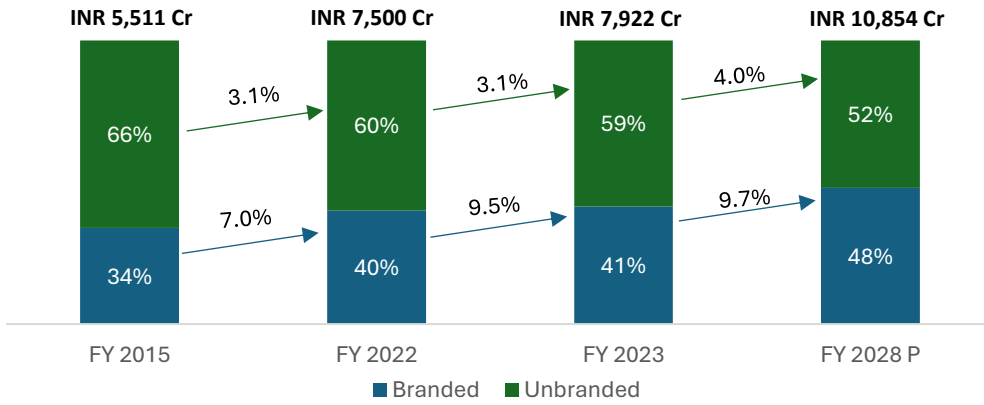
*Exhibit 2.16: Category wise share of branded play in Indian Consumer Houseware Market*

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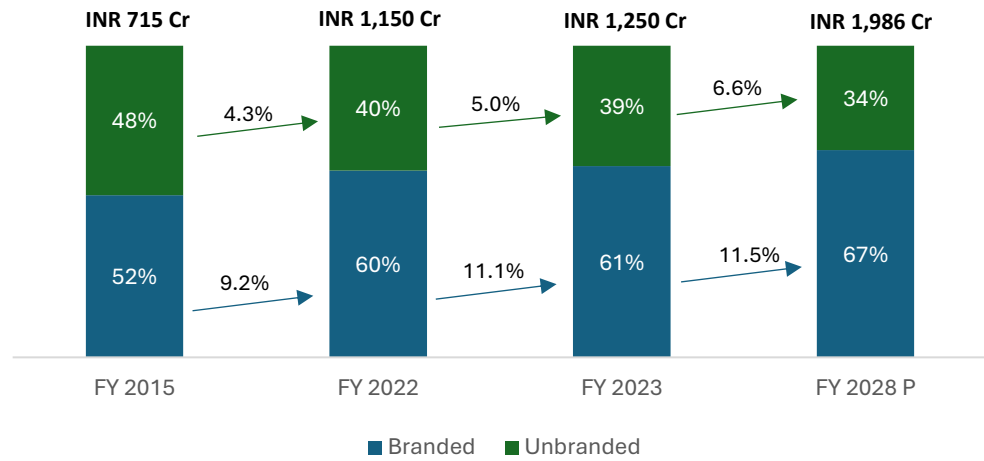
### Hydration

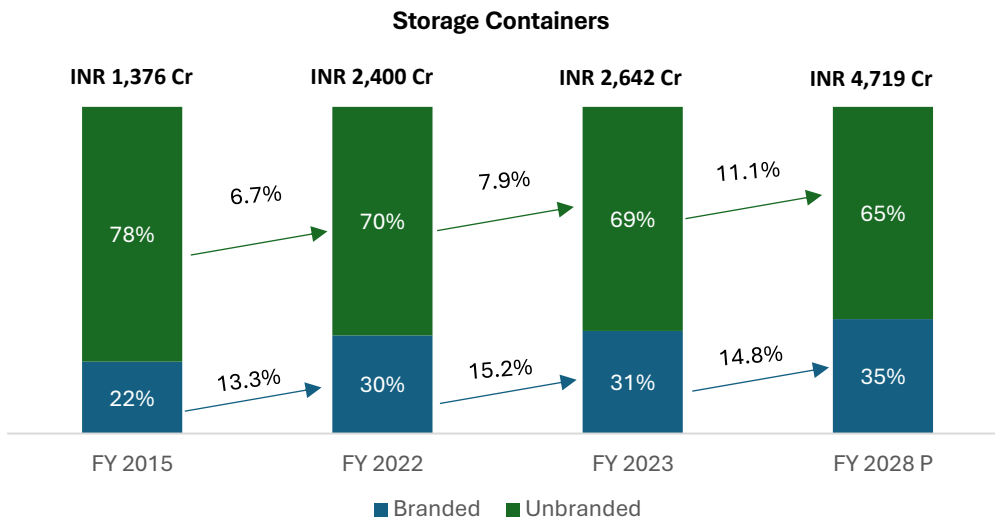
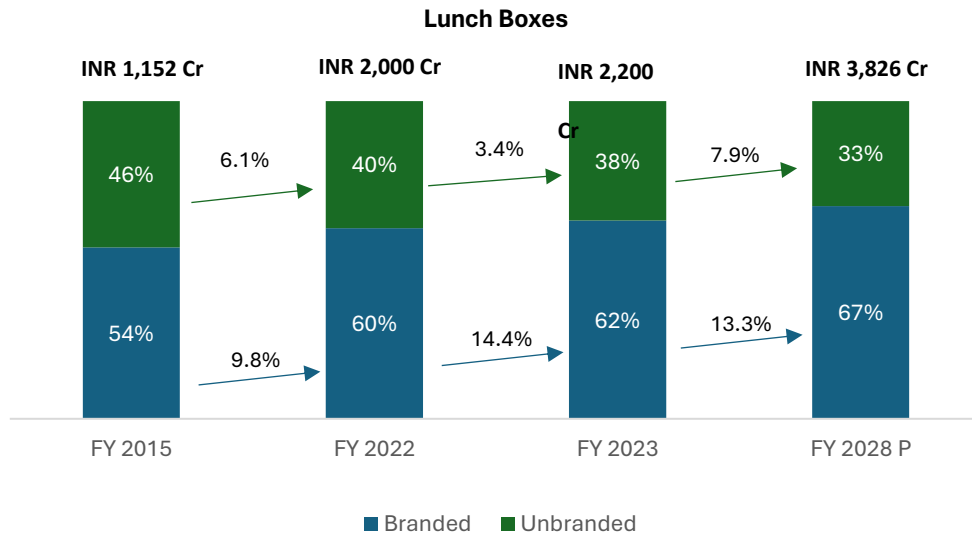


### Cookware



### Thermoware





Source: Technopak Analysis

**Note- Hydration** (Includes Bottles, jugs, flasks made of plastic, steel, glass, mix of materials, insulated etc.). **Cookware** (Includes Cooking range of pans, cookers, kadhais etc made of steel, non-stick, cast iron, aluminium etc). **Thermoware** (Includes casseroles made of plastic, steel, mix of materials). **Lunchboxes** (Made of plastic, steel, glass, mix of materials). **Storage containers** (Made of plastic, steel, glass, mix of materials).

## 2.4 Consumer Glassware Market

The Indian Glassware market was valued at INR 4,020 Crore in FY 2023. The market size was INR 3,070 Crore in FY 2020, and it experienced a CAGR of 8.7% to reach INR 3,630 Crore in FY 2022. By FY 2028, the market is projected to reach INR 8,070 Crore, with a CAGR of 15.0% over the five years.

### **Branded Vs Unbranded**

As of FY 2023, branded play constituted nearly 64% (~INR 2,554 Crore) of the Glassware market in India. This represents a significant increase from the market share of around 55% (~INR 1,048 Crore) recorded in FY 2015, reflecting a notable CAGR of 11.8% for the branded market. The branded play is estimated to capture ~70% (~INR 5,639 Crore) market share by FY 2028. The branded market is growing at a higher rate compared to the unbranded market driving the growth of this segment.

### 2.4.1 Sodalime

Sodalime is a type of glass-ceramic that is produced with silica, soda and lime. It is durable, relatively less expensive, chemically stable, hard and ideal for recycling. Sodalime is generally microwave and

dishwasher safe and convenient to handle and use. The category includes a range of products such as mixing and serving bowls, plates, mugs, storage containers etc. and is widely used in India.



The Sodalime market constituted a share of approximately 34% of the Indian Consumer Glassware Industry in FY 2023.

#### **2.4.2 Borosilicate**

Borosilicate is a type of glass that is created by mixing and melting boric oxide, silica sand, soda ash and alumina. It is known for its durability, scratch resistance, resistance to chipping and does not turn cloudy like regular glass. It is completely chemically inert and 100% recyclable making it an eco-friendly choice. Borosilicate is microwave and dishwasher safe along with being flame proof and freezer proof. The category includes a range of products such as serveware, glasses, mugs etc. and is widely used in India. Borosil is the market leader in the Borosilicate glass segment with ~58% market share. Other key players are LaOpala, Cello, Milton, Roxx etc.



The Borosilicate market constituted a share of approximately 10% of the Indian Consumer Glassware Industry in FY 2023.

#### **2.4.3 Crystalware**

Crystalware is a transparent glass material with added metal oxide that keeps intact its integrity when cut or blown. It is known for its scratch resistance, durability and clarity. Crystalware is microwaveable, dishwasher safe and freezer proof. The category includes a range of products such as whiskey glasses, glass tumblers, jugs etc. Players in the Crystalware category in India include brands such as, La Opala, Roxx etc. Lifestyle players like M&S, Nestasia and Bohemia by Tata Cliq also sell Crystalware in India.

The Crystalware market constituted a share of approximately 2% of the Indian Consumer Glassware Industry in FY 2023.





#### 2.4.4 *Opalware*

Opalware is toughened glass with a distinct pristine white colour. Using German technology, Opalware is made from opal glass using a thermal process that increases the resistance of the material to be scratch and chip resistant, and nearly three times more robust. Opalware is also microwave and dishwasher safe, which adds to its convenience. The category includes a range of products such as plates, bowls, cups, and saucers, and is widely used in India. Players in the Opalware category in India include brands as, La Opala, Larah by Borosil, Corelle, Cello, Luminarc etc.



The Opalware market constituted a share of approximately 34% of the Indian Consumer Glassware Industry in FY 2023. Opalware category is dominated by large players like La Opala, Borosil and Cello, with Borosil having ~26% market share in FY 2023.

#### 2.4.5 *Porcelain*

Porcelain is a type of ceramic dinnerware that is known for its strength, translucency, and delicate appearance. It is made from a mixture of kaolin, feldspar, and quartz, and is fired at high temperatures to achieve its hardness and resistance to chipping. Porcelain dinnerware is often decorated with intricate designs and patterns and is a popular choice for formal occasions and events. The category includes a range of products such as plates, bowls, and tea sets. Players in the Porcelain category in India include brands such as Noritake, Ariane, Cello, Hitkari etc.



The Porcelain market constituted a share of approximately 4% of the Indian Consumer Glassware Industry in FY 2022 and is expected to grow at a CAGR of 15.6% from FY 2022 till FY 2028 to reach a market value of INR 426 Crore.

#### 2.4.6 *Bonechina*



Bonechina is a type of glass ceramic that is made with kaolin clay, feldspar and calcium phosphate. It is light in weight and extremely strong with scratch resistance for carefree durability and has a high-level of whiteness and translucency. The category includes a range of products such as cups & mugs, plates, mixing and serving bowls etc. and is widely used in India. Players in the Bonechina category in India include brands such as Borosil, LaOpala, Treo, Clay Craft etc



The Bonechina market constituted a share of approximately 15% of the Indian Consumer Glassware Industry in FY 2023. Borosil makes 100% vegetarian and completely bone ash free Bonechina, along LaOpala and Treo.

#### ***Branded Play in the Consumer Glassware Market***

Branded players enjoy a multitude of advantages in the Indian Glassware market, such as strong brand recognition, economies of scale, well-developed distribution networks, research and development capabilities, and larger marketing budgets. These advantages have resulted in a branded share of ~81% for Porcelain and ~91% for Opalware, while Glassware has 51% of branded sales. With these benefits, branded players have been able to build trust and loyalty among consumers, price their products competitively, introduce new and innovative products, and effectively promote their brand.

#### ***Supply Constraints, manufacturing capabilities & Import in the Indian Consumer Glassware Industry***

Indian Consumer Glassware market imported products valued INR ~12 Bn in CY 2022. Glassware products constituted ~ 71% of the total imported value. Opalware and Melamine constituted ~19% and ~10% respectively.

The glassware industry in India is influenced by several interconnected dynamics that impact the glassware products in the market. One of the primary challenges faced by the industry is the limited manufacturing capacity, coupled with a shortage of skilled labour. This combination hinders manufacturers from meeting the growing market demand, resulting in supply shortages. Manufacturers face restrictions due to insufficient production lines and constrained capacities, limiting their ability to scale up operations effectively.

Raw material availability plays a crucial role in glassware production as it relies on various raw materials such as silica, soda ash, limestone, and chemicals. Disruptions in the supply chain of these materials can lead to supply constraints, affecting the manufacturing of glassware. Furthermore, the reliance on imported raw materials makes the industry vulnerable to changes in import policies, customs regulations, or trade disputes. Any disruptions in the import of these raw materials can further exacerbate supply constraints and hinder the overall availability of consumer glassware.

Import dependencies add another layer of complexity to the industry dynamics. India heavily relies on imported glassware to meet domestic demand. Changes in import policies, customs regulations, or trade disputes can have a significant impact on the availability of imported glassware products. Any restrictions or delays in imports can create supply constraints, resulting in a limited availability of consumer glassware in the market. These import dependencies, combined with potential disruptions in the supply chain, contribute to the challenges faced by the glassware industry in meeting the demands of the market.

Moreover, logistics and distribution present their own set of challenges. Inadequate transportation infrastructure, encompassing road networks, warehouses, and distribution centres, hinders the seamless

flow of glassware from manufacturers to retailers. This results in delays, directly influencing the availability of glassware in the market. Transportation disruptions, such as strikes, fuel shortages, or natural disasters, compound the issue by causing significant delays and interruptions in product delivery. These disruptions further exacerbate supply constraints, impeding the timely availability of glassware products.

### Price Segmentation in Consumer Glassware Industry

The Consumer Glassware Industry can be classified into three distinct price segments - economy, mid-premium and premium - based on price points. Effective segmentation strategies based on the various raw materials used can help companies create more targeted product offerings and pricing structures, thereby better serving their customer base and capturing greater market share.

Exhibit 2.27: Segmentation of Indian Consumer Glassware Market basis Price

Players	Product	Economy	Mid-Premium	Premium
Borosil	Opalware	✓✓✓	✓	✓
	Porcelain	-	-	-
	Glassware	✓	✓✓✓	✓
Cello	Opalware	✓✓✓	✓	-
	Porcelain	-	✓✓	-
	Glassware	✓✓	✓	✓
Milton	Opalware	-	-	-
	Porcelain	-	-	-
	Glassware	✓✓✓	✓	✓
La Opala	Opalware	✓✓	✓✓✓	✓
	Porcelain	-	-	-
	Glassware	✓✓	✓	-

Note- For comparison purposes, Milton's brand Treo is considered here for the glassware category. The number of ticks indicate the presence and the degree of concentration of the SKUs sold in each category.

Bifurcations of Bone China is not available on players' websites

Source – Secondary research, Technopak Analysis

### Key Players

Borosil is amongst the largest Consumerware brands in the Indian Consumerware Market with an overall revenue of INR 1,027 Crore in FY 2023. It has held a prominent market position in the consumer products industry supported by its experience, new product development and consumer understanding. The company offers a diverse range of products in the Glassware, Non-glassware and Opalware categories. Cello, Milton, TTK Prestige are other leading players in this segment.

Exhibit 2.28: Key Players in the Indian Consumerware Market

Player	FY 2023 Revenue^ (INR Cr )	FY 2023 Gross Margin	FY 2023 Marketing Spend	No of distributors	Reach (No of retail outlets)
Borosil	1,027	59.8%	6.2%	~273	23,500+
La Opala	452	82.5%	3.0%	~200+	~20,000+
Tupperware	176	65.0%	6.1%	~55,000+ Direct Sellers	107 EBOs
Cello World	1,797	50.2%	2.2%	700+	~58,000+
Milton*	2,368	41.5%	3.7%	NA	~57,000
TTK Prestige	2,777	40.2%	5.2%	15,500+ dealers and 600+ distributors	680+ Stores
Bajaj Electricals	5,429	31.6%	2.5%	700+	~2,00,000 retailer network
Stovekraft	1,284	32.7%	2.7%	600+	82,767+ Retail touchpoints, 150 EBO's
Havells	16,911	30.8%	2.6%	~18,000	~2,47,000 retailers,

Source: Technopak Analysis. \*FY 2022 data.

^Revenue of all players pertains to the overall revenue of the company and is not specific to Consumerware division.

Note: Cello World, LaOpala and Borosil financials pertain to consolidated numbers.

## Key growth drivers of the Indian Consumerware Market

- **Demographic Shifts Shaping Kitchen Dynamics:** The prevailing trend in the Consumerware sector reflects a demographic shift, with individuals of all ages and genders actively participating in kitchen responsibilities. The surge in working women, driven by urbanization and the nuclearization of families, has altered kitchen dynamics, prompting a demand for streamlined, aesthetically pleasing, and time-efficient kitchen tools. This shift fuels the increasing demand for Consumerware products, ranging from Electric Kettles and Coffee Makers to Egg Boilers and Bread Makers.



- **Evolving Consumer Landscape – Enhanced Spending and Accessibility:** The Indian consumer has evolved significantly over time, particularly in the Consumerware segment, where there has been an increase in discretionary spending on products that are easy to handle and operate. Increased availability of products due to the expansion of online platforms, as well as the launch of exclusive and multi-brand outlets in tier II and III cities, providing greater access to different brands and product offerings. This gives the consumers the option to compare the product quality with each other and make better buying decisions which ultimately creates discretionary demands.
- **Increasing ownership of products per person:** The nuclearization of families and a growing working-class population have led to a rise in product ownership per person or household. Consumers now seek better-organized and functional kitchen setups, driving an overall surge in demand for Consumerware. For instance, personalized bottle ownership for cooling in fridges and distinct Consumerware purchases based on occasions and cuisines signify this ownership surge. Also, consumers are buying Consumerware products basis occasion, cuisine etc. for example, separate plates for pasta, separate glasses for wine/beer etc.
- **Shifting Consumer Awareness towards non-toxic materials:** The rising consumer awareness regarding health and environmental concerns associated with plastic containers is driving a significant shift towards premium, non-toxic materials like steel and glass in the Indian Consumerware market. This trend reflects growing concerns about chemicals leaching into food, environmental pollution, and a desire for safer, more sustainable options. Businesses in the consumerware industry are expanding their offerings to meet this demand, emphasizing sustainability and health-consciousness in product development and marketing strategies to capitalize on this evolving consumer preference.
- **Shift towards innovative and creative products, aesthetics of products:** A shift towards stylizing Consumerware as part of an aspirational lifestyle is evident. Compact and creatively designed Consumerware products, introduced for small homes, apartments, and travel purposes, are gaining popularity. E.g. Spin-n-store is an indigenously designed patented product by Borosil, which helps the customers in compact storage of pantry items, Vegetable and Fruit Cleaner by Cello claims to remove harmful substances from fruits and vegetables which may include chemicals and thus, helps to keep check on health. Opal and Crystal Glassware by La Opala does not contain any Bone Ash in its manufacturing process and is made up of non-porous materials which is completely hygienic and safe for human use, Woofer tiffin range by Milton has smart features such as an enabled Bluetooth speaker, phone call facility, volume adjustment feature etc. and is light and easy to carry around.
- **Shorter Replacement Cycle Increasing replacement rates:** Consumers moving into new houses

or re-modelling their existing homes often prefer the latest collections to match the interior of their kitchens that increases the replacement demands of the products. Also, the health and safety concerns of the material used in the product manufacturing is a replacement factor in this segment. People are now more aware of the products. New innovations, aesthetics, colour and design along with various offers and discounts on the products are other factors that lead to impulse buying in this segment. For e.g. Consumers are shifting towards glassware products to enhance the aesthetics of the kitchen and good quality stainless steel products which are healthy to use over any other products. Borosil, Cello, Milton, La Opala etc. offer wide variety of these products to choose from.

- **Gifting trends:** Gifting of Consumerware products have always been a key trend over the years be it a housewarming gift, a wedding gift etc. Customers often prefer to purchase Consumerware products as gifts for occasions like weddings due to their affordability, attractive colours and designs, and practical utility in the kitchen rather than passing it as a gift to someone else. Many brands offer their Gifting collection as a separate product category to provide that extra comfort and variety to choose from for the consumers. For e.g. Borosil, La Opala, Cello etc. offer gifting range.
- **Loyalty to established brands:** In the Indian Consumerware market, consumer loyalty predominantly resides with well-established brands such as Borosil, Cello, Milton, Tupperware as compared to new-age brands entering the market. These known brands have built a strong reputation over the years and enjoy the trust and familiarity of consumers as there is a certain reliability, quality, and brand equity associated with established players.



### Key restraints/ Risk Factors in the Indian Consumerware Market

- **Shifting customer preferences:** The ever-evolving landscape of Consumerware witnesses continuous shifts in consumer preferences, encompassing product quality, color, design, and aesthetics. In the contemporary market, consumers are discerning and well-informed, actively comparing brands before making purchases. This places additional cost pressures on smaller manufacturers, compelling them to vigilantly monitor changing trends and consistently identify new product lines to maintain a competitive edge.
- **Macro-Economic factors:** The situations of economic constraints such as COVID-19 crisis or lower than expected GDP growth etc. can lead to job losses and in turn reduce spending on non-essential goods by the consumers. This affects the Consumerware segment as consumers postpone purchases of premium products and focus on necessities due to decreased discretionary spending. Consequently, the overall demand for such products decreases, impacting the sector.
- **Increased Competition:** The emergence of new players offering similar product categories has increased competition in terms of product quality, pricing, color, and design. India's mass-economy market demands value products, and lower-priced goods can disrupt the market with aggressive pricing and heavy discounts in E-commerce sales. Competitors are introducing innovative products at reasonable prices, intensifying overall market competition, and affecting profit margins for players.
- **Volatility in raw material commodity prices:** The Consumerware industry relies on raw materials like steel, whose prices are linked to the global commodity market. Fluctuations in global demand, supply, and currency exchange rates can increase the base price for players. Raw materials like plastic and glass are largely imported from China, so any price changes in

China's Price Index affect material prices for other importing countries. Established companies like Borosil, Cello, La Opala, Milton etc can pass on higher raw material costs to consumers due to their strong brand, but failure to do so may impact operating margins and create pressure in the near term.

- **Presence of Unbranded players:** There are several unbranded players present across various categories in the Consumerware segment that sells through unorganized market and E-commerce platforms. Owing to the cheap prices and similar-looking product offerings, they occupy a noticeable market share in this category.
- **Change in Geo-political situation:** The relationship between countries often plays a crucial role in the domestic market. Any disruptions or stress may have an adverse impact and could pose a considerable risk for the consumer business especially when one country is dependent on the other for raw materials etc. It may create disruptions in the supply chains leading to delays in procuring raw materials, finished products or capital goods, gaps in fulfilment of demands and project implementation. In the Consumerware segment in India, considerable number of products and raw materials are being imported from China and political relations often impact trade posing as a risk factor.

### 3. Indian Kitchen Appliances Industry

#### 3.1 Industry Overview

##### Global Kitchen Appliances Market Size

Kitchen appliances are devices such as microwaves, cooker hoods, hobs, juicers, food processors etc., which are used in kitchen for preparation, cooking and storage of food. These are primarily operated using electricity or gas. These appliances are intended for smooth functioning of kitchen activities and are timesaving, cost-saving and energy efficient. Globally, at present, there is a substantial increase in the demand for kitchen appliances, because of factors like urbanization, increase in disposable income, increasing workforce etc. As of CY 2022, Global Kitchen Appliances market size stood at USD 109 billion and is expected to grow at a CAGR of 1.8% to reach USD 121 billion by CY 2028.

##### Indian Domestic Kitchen Appliances Market Size

The Indian domestic kitchen appliances market was valued at INR 20,510 crore\* as of FY 2023. In the period between FY 2020 and FY 2022, the market expanded from INR 16,700 crore to INR 19,440 crore, at a CAGR of 7.9%. It is projected that the market will reach INR 30,840 Crore by FY 2028, with a projected CAGR of 8.5% between FY 2023 and FY 2028.

*\*All the market value figures in this report are at the consumer price level, unless otherwise specified.*

The reason for the high growth rate of kitchen appliances can be attributed to increasing population, rising disposable income of people, increasing urbanization, rising penetration of E-commerce, technological advancements etc.

The kitchen appliances market in India has been steadily moving towards branded play. The consolidation of branded play for the kitchen appliances market over unbranded play is driven by both demand and supply side factors. On the demand side, rise in consumer disposable income, improving living standards, shift in consumer preference towards technologically advanced and innovative products etc. are pivoting the market towards branded play. On the supply side, technological interventions, various brand building initiatives by branded players, GST implementation and branded player's strong distribution network servicing extensive retail footprints are pivoting the market towards branded play.

As of FY 2023, branded play controlled nearly 78% (~INR 16,000 crore) of the kitchen appliances market in India. This represents a significant increase from the market share of around 70% (~INR 8,360 crore) recorded in FY 2015, reflecting a notable growth trajectory for the branded market. The branded play is estimated to capture ~82% (~INR 25,300 crore) market share by FY 2028.

Indian kitchen appliances market can be segmented to large kitchen appliances and small kitchen

appliances. Large kitchen appliances consist of hobs, cooker hood, microwaves, ovens etc. and small kitchen appliances consist of grinder, juicer, food processor, toaster, air fryer, rice cooker etc. As of FY 2023, the share of branded play in large kitchen appliances market was ~79%, having increased from ~71% in FY 2015. It is estimated to capture 84% of the market by FY 2028. Similarly, the share of branded play in the small kitchen appliances market was ~76% in FY 2023, having increased from ~68% in FY 2015. It is projected to reach ~79% by FY 2028.

### **Key sub-categories of Kitchen Appliances**

#### ***By Product Type***

Based on product type, Indian kitchen appliances market can be segmented into large appliances and small appliances. Large appliances consist of hobs, cooker hood, microwaves, ovens etc. and small appliances consist of grinder, juicer, food processor, toaster, air fryer, rice cooker etc. As of FY 2023, large and small kitchen appliances constituted ~60% (INR 12,355 crore) and ~40% (INR 8,155 crore) respectively of the Indian kitchen appliances market by value. In the period between FY 2020 and FY 2022, the market of large kitchen appliances in India expanded from INR 10,180 crore to INR 11,770 crore, at a CAGR of 7.5%, whereas the small kitchen appliances' market expanded from INR 6,520 crore to INR 7,670 crore, at a CAGR of 8.5%. It is projected that by FY 2028, large and small kitchen appliances would be constituting ~57% (INR 17,700 crore) and ~43% (INR 13,140 crore) of the Indian kitchen appliances market by value, growing at a CAGR of ~7.5% and ~10% respectively between FY 2023 and 2028.

In the large kitchen appliances segment, freestanding hob (gas + induction) constituted the majority share of ~48% as of FY 2023. Freestanding hobs are standalone gas stove / induction cooktop units, which are portable and can be moved to any area of the kitchen. On the other hand, built-in hobs, which are gas stove / induction cooktop design that is integrated into the kitchen countertop constituted ~5% of the market as of FY 2023. Cooker hood which is a device hanging above the stove or cooktop that consists of a mechanical fan for removing steam, smoke etc., constituted ~26% of the large kitchen appliances market in India as of FY 2023. An OTG (Oven, Toaster and Griller) is a kitchen appliance, which is used to bake, grill and barbecue food. Microwaves are electric ovens that are primarily used to quickly heat meals and quickly perform time consuming operations like heating food, drinks etc. Microwaves and OTGs are of two types: freestanding and built in. Freestanding microwaves and OTGs are standalone units, which are portable, easier to install and generally less expensive, whereas built-in microwaves and OTGs are integrated into a kitchen cabinet or into a fixed wall. As of FY 2023, freestanding microwaves and OTGs together constituted ~18% of the large kitchen appliances market in India. TTK Prestige, Bajaj, Havells, Stovekraft etc. are some of the leading players in the large kitchen appliances market.

In the small kitchen appliances segment, blender/ mixer and grinder together constituted the majority share of ~64% as of FY 2023. A blender/ mixer is primarily designed for blending, mixing soft food items and liquids, whereas a grinder is primarily used for grinding hard food items into smaller particles or powder. A food processor is an electric kitchen appliance that cuts, slices and mixes food quickly. As of FY 2023, food processors constituted ~16% of the small kitchen appliances market in India. Rice cookers, which are used to boil or steam rice, constituted ~7% of the Indian small kitchen appliances market. Philips, Bajaj, TTK Prestige, Borosil, Cello, Milton, Havells etc. are some of the leading players in the small kitchen appliances market.

In India, the penetration of key kitchen appliances is very low as compared to other developed economies. For example, the penetration of microwaves in India is at less than 4% of the households as of CY 2023. On the other hand, the household penetration of microwaves in US and Japan are ~90% and ~100% respectively. Such low level of penetration of key kitchen appliances in India indicates an immense headroom for growth in future.

### **Key Players in the Industry**

TTK Prestige, Stovekraft, Havells and Bajaj Electricals are some of the leading players in the market. TTK Prestige exhibited growth rates of 12% and 5% respectively in Induction Cooktop and Pressure Cooker categories between FY 2022 and FY 2023. Similarly, Stovekraft exhibited growth rate of 8% and 10% respectively in Induction Cooktop and Pressure Cooker categories between FY 2022 and FY 2023.

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*Exhibit 3.8: Growth rates of various categories between FY 2022 and 2023 for TTK Prestige and*

Category	TTK Prestige (FY 23 Revenue) in INR Cr.	TTK Prestige (FY 22 Revenue) in INR Cr.	Growth Rate (FY 22-23)	Stovekraft (FY 23 Revenue) in INR Cr.	Stovekraft (FY 22 Revenue) in INR Cr.	Growth Rate (FY 22-23)
Pressure Cooker	827	786	5%	302	274	10%
Gas Cooktops	333	340	-2%	118	134	-12%
Induction Cooktop	288	257	12%	161	149	8%

Source – Technopak Analysis

To capture a significant share in the kitchen appliances market, it is important for players to employ an omni-channel distribution strategy. It provides them with deeper penetration into the market. Leading kitchen appliances brands are present across multiple sales channels such as general trade, modern trade, E-commerce etc. For instance, Stovekraft, one of the leading players in kitchen appliances market has an extensive distribution network of 600+ distributors spread pan-India and has ~82,767 retail touchpoints as on FY 2023. The brand is also present in various marketplaces such as Amazon and Flipkart.

### **Trends Shaping Indian Kitchen Appliances Market**

#### ***Shift towards premium and smart kitchen appliances***

Indian kitchen appliances market is witnessing increased demand for premium products having good functionalities, because of increase in purchasing power of the people, due to increase in their disposable income. Additionally, there has been an increase in demand for smart kitchen appliances as consumers are willing to spend more in order to have a more comfortable experience while cooking. Owing to such a shift in demand, kitchen appliance manufacturers are coming up with new products, having advanced features such as IoT-enabled appliances that help in accessing the product remotely and aid the user in saving time in kitchen.

#### ***Brand building initiatives by branded players***

Companies in the kitchen appliances industry are further strengthening their brand presence through various brand building activities like ATL and BTL marketing. Marketing campaigns focused on safety, durability and energy efficiency are being designed by companies to increase brand awareness. Television, print, outdoor (billboards, movie theatres), digital media, celebrity endorsements etc. are being used as marketing mediums for ATL brand building. Companies are also undertaking BTL marketing initiatives such as in-store promotions, direct mail campaigns etc., that help them to reach out to customers personally.

#### ***Distribution and reach of branded players***

Branded players, through their strong distribution network servicing extensive retail footprint, have been able to cater to a broad segment of customers, ranging from Metro and Mini Metro cities to tier III and beyond cities. This has accelerated the growth of branded play in the market.

#### ***Increasing penetration of e-commerce***

With the advent of e-commerce, the buying behavior of consumers for kitchen appliances has been transformed to a certain extent. Now the customers are purchasing products right from the comfort of their homes on various marketplaces or on company's websites. Through these websites, they are getting an option for a wide range of products at competitive price levels with convenient delivery options. As of now, the e-commerce segment for kitchen appliances constitutes a significant share of ~12-15% of the total sales mix.

## **3.2 Key growth drivers for Indian Kitchen Appliances Market**

### ***Increasing Population***

Population of India has been steadily growing over the years. It was ~1.35 billion in CY 2017, which increased to 1.42 billion in CY 2022. Currently India is the most populous country in the world. As per IMF projections, India's population will continue to rise to 1.49 billion by CY 2027. Such growth in population is going to drive the demand for kitchen appliances in India in future.

### ***Rising disposable income***

Increase in the number of educated youths and growing middle class leads to an increase in disposable income, thereby increasing the purchasing power of people. Such rising disposable income of people are driving the demand for kitchen appliances in India.

### ***Urbanization***

Urban population of India has been consistently rising over the years, As of CY 2022, it stands at about ~35.5%. It is projected to reach ~40.9% by CY 2029. Further, the number of metropolitan cities in India are estimated to increase from 46 as per Census 2011 to 68 in CY 2030. Such rapid urbanization is going to increase the demand for residential houses, which in turn is going to drive the growth of kitchen appliances in India.

### ***Nuclearization***

In India, the growth rate in the number of households has exceeded population growth, indicating an increase in nuclearization. The average household size has reduced from 5.3 in CY 2001 to 4.2 in CY 2021 and is further projected to reduce to 3.9 by CY 2030. India is projected to have ~386 million households by CY 2030, increasing from ~317 million households as of CY 2021. Growing nuclearization leads to an increase in the number of households, thereby creating a strong demand for housing units, which would drive the demand for kitchen appliances in India.

### ***Increasing health consciousness among consumers***

Consumers are increasingly becoming health conscious nowadays, because of which they are preferring healthy cooking methods and are looking for appliances that support healthier meal preparation such as air fryers, blenders etc. Such increase in the number of health-conscious consumers, is also going to drive the kitchen appliances market in India.

### ***Growth in double income households***

With growing employment opportunities for both men and women, there has been an increase in the number of double income households in India in the recent past. High disposable income and the non-availability of time to prepare healthy meals have compelled these households to look for convenient and efficient cooking solutions. Kitchen appliances offer fast and convenient ways to prepare and cook healthy food, thereby reducing the workload of tired working professionals. Henceforth, rising double income households are expected to contribute to the growth of the kitchen appliances market in India.

## **4. Operational Benchmarking**

### **Key Players & Product Categories**

The kitchenware and kitchen appliances industry have a wide range of product categories and a diverse price range. It includes sub-segments like Tableware (Plates, Bowls, Dinner sets, Tea sets, Glass sets, and others) Hydration, Cookware, Lunchboxes, Thermoware, and storage, which are made up of different materials such as steel, melamine, porcelain, glass, plastic etc. The players offer these products in various colours, designs, sizes etc. which define the assorted options available. Price ranges vary widely within a category due to varied prices for varied materials, functionality, style etc.

Borosil has a diverse range of products across different product categories, types of material, and price points enabling it to serve as a “one-stop-shop”, with consumers across all income levels purchasing their products. It is a prominent player in the consumer products market in India with a range of products across storage, cooking and serving solutions for a modern kitchen.



*Exhibit 4.1: Key Players and their Year of Inception*

Players	Year of Inception	Company Name
Borosil	1962	Borosil Ltd
Cello	1967	Cello World Ltd.
Milton	1972	Hamilton Housewares Pvt Ltd.
La Opala	1987	La Opala RG Ltd.
Tupperware	1996	Tupperware India Pvt, ltd
Corelle	1970	Corelle India Ltd.
Signorware	1981	M/s Techno Plastic Industries
Havells	1983	Havells India Limited
Bajaj	1938	Bajaj Electricals Ltd.
TTK Prestige	1955	TTK Prestige Ltd.
Stovekraft*	1994	Stovekraft Ltd.
Philips	1930	Philips India Ltd.
Inalsa	1996	Inalsa Appliances Ltd.

Source – Technopak Analysis. \* Stovekraft includes Pigeon, Black+ Decker and GILMA

### Distribution and Retail Network

With the objective of penetrating further into the market and enhancing the presence of the brands, companies are extending their tie-ups with Online Marketplaces, MBOs, and Traditional retail shops which remain the mainstay for sale of the Kitchenware industry.

*Exhibit 4.6: Distribution and retail touch points*

Players	Dealers/ Distributors	Retail Outlets
Borosil	273	~23,500
Cello	700+	58,000+
Milton	NA	~57,000
La Opala	~200	~20,000+
Tupperware	~55,000+ Direct Sellers	107 EBO's
Corelle	NA	NA
Signorware	NA	NA
Havells	~18,000	~2,47,000 Retailers
Bajaj	700+	~2,00,000 retailer network
TTK Prestige	15,500+ dealers and 600+ distributors	680+ Stores
Stovekraft	600+	82,767+ Retail touchpoints, 150+ EBO's
Philips	NA	NA
Inalsa	250+	~10,000

Source: Annual Reports and Secondary Research, Stovekraft includes Pigeon, Black+ Decker and GILMA NA- Not Available  
Note: All the above-mentioned players are National players

### Marketing Activities and Network of Influencers

To enhance their B2C presence and cultivate brand image, companies invest in brand-building through celebrity endorsements, TV show sponsorships, and sports associations. For instance, Borosil collaborated with Chef Harpal Singh Sokhi for offline and online promotion. Consumerware firms strive to attract consumers seeking lifestyle upgrades by emphasizing reliability in quality, pricing, and innovation. Employing online ads, TV commercials, and celebrity endorsements, they aim to engage customers and generate enthusiasm for their products and offerings.

*Exhibit 4.7: Key players and their Marketing Expenditure (FY2023)*

Players	Marketing Expenses (INR Cr.)	% of Revenue
Borosil	64.02	6.2%
Cello	39.99	2%
Milton (2021)	69.16	3.7%
La Opala	NA	NA
Tupperware	10.79	6.1

Players	Marketing Expenses (INR Cr.)	% of Revenue
Corelle	NA	NA
Signoraware	NA	NA
Havells	437	2.6%
Bajaj	1.35	2.5%
TTK Prestige	144	5.2%
Stovekraft	3.4	2.7%
Philips	154.5	2.69%
Inalsa	NA	NA

Source: Annual Reports and Secondary Research, NA- Not Available

### Channel-Wise Segmentation

Brands are strategically targeting diverse retail channels, encompassing direct selling, traditional trade, exclusive brand outlets (EBOs), multi-brand outlets (MBOs), and online platforms. While traditional retail channels and MBOs continue to wield significant influence, in the online sphere, particularly marketplaces, have emerged as a key channel. Notably, all brands have established their presence across these digital platforms, reflecting the evolving landscape of retail.

Exhibit 4.8: Brand Presence across Retail formats

Players	Direct Selling	Traditional Trade	MBOs	EBOs	Online
Borosil		✓✓	✓✓		✓✓✓
Cello		✓✓✓	✓✓		✓✓
Milton		✓✓✓	✓✓		✓✓
La Opala		✓✓	✓✓		✓✓✓
Tupperware	✓✓✓	✓	✓✓	✓✓	✓✓
Corelle		✓	✓✓		✓✓✓
Signoraware		✓✓✓	✓		✓✓
Havells	✓	✓✓✓	✓✓✓	✓✓✓	✓✓
Bajaj	✓	✓✓✓	✓✓✓		✓✓
TTK Prestige	✓	✓✓✓	✓✓	✓✓	✓
Stovekraft		✓✓	✓✓	✓✓	✓
Philips	✓	✓✓✓	✓✓		✓✓
Inalsa		✓✓	✓		✓✓

Source: Secondary Research, Stovekraft includes Pigeon, Black+ Decker and GILMA. NA- Not Available

Note: ✓✓✓ -High Presence, ✓✓ -Medium Presence, ✓ -Low Presence

## 5. Financial Benchmarking

### Revenue from Operations

The primary financial indicator for a company's financial performance is its revenue from operations. Borosil holds a prominent position in the Indian Kitchenware market, competing with other key players like Milton and Cello. In the Kitchen Appliance sector, Havells and TTK Prestige are notable participants.

Exhibit 5.1: Revenue from Operations for Key Players in INR Cr (in FY)

	2021	2022	2023	2024	CAGR 2021-24
Borosil	585	840	1,027	942	17.2%
<b>Kitchenware</b>					
La Opala	211	323	452	365	20.0%
Tupperware	160	149	176	NA	4.8%*
Cello World	1,049	1,359	1,797	2,000	24.0%
Milton	1,454	1,859	2,368	NA	27.9%*
<b>Kitchen Appliances</b>					
TTK Prestige	2,187	2,722	2,777	2,678	7.0%
Bajaj Electricals	4,585	4,813	5,429	4,641	0.4%

Stovekraft	859	1,136	1,284	1,364	16.7%
Havells	10,457	13,938	16,911	18,590	21.1%

Source: Annual Reports, Technopak Analysis

Note: NA= Not Available, na(1)= can't be calculated due unavailability, negative numerator, denominator or both.

Note: Borosil, Cello World financials, TTK Prestige, Bajaj Electricals, Stovekraft and Havells pertain to consolidated numbers.

Note: La Opala, Tupperware and Milton financials pertain to standalone numbers.

CAGR marked with "\*" is calculate for FY 2021-23 due to unavailability of FY 2024 financials.

Note: Financial Year 2024 reflects the impact of the demerger pursuant to the demerger scheme. However, the financial information for the Financial Years 2023, 2022 and 2021 does not reflect the effect of the demerger scheme and includes the financial performance of Consumer Products Business and Scientific & Industrial Products Business

### Gross Profit Margin

Cello World, Borosil, and La Opala emerged as the top three companies in the kitchenware segment based on gross profit in FY 2023. In the realm of kitchen appliances, Havells and Bajaj Electricals stood out as major players.

Exhibit 5.2: Gross Profit (INR Cr) and Gross Profit Margin (%) for Key Players (in FY)

Company	2021		2022		2023		2024		CAGR 2021-24
	Gross Profit	Margin	Gross Profit	Margin	Gross Profit	Margin	Gross Profit	Margin	
Borosil	341	58%	532	63%	615	60%	562	60%	18.1%
<b>Kitchenware</b>									
La Opala	154	73%	260	80%	373	83%	314	86%	26.8%
Tupperware	101	63%	94	63%	114	65%	NA	NA	6.2%*
Cello World	528	50%	681	50%	901	50%	1,052	53%	25.8%
Milton	587	40%	751	40%	983	42%	NA	NA	28.0%*
<b>Kitchen Appliances</b>									
TTK Prestige	918	42%	1,128	41%	1,116	40%	1,103	41%	6.3%
Bajaj Electricals	1,589	35%	1,522	32%	1,717	32%	1,380	30%	-4.6%
Stovekraft	301	35%	363	32%	420	33%	504	37%	18.8%
Havells	3,968	38%	4,516	32%	5,205	31%	6,021	32%	14.9%

Source: Annual Reports, Technopak Analysis

Gross Profit Margin = (Revenue from operations - COGS)

Gross Margin= Gross Profit Margin / Revenue from operations

COGS = Cost of Material Consumed + Purchase of Stock in Trade + Changes in Inventories

Note: NA= Not Available, na(1)= can't be calculated due unavailability, negative numerator, denominator or both.

Note: Borosil, Cello World financials, TTK Prestige, Bajaj Electricals, Stovekraft and Havells pertain to consolidated numbers.

Note: La Opala, Tupperware and Milton financials pertain to standalone numbers.

CAGR marked with "\*" is calculate for FY 2021-23 due to unavailability of FY 2024 financials.

Note: Financial Year 2024 reflects the impact of the demerger pursuant to the demerger scheme. However, the financial information for the Financial Years 2023, 2022 and 2021 does not reflect the effect of the demerger scheme and includes the financial performance of Consumer Products Business and Scientific & Industrial Products Business.

### EBITDA Margin

EBITDA margins serve as a significant metric for evaluating the profitability of companies in comparison to their competitors. They also help in benchmarking business performance against industry averages. La Opala consistently leads in terms of EBITDA Margin across all listed years.

Exhibit 5.3: EBITDA (INR Cr) and EBITDA Margin (%) Operations for Key Players (in FY)

Company	2021		2022		2023		2024		CAGR 2021-24
	EBITDA	Margin	EBITDA	Margin	EBITDA	Margin	EBITDA	Margin	
Borosil	99	17.0%	168	20.0%	151	14.7%	151	16.0%	14.94%
<b>Kitchenware</b>									
La Opala	76	36.2%	141	43.8%	194	42.9%	180	49.3%	33.00%
Tupperware	12	7.5%	13	8.5%	-4	-2.3%	NA	NA	Na(1)
Cello World	287	27.3%	350	25.7%	437	24.3%	534	26.7%	23.04%
Milton	245	16.9%	279	15.0%	336	14.2%	NA	NA	13.53%*
<b>Kitchen Appliances</b>									
TTK Prestige	344	16.3%	461	16.9%	404	14.6%	379	14.2%	3.27%
Bajaj	398	8.1%	305	6.6%	434	8.0%	346	7.5%	-4.53%

Electricals									
Stovekraft	115	13.3%	93	8.2%	95	7.4%	119	8.7%	1.23%
Havells	1,759	16.8%	1,921	13.8%	1,777	10.5%	2,092	11.3%	5.94%

Source: Annual Reports, Technopak Analysis

EBITDA Margin= EBITDA/ Revenue from Operations

EBITDA = Profit before Tax and exceptional item + Depreciation and amortisation expenses + Finance Cost

Note: NA= Not Available, na(1)= can't be calculated due unavailability, negative numerator, denominator or both.

Note: Borosil, Cello World financials, TTK Prestige, Bajaj Electricals, Stovekraft and Havells pertain to consolidated numbers.

Note: La Opala, Tupperware and Milton financials pertain to standalone numbers.

CAGR marked with "\*" is calculate for FY 2021-23 due to unavailability of FY 2024 financials.

Note: Financial Year 2024 reflects the impact of the demerger pursuant to the demerger scheme. However, the financial information for the Financial Years 2023, 2022 and 2021 does not reflect the effect of the demerger scheme and includes the financial performance of Consumer Products Business and Scientific & Industrial Products Business.

### PAT Margin

Profit after tax (PAT) and PAT margins are crucial indicators used to evaluate whether a company's operations are profitable after covering operating and overhead costs. In FY 2023, La Opala achieved the highest PAT margin of 27.2% among industry peers, followed by Cello World with a PAT margin of 15.9% for the same period. Borosil experienced a PAT growth of 15.86% over the FY 2021-24 period.

Exhibit 5.4: PAT (INR Cr) and PAT Margin (%) for Key Players (in FY)

Company	2021		2022		2023		2024		CAGR 2021-24
	PAT	Margin	PAT	Margin	PAT	Margin	PAT	Margin	
Borosil	42	7.2%	85	10.1%	90	8.8%	66	7.0%	15.86%
<b>Kitchenware</b>									
La Opala	50	23.5%	87	27.1%	123	27.2%	128	35.0%	37.09%
Tupperware	7	4.2%	7	4.5%	-8	-4.4%	NA	NA	Na(1)
Cello World	166	15.8%	220	16.2%	285	15.9%	356	17.8%	29.10%
Milton	133	9.2%	153	8.2%	215	9.1%	NA	NA	5.73%*
<b>Kitchen Appliances</b>									
TTK Prestige	243	11.1%	305	11.2%	255	9.2%	225	8.4%	-2.47%
Bajaj Electricals	138	3.0%	151	3.1%	216	4.0%	136	2.9%	-5.98%
Stovekraft	81	9.5%	56	4.9%	36	2.8%	34	2.5%	-25.17%
Havells	1,044	10.0%	1,196	8.6%	1,072	6.3%	1,271	6.8%	6.76%

Source: Annual Reports, Technopak Analysis PAT: Profit for the year ( taken from the face of P&L).

PAT Margin= PAT/ Revenue from Operations

Note: NA= Not Available, na(1)= can't be calculated due unavailability, negative numerator, denominator or both.

Note: Borosil, Cello World financials, TTK Prestige, Bajaj Electricals, Stovekraft and Havells pertain to consolidated numbers.

Note: La Opala, Tupperware and Milton financials pertain to standalone numbers.

CAGR marked with "\*" is calculate for FY 2021-23 due to unavailability of FY 2024 financials.

Note: Financial Year 2024 reflects the impact of the demerger pursuant to the demerger scheme. However, the financial information for the Financial Years 2023, 2022 and 2021 does not reflect the effect of the demerger scheme and includes the financial performance of Consumer Products Business and Scientific & Industrial Products Business

### Return on Capital Employed

ROCE (Return on Capital Employed) serves as a metric indicating a company's efficiency by measuring its profitability considering the capital employed to generate profits. It is a reliable indicator of a company's performance over extended periods.

Exhibit 5.5: Return on Capital Employed for Key Players (in FY)

Company	2021	2022	2023	2024
Borosil	8.7%	16.6%	11.6%	13.9%
<b>Kitchenware</b>				
La Opala	9.2%	16.2%	20.6%	17.6%
Tupperware	6.5%	8.5%	-6.8%	NA
Cello World	23.6%	25.9%	28.5%	47.8%
Milton	20.6%	19.3%	20.3%	NA
<b>Kitchen Appliances</b>				
TTK Prestige	19.6%	23.0%	16.8%	14.1%
Bajaj Electricals	17.2%	13.6%	17.1%	14.1%

Stovekraft	28.9%	18.2%	13.3%	12.3%
Havells	24.9%	24.1%	20.2%	21.5%

Source: Annual Reports, Technopak Analysis

Return on Capital Employed= (PBT+Finance Cost)/(Total Assets – Current Liabilities)

Note: NA= Not Available, na(1)- can't be calculated due to unavailability.

Note: Borosil, Cello World financials, TTK Prestige, Bajaj Electricals, Stovekraft and Havells pertain to consolidated numbers.

Note: La Opala, Tupperware and Milton financials pertain to standalone numbers.

Note: Financial Year 2024 reflects the impact of the demerger pursuant to the demerger scheme. However, the financial information for the Financial Years 2023, 2022 and 2021 does not reflect the effect of the demerger scheme and includes the financial performance of Consumer Products Business and Scientific & Industrial Products Business

### Return on Equity

Return on equity (ROE) measures how efficiently a company generates profits from shareholders' equity, reflecting its management effectiveness and potential for shareholder returns. It's a key metric for assessing financial performance and investor confidence.

Exhibit 5.6: Return on Equity for Key Players (in FY)

Company	2021	2022	2023	2024
Borosil	6.0%	10.9%	10.3%	11.4%
<b>Kitchenware</b>				
La Opala	7.4%	11.8%	15.9%	15.0%
Tupperware	6.3%	6.5%	-8.8%	NA
Cello World	33.4%	43.6%	84.2%	31.0%
Milton	14.4%	14.2%	16.7%	NA
<b>Kitchen Appliances</b>				
TTK Prestige	16.1%	17.7%	13.1%	10.8%
Bajaj Electricals	8.7%	8.8%	11.3%	9.4%
Stovekraft	27.0%	15.4%	8.9%	7.8%
Havells	20.2%	19.9%	16.2%	17.1%

Source: Annual Reports, Technopak Analysis

Return on Equity= Profit after Tax(PAT)/Shareholder's Equity

Note: NA= Not Available, na(1)= can't be calculated due unavailability

Note: Borosil, Cello World financials, TTK Prestige, Bajaj Electricals, Stovekraft and Havells pertain to consolidated numbers.

Note: La Opala, Tupperware and Milton financials pertain to standalone numbers.

Note: Financial Year 2024 reflects the impact of the demerger pursuant to the demerger scheme. However, the financial information for the Financial Years 2023, 2022 and 2021 does not reflect the effect of the demerger scheme and includes the financial performance of Consumer Products Business and Scientific & Industrial Products Business.

### Net Debt

Net debt is the difference between a company's total debt and its cash and cash equivalents, indicating its overall debt burden after accounting for available liquid assets. It's a critical financial metric used to assess a company's financial health and leverage position.

Exhibit 5.7: Net Debt (INR Cr) for Key Players (in FY)

Company	2021	2022	2023	2024
Borosil	-1	-29	86	147
<b>Kitchenware</b>				
La Opala	-3	10	8	8
Tupperware	-52	-48	-48	NA
Cello World	11	23	10	30
Milton	33	60	-147	NA
<b>Kitchen Appliances</b>				
TTK Prestige	-121	-365	-555	-618
Bajaj Electricals	204	-98	-370	-275
Stovekraft	13	66	109	131
Havells	-1259	-2152	-1870	-3038

Source: Annual Reports, Technopak Analysis

Net Debt= Current Borrowings + Non-current borrowings- Cash and Cash Eq - Other bank balances

Note: NA= Not Available, na(1)= can't be calculated due unavailability

Note: Borosil, Cello World financials, TTK Prestige, Bajaj Electricals, Stovekraft and Havells pertain to consolidated numbers.

Note: La Opala, Tupperware and Milton financials pertain to standalone numbers.

Note: Financial Year 2024 reflects the impact of the demerger pursuant to the demerger scheme. However, the financial information for the Financial Years 2023, 2022 and 2021 does not reflect the effect of the demerger scheme and includes the financial performance of Consumer Products Business and Scientific & Industrial Products Business.

### Working Capital Cycle

The working capital cycle represents the time it takes for a company to convert its current assets into cash to cover its short-term liabilities. It measures the efficiency of a company's operations and its ability to manage its cash flow effectively, influencing its liquidity and overall financial health.

**Exhibit 5.8: Working Capital Cycle for Key Players (in FY)**

Company	2021	2022	2023	2024
Borosil	185	194	191	193
<b>Kitchenware</b>				
La Opala	172	137	258	685
Tupperware	35	122	37	NA
Cello World	275	244	214	234
Milton	123	130	114	NA
<b>Kitchen Appliances</b>				
TTK Prestige	112	89	114	113
Bajaj Electricals	124	60	51	-30
Stovekraft	23	74	68	64
Havells	77	43	54	44

Source: Annual Reports, Technopak Analysis

Working Capital Cycle= Inventory Days+ Receivable Days – Payable Days

Note: NA= Not Available, na(1)= can't be calculated due unavailability

Note: Borosil, Cello World financials, TTK Prestige, Bajaj Electricals, Stovekraft and Havells pertain to consolidated numbers.

Note: La Opala, Tupperware and Milton financials pertain to standalone numbers.

Note: Financial Year 2024 reflects the impact of the demerger pursuant to the demerger scheme. However, the financial information for the Financial Years 2023, 2022 and 2021 does not reflect the effect of the demerger scheme and includes the financial performance of Consumer Products Business and Scientific & Industrial Products Business.

## OUR BUSINESS

*Certain information in the following discussion, including information with respect to our plans and strategies, contains forward-looking statements that involve risks and uncertainties. Our actual results may differ materially from those expressed in or implied by these forward-looking statements. See “Forward-Looking Statements” and “Risk Factors” on pages 17 and 42, respectively, for a discussion of certain factors that may affect our business, results of operations or financial condition. To obtain a complete understanding of our business, please read this section in conjunction with “Risk Factors”, “Industry Overview” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” on pages 42, 109 and 84, respectively, as well as the financial, statistical and other information included in this Preliminary Placement Document.*

*Unless otherwise indicated or the context requires otherwise, the financial information included herein is based on our Audited Financial Statements included in this Preliminary Placement Document. For further information, see “Financial Information” on page 226. The National Company Law Tribunal, Mumbai Bench (“NCLT”) sanctioned the Composite Scheme of Arrangement amongst Borosil Limited (“**Demerged Company**” or the “**Company**”), Klass Pack Limited (renamed as “**Borosil Scientific Limited**”) (“**BSL**” or “**Resulting Company**” or “**Transferee Company**”) and Borosil Technologies Limited (“**BTL**” or “**Transferor Company**”) and their respective shareholders and creditors (“**Scheme**”) through its order dated November 2, 2023 which inter alia provides for: (a) reduction and reorganization of share capital of BSL; (b) demerger of Scientific and Industrial Products Business from the Company into BSL and consequent issue of shares by BSL; and (c) amalgamation of BTL with BSL. The Appointed Date of the Scheme was April 1, 2022. The Scheme became effective from December 2, 2023. Pursuant to the Scheme, BSL, BTL and Goel Scientific Glass Works Limited have ceased to be subsidiary companies of the Company. The audited consolidated financial statements for Financial Year 2024 reflects the impact of the demerger pursuant to the Scheme, however, the comparative period financial information for the period ended March 31, 2023, have been restated by the management for giving effect to the Scheme to make them comparable. However, the financial information derived from and arising out of the audited consolidated financial statements for the Financial Years 2023 and 2022 does not reflect the effect of the Scheme and accordingly includes the financial performance of the Scientific and Industrial Products Business as well as consumer product business. Accordingly, the financial information for Financial Years 2023 and 2022 represents business, results of operations, cash flows and financial condition of the Company prior to giving effect of the Scheme. For further information on the restructuring please refer to “Our Business – Group Restructuring” and “Risk Factor – Our audited consolidated financial statements for Financial Year 2024 reflects the impact of the demerger pursuant to the Scheme implemented by our Company.” appearing on pages 145 and 47, respectively.*

*Unless otherwise indicated, industry and market data used in this section has been derived from the industry report titled “Industry Report on Kitchenware and Kitchen Appliances Market in India” dated June 22, 2024, prepared exclusively for the Issue and released by Technopak Advisors Private Limited (“**Technopak Report**”), commissioned and paid by our Company in connection with the Issue. Technopak Advisors Private Limited (“**Technopak**”) was appointed pursuant to engagement letter dated January 24, 2024. Technopak is not related in any manner to our Company, its Promoters, Subsidiaries, Directors, Key Managerial Personnel, members of Senior Management, or the BRLM.*

*In this Preliminary Placement Document, unless specified otherwise, any reference to the “the Company” or “our Company” refers to Borosil Limited, on a standalone basis, and a reference to “we”, “us” or “our” is a reference to our Company together with its Subsidiaries, on a consolidated basis, as applicable, as at and for the relevant Fiscal or period. In addition, please refer to “Definitions and Abbreviations” on page 21 for certain terms used in this section.*

## OVERVIEW

We are a prominent player in the consumer products market in India with a range of products across storage, cooking and serving solutions for a modern kitchen. Our Company is the market leader in the Borosilicate glass segment with 58% market share and has been a household name for several decades in India, known for wide range of glass consumerware products. (Source: *Technopak Report*). Borosil has been the pioneer of many consumer categories in India, including microwavable glassware, glass lunch boxes, multi-utility glass storage, etc. We have a strong market position across consumer products categories with a market share of 58% and 26% in the borosilicate glassware and opalware respectively, according to the *Technopak Report*. Borosil has a diverse range of products across different product categories, types of material, and price points enabling it to serve as a “one-stop-shop”, with consumers across all income levels purchasing their products (Source: *Technopak Report*).

Our Company offers affordable, high-quality products for everyday use in contemporary designs for the progressive homemaker. In recent times, Borosil has expanded its consumer offering from its core glassware range to opalware dinner sets (sold under the brand 'Larah'), small kitchen appliances, storage products, glass lunch boxes, stainless steel cookwares and steel vacuum insulated flasks & bottles. Among the Company's consumer products, opalware has been the fastest growing line with a share of 38.32%, 35.13% and 37.96% of the revenue of operations from its consumer products segment for the financial years 2022, 2023 and 2024, respectively.

Our experience in the consumer products industry has enabled us to better understand the preferences and needs of consumers in India. This has enabled us to curate an extensive product portfolio that caters to a diverse range of consumer requirements and offers a broad range of contemporary products across different types of material and price points. As of March 31, 2024, we offered 10341 stock-keeping units ("SKUs") across our product categories. The table below sets forth the brands and range of products offered across our three product categories:

Product Categories	Brands	Overview of range of products offered
Glassware	Borosil	Borosilicate serving ware including mixing bowls, bake dishes, oval casserole, glass tumblers, glass katories, storage containers, storage jars and lunch boxes
Non-Glassware	Borosil	Modern kitchen appliances OTG/sandwich makers, cookware and pressure cookers, mixer grinders, stainless steel bottles, stainless steel insulated bottles and kettles
Opalware	Larah	Dinnerware, serving sets, sift sets, lunch boxes and tea/coffee series.

We own and operate a manufacturing facility at Jaipur in India, as of March 31, 2024. We had announced setting up a borosilicate glass pressware furnace with a production capacity of 25 tonnes per day (TPD) at Jaipur at an estimated project cost of ₹ 15,000 lakhs. The borosilicate glass furnace was commissioned in January 2024. The company began commercial production on March 28, 2024. This will enable us to reduce our dependence on imports, expand our product offerings, cater to domestic and overseas demand for pressware products made of borosilicate glass and may also provide a competitive edge due to the low cost of production. As of March 31, 2024, our opalware plant at Jaipur operates at 93.6% utilization capacity to meet the demand of our brand Larah. We started our second furnace for opalware in the month of December 2022 followed by commercial production in the month of January 2023 and consequently our Company has increased its opalware production capacity from 42 TPD as of December, 2022 to 84 TPD as of January, 2023. Our manufacturing capabilities allow us to manufacture a diverse range of in-house products while maintaining quality standards. The remaining products (consisting mainly of stainless steel insulated flasks, bottles, cookware, small kitchen appliances and certain glassware items) are manufactured by third party contract manufacturers who manufacture products with our branding pursuant to contracts with us. Additionally, our borosilicate drinkware, tea and coffee series and storage are being manufactured by Borosil Scientific Limited in their manufacturing unit at Bharuch, Gujarat. The scale at which we manufacture our products, combined with our supply chain management enables us to derive the benefits of economies of scale across various aspects of our business model. Further, we maintain optimal inventory levels across our manufacturing facilities by implementing technology and utilising available market information.

We have a strong pan-India distribution network. Our Company has 273 distributors and 23,594 retail outlets across the country as of March 31, 2024. Our nationwide sales and distribution network is supported by our 230 member sales and marketing team, as of March 31, 2024. In addition to this, we also supply our products to over 27 countries and our revenue from exports aggregated to 6.05%, 7.10% and 4.09%, of our revenue from operations for the Financial Years 2022, 2023 and 2024, respectively. We equip our field staff across our distribution network with an enterprise resource planning system, which assists us in forecasting production levels and helps us in optimising inventory levels. We have developed and maintain longstanding relationships with our distributors and retailers over the years. Further, our products also reach consumers through modern trade and export channels, e-commerce marketplaces and our own website. In addition, we also sell our products in bulk quantities to corporate clients and government departments.

To enhance brand awareness and strengthen brand recall for the brands that we use, we utilise a diverse array of promotional and marketing efforts, including in-shop displays, merchandising, advertisements in print and social media, retail branding and product branding. We have developed a strong brand identity through effective brand advertisements and marketing campaigns, including "Borosil Lunch Bag campaign", "Larah Samosa campaign" "Larah Festive campaign" and "Borosil OTG campaign". All our marketing efforts are initiated and coordinated by our internal marketing team comprising of 27 employees, as of March 31, 2024. We have a full-fledged internal



creative team with creative directors, graphic designers and 3D artists. We have developed in-house capabilities of fully equipped internal studios in Mumbai & Gurugram, which can conceptualize and develop content. The studio team comprises content managers, videographers, photographers and editors. We also employ external agencies at multi locations for brand development, audio-visual communication, creative developments and public relations. Our internal digital media team is handled by both internal resources and external agencies depending on our requirements. Our digital marketing initiatives cover engagement content through our social media platforms including awareness related posts, product videos, unboxing videos and handy tips regarding our products. We have a well-established subscriber base on these social media platforms. We also run automated campaigns on Google ad services and awareness campaigns across Facebook and Youtube on a periodic basis. We have also tied up with various influencers across food and lifestyle sections.

A list of operating and financial metrics for the Financial Years 2022, 2023 and 2024, is set out below:

(₹ in lakhs)			
	As at/ For the financial year ended March 31,		
Metric	2022	2023	2024*
<b>Revenue from Operations</b>	83,986.16	102,712.13	94,225.18
<b>EBITDA</b>	16,817.55	15,112.95	15,051.35
<b>EBITDA Margin</b>	20.02%	14.71%	15.97%
<b>ROCE</b>	16.62%	11.59%	13.90%
<b>Product Category Revenue Contribution</b>			
Glassware (A)	14,601.25	17,799.03	19,803.73
Non-glassware (B)	20,741.81	30,324.67	38,654.44
Opalware (C)	21,957.09	26,058.30	35,767.01
Total Consumer ware (A + B + C)	57,300.15	74,182.00	94,225.18
Scientific ware	26,686.01	28,530.13	-

\* The financial details provided for Fiscal 2024, are prepared after giving effect to the Scheme. Hence these numbers may not be comparable to the financial information provided for the Financial Years ended March 31, 2023 and March 31, 2022.

## GROUP RESTRUCTURING PROCESS

Our Company used to operate two distinct businesses. The consumer products business comprises glassware, non-glassware and opalware product ranges while the scientific and industrial products business is made up of lab glassware, lab instrumentation, primary pharma packaging and process chemistry. Both the businesses were functioning as separate profit centres with separate business heads and largely independent teams. Each were responsible for delivering on their own profitability and this had been the case for quite a few years. Both the business divisions had their own distinct capital and operating requirements and catered to distinct investor profiles. Consequently, the Board through its resolution dated February 07, 2022, had approved a scheme to segregate the two businesses with each business being listed independently on the stock exchanges.

The Hon'ble National Company Law Tribunal, Mumbai Bench (“NCLT”) had sanctioned the Composite Scheme of Arrangement amongst Borosil Limited (“**Demerged Company**” or the “**Company**”), Klass Pack Limited (renamed as “**Borosil Scientific Limited**”) (“**BSL**” or “**Resulting Company**” or “**Transferee Company**”) and Borosil Technologies Limited (“**BTL**” or “**Transferor Company**”) and their respective shareholders and creditors (“**Scheme**”) through its order dated November 2, 2023 which inter alia provided for: (a) reduction and reorganization of share capital of BSL; (b) demerger of Scientific and Industrial Products Business from the Company into BSL and consequent issue of shares by BSL; and (c) amalgamation of BTL with BSL. The Appointed Date of the Scheme was April 1, 2022. The Scheme became effective from December 2, 2023. Pursuant to the Scheme, BSL, BTL and Goel Scientific Glass Works Limited have ceased to be subsidiary companies of the Company.

On December 5, 2023, Klass Pack Limited was renamed as Borosil Scientific Limited. Borosil Scientific Limited is listed on the Stock Exchanges with effect from June 7, 2024.

## OUR STRENGTHS

### ***Well-established brand name and strong market positions***

Our strong market position in the consumer products industry segment is a reflection of our vast experience, continuous new product development and consumer understanding. We hold a prominent position in the Indian kitchenware market offering a diverse range of products with products in the glassware, non-glassware and opalware categories (*Source: Technopak Report*). Our Promoters started this business in 1962 through a collaboration with Corning Glass Works, USA. Our Promoters have several years of experience in the glassware industry.

We have a strong brand recall value for both our Borosil brand for glassware and non-glassware products and the Larah brand for opalware. We enjoy strong consumer equity in serving-ware, kitchen appliances and storage products. To enhance brand awareness and strengthen brand recall for the brands that we use, we utilise a diverse array of promotional and marketing efforts, including in-shop displays, merchandising, advertisements in print and social media, retail branding and product branding. For example, we have in the past launched brand advertisements and marketing campaigns such as "*Borosil OTG campaign*", "*Larah Festive campaign*" and "*Borosil Lunch box campaign*". We spent ₹ 4001.59 lakhs, ₹ 6402.36 lakhs and ₹ 6,826.03 lakhs towards advertisements and sales promotion in Financial Years 2022, 2023 and 2024, respectively, constituting 4.76%, 6.23% and 7.24% of our revenue from operations, respectively. Our brand advertisements and marketing campaigns have been critical in developing our brand identity. We also continuously seek to increase our digital presence and engagements and engage in brand associations. We have entered into a brand endorsement arrangement with celebrity chef Harpal Singh Sokhi. For our hydra range including flasks and bottles, we have been the hydration partner to Indian Olympic Association for the Paris Olympics, 2024.

### ***Diversified product portfolio across price points catering to diverse consumer requirements***

We focus on identifying the needs and preferences of our consumers through our network of distributors and innovating our products to cater to their differing requirements and preferences, while endeavoring that our products are available across various price points and meet quality standards expected by our consumers. As of March 31, 2024, we offered 10,341 SKUs across our product categories. We offer an extensive product range across our three product categories. We have a diverse range of products across different product categories, types of material and price points, which enables us to serve as a "one-stop-shop" for our target customer (*Source: Technopak Report*). Our wide spectrum of product offerings cater to a wide range of consumer needs. The image below sets forth a range of our product offerings that are commonly used in the kitchen:



We have demonstrated the ability to expand our SKUs and products across various price points. Our diversified product portfolio has also allowed us to maintain stable profit margins over the years by enabling us to withstand

fluctuations in raw material prices.

Our products are made of different types of materials, such as steel, opal glass, borosilicate glass and copper. We have been the pioneer of many consumer categories in India, including microwavable glassware, glass lunch boxes, multi-utility glass storage, etc. For details relating to our brands and products, see "- *Description of Our Business - Brands and Products*" on page 151.

Our diversified product portfolio has allowed us to build a resilient business model that enables us to grow our business even through adverse events such as the COVID-19 pandemic. Our diversified product portfolio, which caters to a wide range of consumer uses across different age groups, festive seasons and occasions, has allowed us to maintain stable growth in our revenue over the years by enabling us to withstand fluctuations in demand arising from seasonality of demand for certain of our products.

***Track record of scaling up and enhancing our product categories***

We have a track record of scaling up new businesses and product categories. We have been able to expand from glassware and glass microwavables into storage, serving-ware and kitchen appliances. This has helped us to cater to different requirements of the customer and increase our brand recall value. Our Company has been involved in the launch of the glassware and opalware business under the "Borosil" brand and the "Larah" brand, respectively, and increased our revenue from operations from this business, from ₹ 83,986.16 lakhs in the Financial Year 2022 to ₹ 1,02,712.13 lakhs in the Financial Year 2023 and ₹ 94,225.18 lakhs in the Financial Year 2024.

Further, we achieved the acquisition of the Larah brand in 2016. We have been able to scale up this business by increasing our volume of products sold from this business, from 12,610 MT in the Financial Year 2022 to 13,955 MT in the Financial Year 2023 and 20,137 MT in the Financial Year 2024, at a CAGR of 26.4%. For the Financial Years 2022, 2023 and 2024, revenue from our opalware business was ₹ 21,957.09 lakhs, ₹ 26,058.30 lakhs and ₹ 35,767.01 lakhs, respectively. Our track record of scaling up our opalware and non-glassware businesses, as elaborated upon above, is a testament to our ability to scale up new businesses and product categories.

In order to cater to evolving consumer demands, we seek to constantly develop and launch a new range of products by leveraging our vast experience, market knowledge and innovation capabilities. We have been innovating and introducing new range of products, such as our recently launched opalware, glassware and cookware range of products and small kitchen appliances, in order to increase our market share of consumer products market in India as well as grow our revenues and profit. During the Financial Years 2022, 2023 and 2024, we launched 2,377, 4,142 and 3,866 new SKUs (across our three product categories), respectively.

***Pan-India distribution network with a presence across multiple channels***

Our pan-India distribution network is one of the key reasons behind our efficient launch of new range of products in the past. We distribute our products through 273 distributors and 23,594 retailers across India as of March 31, 2024.

Our nationwide sales and distribution network is supported by our 230 member sales & marketing team, as of March 31, 2024. We equip our field staff across our distribution network with an enterprise resource planning system, which assists us in forecasting production levels and helps us in optimising inventory levels. We have developed and maintained long-standing relationships with our distributors, and retailers over the years.

Our products also reach consumers through modern trade and export channels, e-commerce marketplaces and our own websites. In addition, we also sell our products in bulk quantities to corporate clients and government departments. The tables below set forth a breakdown of our revenue from operations for the periods indicated by our domestic and export channels:

	For the Financial Year 2022		For the Financial Year 2023		For the Financial Year 2024	
	(in lakhs)	(% of total revenue from operations)	(in lakhs)	(% of total revenue from operations)	(in lakhs)	(% of total revenue from operations)

<i>Domestic</i>	78,902.72	93.95%	95,415.83	92.90%	90,370.34	95.91%
<i>Export</i>	5,083.44	6.05%	7,296.3	7.10%	3,854.84	4.09%
<b>Total</b>	<b>83,986.16</b>	<b>100%</b>	<b>1,02,712.13</b>	<b>100%</b>	<b>94,225.18</b>	<b>100%</b>

We strive to balance product availability and inventory levels such that we can continue to deploy resources in an efficient manner. Even with our vast geographical outreach, our operations have the ability to respond to our network of distributors and trade consumers, as well as changing consumer preferences and constantly fluctuating demand.

#### ***Ability to manufacture a diverse range of products and maintain optimal inventory levels***

Our manufacturing capabilities allow us to manufacture a diverse range of products in-house, which in turn enables us to scale up production quickly to meet increased demand, reduce time taken to launch new products in the market, maintain quality control of our products, maintain better control over our supply chain and mitigate risk of supply chain disruption. We own and operate a manufacturing facility in Jaipur, with an installed annual capacity of 30,660 MT of consumer opalware products, as of March 31, 2024. Our Company had announced setting up a borosilicate glass pressware furnace with a production capacity of 25 tonnes per day (TPD) at Jaipur at an estimated project cost of ₹ 15,000 lakhs. The borosilicate glass furnace was commissioned in January 2024 and commenced commercial production on March 28, 2024. This will enable us to reduce our dependence on imports, expand our product offerings, cater to domestic and overseas demand for pressware products made of borosilicate glass and may also provide a competitive edge due to the low cost of production. As of March 31, 2024, our opalware plant at Jaipur operates at 93.6% utilization capacity to meet the demand of our brand Larah. We started our second furnace for opalware in the month of December 2022 followed by commercial production in the month of January 2023 and consequently our Company has increased its production capacity from 42 TPD as of December 2022 to 84 TPD as of January 2023. Further, the scale at which we manufacture our products, combined with our supply chain management including raw material sourcing, packaging, transportation, quality control and sales, enables us to derive the benefits of economies of scale across various aspects of our business model, including manufacturing, procurement, supply chain and distribution. The remaining products (consisting mainly of stainless-steel insulated flasks, bottles and cookware, and small kitchen appliances and certain glassware products) are manufactured by third party contract manufacturers who manufacture products with our branding pursuant to arrangements with us. For details relating to our manufacturing facilities, see"- *Description of Our Business- Manufacturing Facilities*" on page 153.

We maintain optimal inventory levels across our manufacturing facilities by implementing technology and utilizing available market information. We have implemented an enterprise resource planning system, which is a systems application and product software, to, among others, help us in tracking consumer demands and maintaining optimum inventory levels for our consumer product categories. Additionally, we plan our inventory levels by utilizing available market information, including existing inventory levels, delivery timelines and expected order pipelines, and our rich experience in anticipating and forecasting consumer demand in the consumer products industry. An optimal level of inventory is important to our business as it allows us to respond to consumer demand effectively.

We also endeavor to maintain high quality standards and good manufacturing practices. We strive to maintain product quality through control and monitoring of the various stages of our manufacturing process, including sourcing, processing, manufacturing, packaging and distribution. As of March 31, 2024, our quality control team comprised 11 employees at our Jaipur manufacturing facility.

#### ***Skilled and experienced management team***

The Promoters of our Company, Pradeep Kumar Kheruka, Chairperson, and Shreevar Kheruka, Managing Director and CEO, have several years of experience in the consumer products industry in India. Our Promoters also have a track record of scaling up new businesses and product categories and have been instrumental to the growth of our business and operations. Our Promoters' leadership and experience have enabled us to grow our product portfolio and develop brands, build a pan-India distribution network, maintain cordial relationships with our distributors and retailers, and expand our manufacturing capabilities, in turn driving our growth in revenue from operations and profit margins. Further, our Key Managerial Personnel and Senior Management team has experience across a range of sectors including sales, marketing, production, finance and supply chain. The sector-specific experience and expertise of our Key Managerial Personnel and Senior Management has contributed significantly to the growth of our Company.

Our Board of Directors support and provide guidance to our management team. Our Board of Directors consists of six directors including two Executive Directors and four Non-Executive Directors out of which three are Independent Directors, including one-woman Independent Director. For details relating to our Board of Directors, Key Managerial Personnel and senior management team, see "*Board of Directors and Senior Management*" on page 161.

### ***Strong historical financial results***

We have been continuously growing our business through increase in sales, and the expansion of our brand portfolio, product offerings and distribution network. Our operational efficiencies and supply chain network has resulted in better control of expenses and thereby resulted in an increase in our profit after tax. Our revenue from operations increased, from ₹ 83,986.16 lakhs in the Financial Year 2022 to ₹ 102,712.13 lakhs in the Financial Year 2023 and ₹ 94,225.18 lakhs in the Financial Year 2024. Our profit for the year also increased, from ₹ 8,523.05 lakhs in the Financial Year 2022 to ₹ 9,020.67 lakhs in the Financial Year 2023 and ₹ 6,586.66 lakhs in the Financial Year 2024. Further, as our business scales, we are able to enjoy the benefits of economies of scale across our procurement value-chain, contributing to cost- efficiencies for us. During the Financial Years 2022, 2023 and 2024, our profit for the year margin was 10.15%, 8.78% and 6.99%, respectively. During the Financial Years 2022, 2023 and 2024, our net cash generated by operating activities amounted to ₹ 7,656.75 lakhs, ₹ 6,374.48 lakhs, and ₹ 4,803.25 lakhs respectively, and our net cash (used in)/generated from financing activities amounted to ₹ (2,355.97) lakhs, ₹ 9,926.80 lakhs and ₹ 5,529.18 lakhs, respectively. For details, see the list of operating and financial metrics in "*Overview*" on page 143.

## **OUR STRATEGIES**

### ***Scale up branding, promotional and digital activities and leveraging technology for a better consumer experience***

Our widespread presence and scale of operations allows us to increasingly focus on branding and promotional activities to enhance our visibility in the consumer products industry and promote our products, especially new range of products that we launch from time to time. While the "Borosil" brand is well established in glass microwavable category and enjoys strong brand recall among consumers in India, we intend to promote Borosil glassware for daily use. We intend to continue to enhance brand awareness and strengthen brand recall for the newer brands, including in particular the "Larah", by continuing to focus on our branding and promotional activities going forward. We have in the past made significant and timely investments in our promotional and marketing efforts, and we intend to continue to do so because we believe that continuous investments in promotional and marketing efforts are important to strengthen our brand equity and brand recall among consumers, and to enhance consumer awareness towards new range of products that we launch from time to time. We have also focused on bringing awareness among customers towards the benefits of using glassware products and to enable them to move away from plastic and melamine products. During the Financial Years 2022, 2023 and 2024, we spent ₹ 4,001.59 lakhs, ₹ 6,402.36 lakhs and ₹ 6,826.03 lakhs, respectively, towards advertisements and sales promotion, representing 4.76%, 6.23% and 7.24% of our revenue from operations, respectively. We intend to focus our promotional and marketing efforts in areas such as above and below the line marketing, retail branding, product branding, and advertisement channels such as television, digital media and social media. We also continuously seek to increase our digital presence and engagements and engage in brand associations. We have in the past launched effective brand advertisements and marketing campaigns such as "Borosil Lunch Box campaign", "Borosil OTG campaign", "Larah House shift campaign", "Larah Samosa campaign" and "Larah Festive campaign" and we intend to continue to launch similar advertisements and campaigns in the future to enhance brand awareness and promote new range of products.

The vision of our Company to be the most customer centric organization in India is driven by an amalgamation of technology and human interaction to provide the best customer experience. We have deployed a customer relationship management tool that provides a unified window for customer data and interactions. It enables us to have a 360-degree customer view on all his/her transaction history, interaction history & social media engagement. Our customer experience department works 8 hours a day daily to provide constant after sales support to the customers. In addition to this we have also added a chatbot service on our website and on WhatsApp to allow for a seamless experience.

### ***Continued innovation to grow wallet share and expand consumer base***

We intend to utilise our capabilities to expand our existing product portfolio and develop a new range of products

across our product categories. We aim to expand our product portfolio by focusing on introducing a new range of products in the kitchenware, appliances, cookware, glassware and opalware spaces. Through a new range of products, we expect to increase our wallet share and repeat orders from existing consumers and to also attract new consumers, in order to increase our market share and scale our business. During the Financial Years 2022, 2023 and 2024, we launched 2,377, 4,142 and 3,866 new SKUs (across our three product categories), respectively.

We also intend to increase the share of our revenue from exporting our products. We catered to over 27 countries as of March 31, 2024, and intend to continue to innovate and create products that can cater to an international market. During the Financial Years 2022, 2023 and 2024, our sale from exports was 6.05%, 7.10% and 4.09% of our revenue, respectively.

### ***Expand our distribution network***

We seek to enhance our addressable market by expanding our sales and distribution network of distributors, sub-distributors and retailers across India. In particular, we aim to expand our distribution network by implementing the following initiatives:

- expand our sales and distribution network in states where we are currently not very active. In these markets, we intend to increase customer wallet share, as well as enter into arrangements with more distributors including large format stores and continue to nurture existing relationships;
- increase our sales velocity by incentivizing our distributors and retailers to increase the volume of products sold by them;
- increase our interaction with our distributors and retailers, including through our sales and marketing employees;
- incentivise distributors through periodic and festival sales schemes, annual and periodic revenue targets and product-specific schemes (through discounts and gift hampers); and
- increase our presence in existing markets abroad by expanding our distribution network.

In addition to the above, over the last few years, the organization has been investing in its distributor management system and sales force automation tool (“Borosil SAARTHI”) to improve its retail market reach and market visibility and employee productivity. Our Company's focus on digitalization and automation has played a significant role in driving this transformation and we intend to continue investing in this. The distributor management system and Borosil SAARTHI have had a positive impact on the sales, revenue growth and productivity of Borosil Limited by increasing efficiency, improving market reach, enhancing distributor engagement, and enabling better sales forecasting.

We are managing our own e-commerce channel, 'MyBorosil.com,' as well as other e-commerce marketplaces with a robust frontend and order processing application integrated with our core ERP SAP and customer support CRM application.

### ***Grow manufacturing capabilities and expand our installed production capacities***

We intend to grow our manufacturing capabilities to respond to increases in market demand for our products. In Fiscal 2024, our Company has set up a borosilicate glass pressware furnace with a production capacity of 25 tonnes per day (“TPD”) at Jaipur at a project cost of ₹ 15,000 lakhs. The borosilicate glass furnace was commissioned in January 2024 and has commenced commercial production from March 28, 2024. The annualised installed capacity from this new furnace for borosilicate glass pressware shall be 9,125 MT. This will enable us to reduce our dependence on imports, expand our product offerings, cater to domestic and overseas demand for pressware products made of borosilicate glass and may also provide a competitive edge due to the low cost of production. As of March 31, 2024, our opalware plant at Jaipur operates at 93.6% utilization capacity to meet the demand of our brand Larah. We started our second furnace for opalware in December 2022 followed by commercial production in January 2023 and consequently we increased our opalware production capacity from 42 TPD as of December, 2022 to 84 TPD as of January, 2023. We have expanded our opal ware capacity because of the increasing demand for opalware products. Further, we monitor market demand for our products and may continue to increase our manufacturing capabilities in the future if the forecasted market demand for our products exceed our manufacturing capacities.



We intend to continue to make investments in efficiency and automation of our production processes, where economically viable, to achieve greater efficiency in reducing the time taken and cost of manufacturing our products, from design to commercial production and, in our in-house testing and quality assurance processes.

## DESCRIPTION OF OUR BUSINESS

### Brands and Products

We offer our consumer products across three categories: opalware, glassware and non-glassware. We have traditionally been strongly associated with microwaveable glass. Leveraging our strong brand equity, we have now expanded into consumer products like tumblers, servingware, lunch boxes, storage, domestic appliances, hydra insulated stainless steel flasks and bottles, stainless steel cookware and pressure cookers.



*Domestic Appliances*



*Hydra Insulated Flasks, Jugs and Glass Bottles*



*Servingwares and Storages*



*Stainless Steel Cookware*



*Pressure Cooker*



*Lunch Boxes*

We are the market leader in the Borosilicate glass segment with 58% market share and has been a household name for several decades in India, known for wide range of glass consumerware products. (Source: Technopak Report) We provide consumers with a range of products that offer everyday solutions. Our products are well regarded for their quality, performance and aesthetics.

Our products aim at providing solutions for daily cooking, serving and storage needs of the consumer. In recent times, we expanded our consumer offering from its core glassware range to opalware dinner sets (sold under the brand Larah), kitchen appliances, storage products, glass lunch boxes and stainless steel vacuum insulated flasks & bottles.

To cater to changing lifestyle needs and aspirations, we have introduced a range of smart and practical small appliances, backed with our guarantee. These include juicer mixer grinders, hand mixers, oven toaster grillers, toasters, blenders and rice cookers. Each of our appliances is backed up by our nationwide customer service network to ensure service on-time and at all locations.

***Opalware:***





Larah opal glass tableware range embodies a beautiful blend of elegance and performance. Made up of toughened glass for extra strength, yet extremely lightweight and with a whiteness that doesn't stain or fade, the Larah range is just as perfect for everyday meals. We have made a significant investment in expanding our production capabilities within India. The installation of a new furnace in our manufacturing facility at Jaipur for Larah opalware expanded our capacity to cater to more customers. By manufacturing locally, we can offer competitive prices, faster delivery, and greater control over the quality of our products.

### Manufacturing Facilities

Our manufacturing facility is located at Jaipur, Rajasthan (“Jaipur Unit” or “Manufacturing Facility”). Opalware glass gets manufactured in the Jaipur Unit. In January 2024, we have further commissioned the borosilicate glass furnace to produce pressed glassware items and commenced commercial production from March 28, 2024. The remaining products, consisting mainly of stainless steel insulated flasks, bottles, cookware, small kitchen appliances and certain glassware items) are manufactured by third party contract manufacturers who manufacture products with our branding pursuant to contracts with us. Additionally, our borosilicate drinkware, tea and coffee series and storage are being manufactured by Borosil Scientific Limited in their manufacturing unit at Bharuch, Gujarat.

The following table sets forth certain details with respect to our current manufacturing facility:

Unit	Products Manufactured	Description	Nature of interest	Certifications
Jaipur Unit	Opalware, Borosilicate pressware	Location: Khasara no. 809, 810, 811,812, Balekhan, Jaipur, Rajasthan, India	Owned since FY 2017	1) ISO 9001:2015 2) Conducted certification audit for SA 8000:2014

Our Jaipur Unit has an installed annual capacity of 30,660 tonnes of consumer opalware glass per annum, as of March 31, 2024.

The following table sets forth capacity utilization of the Manufacturing Facility for the Financial Years 2022, 2023 and 2024, as certified by Dinesh Kumar Chhangani, Chartered Engineers, pursuant to certificate dated June 19, 2024:

Product Category - Opalware	For the Financial Year		
	2022	2023 <sup>^</sup>	2024
Installed capacity (TPD) (A)	42	54	84
Number of days of furnace operation (B)	365	209	365
Effective capacity available per annum (C= AxB)	15,330 MT	17,556 MT	30,660 MT
Actual production per period (D)	14,988 MT	16,816 MT	28,687 MT
Actual capacity utilization (TPD) (E=D/B)	41.06	51.27	78.60
Percentage of Capacity Utilisation (F=E/C)	97.8%	95.8%	93.6%

<sup>^</sup> During FY 2022-23 there was a scheduled maintenance activity for the 1<sup>st</sup> furnace in October 2022. Further, new capacity through a 2<sup>nd</sup> furnace was added from January, 2023, accordingly number of days of furnace operation calculated, and capacity/utilisation has been calculated on a weighted average basis.

Product Category – Borosilicate Glassware	For the Financial Year 2024 <sup>#</sup>

Installed capacity (TPD) (A)	25
Number of days of furnace operation (B)	3
Effective capacity available per annum (C= AxB)	75 MT
Actual production per period (D)	66 MT
Actual capacity utilization (TPD) (E=D/B)	22
Percentage of Capacity Utilisation (F=E/C)	88.0%

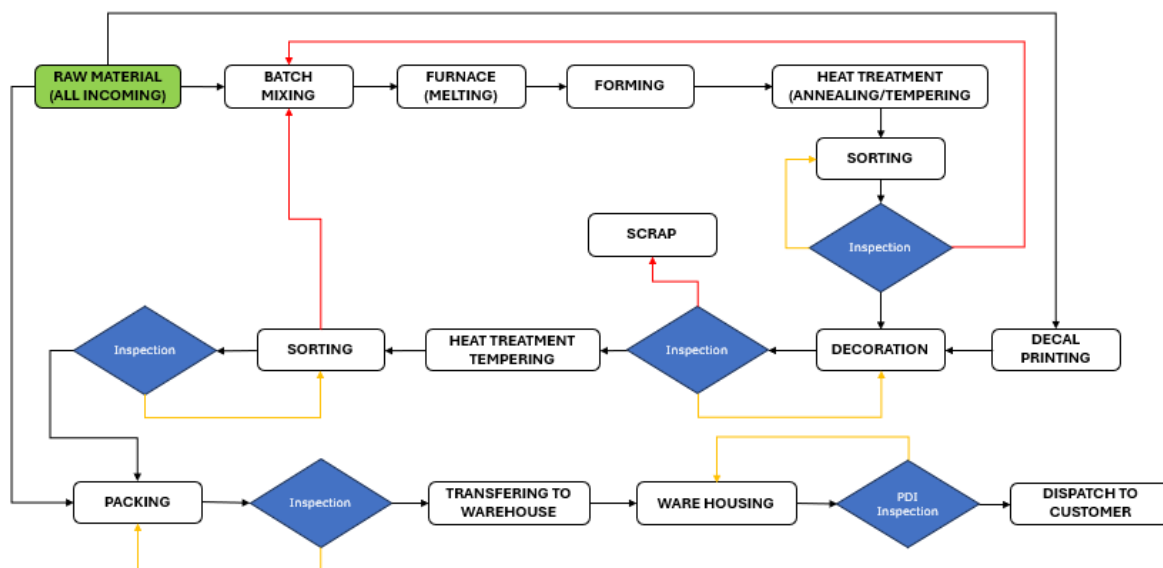
# During FY 2024, the Company has set up a new furnace with 25 tonnes per day (TPD) production capacity for borosilicate glass at Jaipur, Rajasthan with a capital outlay of about INR 15,000 lakhs. The commercial production from this new furnace commenced from March 28, 2024. Accordingly, the above table reflects prorated installed capacity and actual capacity utilization for FY 2024 and the annual installed capacity shall be 9,125 MT.

The information relating to the estimated annual production capacities and the capacity utilization of the Manufacturing Facility included above and elsewhere in this Preliminary Placement Document is based on a number of assumptions and estimates of our management, including expected operations, availability of raw materials, standard capacity calculation practice of the glassware industry, expected unit utilization levels, downtime resulting from scheduled maintenance activities, downtime resulting from change in stock keeping units for a particular product, unscheduled breakdowns, as well as expected operational efficiencies.

Our Manufacturing Facility includes, among others, glass melting furnaces, forming lines, tempering and annealing lines, decoration lines and packing lines.

### Manufacturing Process

The manufacturing process commences with an incoming inspection of the raw materials from the vendors. We have sophisticated incoming material inspection and qualification system and labs in our plant. This preliminary process enables us to ensure the quality of procured raw material. Upon completion of such review, the procured raw material is sent to the respective storages. An overview of the manufacturing process, as described in the flowcharts below, is conducted at our manufacturing plants.



For details relating to risks in engaging third-party contract manufacturers, see "Risk Factors - Our reliance on third-party contract manufacturers for some of our products subjects us to risks, which, if realized., could adversely affect our business, results of operations, financial condition and cash flows" on page 48.

### Raw Material and Utilities

We use a wide range of raw material in our manufacturing process. We primarily use, silica sand, soda ash, borax and sodium silico fluoride for the manufacturing of our opalware products. We source our raw materials on a purchase order basis, and do not enter into long term contracts (typically 12 months or longer) with raw material

suppliers. Thus, our business is susceptible to fluctuations in raw material prices. For details, see *"Risk Factors - Fluctuations in raw material prices, especially steel, copper, soda ash and sodium silico fluoride prices, and disruptions in their availability may have an adverse effect on our business, results of operations, financial condition and cash flows."* on page 43.

We consume electricity and water for our manufacturing process. We source electricity from state owned electricity companies and for water we use groundwater with permission of competent authority (CGWA). At our manufacturing unit located in Jaipur we also utilize part of electricity that is generated by our ground mounted solar project located in Gajner, Bikaner, Rajasthan.

### **Key Suppliers and Contract Manufacturers**

We produce some of our products and some are sourced from third parties. The Larah range of opal-ware products is manufactured at our Jaipur Unit. The fulfilment centre adjacent to the opalware plant at Jaipur help in optimization of logistics costs through reduction of inter-warehouse transfers near the manufacturing plants and also in utilizing full-truck loads for dispatches to regional warehouses and large distributors. For further information on our distribution network please see *"-Distribution, Sales and Marketing"* appearing on page 155.

The remaining products, consisting mainly of stainless steel insulated flasks, bottles, cookware, small kitchen appliances and certain glassware items) are manufactured by third party contract manufacturers who manufacture products with our branding pursuant to contracts with us. Additionally, our borosilicate drinkware, tea and coffee series and storage are being manufactured by Borosil Scientific Limited in their manufacturing unit at Bharuch, Gujarat. The contract manufacturers are selected through a series of processes including undertaking a factory audit to check factory quality and production capacity, quality of finished products etc. We also undertake different levels of inspections to ensure that the products are manufactured as per our quality standards and product specifications. These inspections include undertaking on-line inspections, pre-shipment inspections of the products as well as any field failure reviews to provide corrective actions.

### **Customers**

Our main target customers are the homemakers and we offer them our products through various channels including traditional trade stores, large format retail stores as well as canteen stores in certain government departments. A significant part of our business also comes from certain key institutional customers.

### **Distribution, Sales and Marketing**

#### Distribution

For our domestic sales and distribution, we have a multi-tiered network consisting of distributors and retailers, as well as our sales and marketing employees who facilitate sales at each level of the network with 273 distributors and 23,594 retailers as of March 31, 2024.

For global markets, we have a dedicated exports team to ensure our reach across 27 countries. The sales team appoints partners catering to specific geographical markets and depending on the partner, multiple product categories or specific product category gets offered, as the case may be.

We have developed and maintained a long standing relationships with our distributors and retailers over the years. We also engage with modern trade stores and hypermarkets for the sale of our products. Our trade channel partners are further being engaged with us through regular communication via WhatsApp and emailers.

Borosil has established a strong national distribution network for its products. The company sells products to 273 distributors who in turn service 23,594 retailers as of March 31, 2024. The distributor management system and field assist system for our field force enables data-driven decision making and empowers us to improve operational efficiencies. By monitoring fill rates and maintaining optimal channel inventory levels we aim to improve throughput and operate a more efficient supply chain. Leveraging field data-based analytics, the company has improved forecasting, sales planning, inventory management, production and procurement processes.

Upon receipt of orders from our distributors, we deliver our products from our manufacturing facilities to the distributors using third- party transportation service providers. Our manufacturing facilities and warehouses are typically located in proximity to our key market areas to optimize delivery costs, while maintaining short lead

times.

Across our three product categories, our products also reach consumers through modern trade and export channels, e-commerce marketplaces and our own websites. We have our own webstore, [www.myborosil.com](http://www.myborosil.com) for assisting each and every customer through WhatsApp, chatbot, personalized messages and recommendation system, addressing pre-purchase, post purchase and service-related queries. In addition, we also sell our products in bulk quantities to institutional customers. Our modern trade channel comprises a network of retail chains including large format stores and cash-and-carry stores across India. In addition, we also sell products directly to consumers through e-commerce marketplaces as well as through our own website. Also see *“Risk Factors – We are dependent on our distribution network in India and overseas to sell and distribute our products and any disruption in our distribution network could have an adverse effect on our business, results of operations, financial condition and cash flows.”* on page 44.

### Sales and Marketing

As of March 31, 2024, we employed 230 sales and marketing employees. Our sales and marketing employees function as the link between distributors and retailers, by marketing our products and collecting orders which are then communicated to the relevant distributors. Through our sales and marketing employees, we collect and analyse inventory data from the distributors at the end of each month. This helps us plan our manufacturing based on demand in the preceding month and the historical seasonality information and allows efficient inventory management for us and the distributors.

We focus our sales and distribution efforts geographically to help maintain the focus of our partners. This also helps to endeavor to limit market cannibalization of our products and gauge performance at the retailer level based on historical sales figures. Pursuant to our bottom-up approach, we are better positioned to incentivize our distribution network to meet sales targets, which we set both on a regular basis and as part of short-term sales promotional schemes. We typically incentivize distributors through periodic sales and festival schemes, revenue targets, product-specific schemes (through discounts) and target based incentive trips.

Our Company’s products division is undergoing a comprehensive digital transformation. Through the implementation of digital platforms and initiatives, we are enhancing accessibility, streamlining processes and enabling efficient communication. By this, our customers easily connects with us, explore our diverse product offerings and receive prompt support. We have our own webstore, [www.myborosil.com](http://www.myborosil.com) for assisting each and every customer through WhatsApp, chatbot, personalized messages and recommendation system, addressing pre-purchase, post purchase and service-related queries.

Further in terms of marketing and brand communication, we have done collaborations with celebrities like Chef Harpal Sokhi. We also have partnerships with prominent sports entities including the Indian Olympic Association. We also continuously seek to increase our digital presence and engagements and engage in brand associations. During the Financial Years 2022, 2023 and 2024, we spent ₹ 4,001.59 lakhs, ₹ 6,402.36 lakhs and ₹ 6,826.03 lakhs, respectively, towards advertisements and sales promotion, representing 4.76%, 6.23% and 7.24% of our revenue from operations, respectively.

### **Research, Development and Design**

Our R&D team is comprised of professionals having specializing in various aspects of glass technology including experts in glass composition and formulation, optimizing material properties for enhanced performance and durability. Additionally, we have professionals adept in glass characterization and testing, evaluating product quality, reliability, and compliance with industry standards. Moreover, our team includes glass modelling and simulation engineers proficient in using advanced computational tools to predict and analyze material behavior under diverse operating conditions. In addition to our expertise in glass technology, we have dedicated team members with a strong background in functional coatings. We also have coating application engineers skilled in developing scalable coating deposition techniques for seamless integration into existing manufacturing processes. Furthermore, our coating performance analysts are proficient in conducting rigorous testing and evaluation to validate the effectiveness and longevity of functional coatings under real-world conditions.

Our product development process involves certain stages. Before initializing the new product development, we conduct a comprehensive IP analysis of the current market landscape and benchmark existing commercial products. This step helps us in identifying gaps, opportunities, and areas for improvement, serving as a foundation for the development process. Our research and development team begins exploring new compositions and

formulations. Our state-of-the-art laboratories are situated at Bajranglal Kheruka (“**R&D Center**”). We use advanced CAD software and rapid prototyping techniques for designing prototypes that embody the desired functionality, aesthetics, and user experience. These products undergo various stages for validation testing to assess their performance, durability, and suitability for real-world applications. Feedback from testing is carefully analyzed, and improvements are accordingly undertaken. Once the product is finalized and validated, we transition it to the manufacturing process.

During the last financial year, our latest innovations at R&D Centre include high-strength glass, corrosion resistive glass, and new compositions for opaque glass.

### **Competition**

The Indian glassware market was valued at ₹ 402,000 lakhs in FY 2023. The market size was ₹ 307,000 lakhs in FY 2020, and it experienced a CAGR of 8.7% to reach ₹ 363,000 lakhs in FY 2022. By FY 2028, the market is projected to reach ₹ 807,000 lakhs, with a CAGR of 15.0% over the five years (*Source: Technopak Report*). The branded market is growing at a higher rate compared to the unbranded market driving the growth of this segment. We compete on the basis of a number of factors, including execution, depth of product and service offerings, innovation, reputation, price and convenience. Some of our competitors have greater financial and marketing resources, a larger customer base, greater name recognition, more senior professionals to serve their clients’ needs and more established relationships with clients than we have.

The success of our business depends on the continued service of our senior management and various professionals including technical and financial personnel etc. As a result of ever-increasing market competition, the market demand and competition for experienced management personnel and qualified professionals has intensified. We encounter intense competition for qualified professionals from other companies in the manufacturing sector.

With low entry barriers, there could be an increase in the number of competing brands. Counter campaigning and aggressive pricing by competitors (including e-commerce players buying sales through heavy discounting) have the potential of creating a disruption. Our Company has been the pioneer of many consumer categories in India, including microwavable glassware, glass lunch boxes, multi-utility glass storage, etc. These innovations address the growing demand for on-the-go food containers and provide added value to consumers seeking convenient meal solutions.

### **Quality Control and Quality Assurance**

We are focused on producing quality products, which is critical for long-term brand loyalty and positive consumer experience. All our glasswares pass through the latest and advance technology decorating & annealing lehr where the firing & annealing is happening. Stresses are eliminated under controlled heating and cooling cycle and ensuring long lasting printing quality.

Inspections are undertaken during all the manufacturing processes like forming, decal, decoration, tempering, packing and pre-dispatch. We have a quality control team of 11 employees as of March 31, 2024, that monitors the products through the various manufacturing stages to ensure compliance with the quality control guidelines that we have prescribed for each of the manufacturing processes. The products at each of these stages are segregated and re-grounded if found defective. Upon satisfaction of the various quality control checks in the manufacturing process, the products are sent to the packaging department, where further quality control inspections are conducted. We also conduct a pre-dispatch inspection prior to the dispatch of the finished products.

### **Health and Safety**

Our commitment to ensuring a safe workplace is underscored by comprehensive initiatives. Employees receive thorough training on workplace risks and hazards, empowering them to proactively mitigate potential issues. Regular training and education programs keep our workforce informed and safeguarded, complemented by routine audits and inspections to pre-emptively address any potential mishaps. Depending on job requirements, employees are equipped with essential personal protective equipment (“**PPE**”) such as helmets, gloves, safety glasses, or respirators, ensuring their comprehensive protection. Our plant safety committee conducts frequent mock drills and training programs, fostering a culture of preparedness.

In addition to these measures, we actively engage in motivational programs such as National Safety Week,

reinforcing adherence to stringent safety protocols. Our health and safety policy, which mandates the use of appropriate protective equipment, forms the cornerstone of our commitment to a secure working environment. Moreover, we diligently comply with central, state, and local laws, encompassing environmental, safety, governance, health, and labor regulations.

### **Environmental, Social and Governance**

In line with our commitment to sustainable operations, our Company has taken a proactive step towards formalizing our ESG journey by formulating relevant policies in various areas of operations including plant operations, energy management, human resources, procurement, IT infrastructure. These policies are applicable on all employees of the Company and will facilitate the setting of intentions and direction of the Company regarding environmental, social, and governance aspects.

Our Company has invested in projects aimed at emission reduction, including energy saving through the installation of LED lights, improving the equipment to reduce heat loss. We have a 1 MW solar power plant on the rooftop of our Jaipur Unit. To further reduce our carbon footprint and reduce our dependence on the expensive power being procured from the grid, we have installed a ground-mounted solar project of 6.5 MW (8.6 MWp) which is located in Gajner, Bikaner, Rajasthan, from where we derive a significant amount of electricity for our Jaipur Unit.

We have undertaken various initiatives in the area of development of human capital including investing in talent development, attracting fresh talent, succession planning and talent nurturing, employee wellbeing and benefits, fostering unity and recognition, transparent communication. Our Company has adopted a range of social impact policies like Equal Opportunity, Diversity & Inclusion Policy, the Prevention of Sexual Harassment (PoSH) policy, Health & Safety policy, Human Rights policy, Whistle-Blower policy.

Our Company has a CSR policy and our CSR initiatives are undertaken through multiple well-established third-party agencies. For further information please refer to “-*Corporate Social Responsibility*” on page 159. We have taken constructive measures to improve the governance frameworks through the various policies that we have adopted including Anti-Bribery & Anti-Corruption Policy, Board Diversity Policy, Stakeholder Engagement & Grievance Redressal Policy, Data Privacy Policy and the Code of Business Ethics & Code of Conduct for Directors on Board and Senior Management.

### **Intellectual Property**

We seek to protect our intellectual property through trademarks, both in India as well as in certain other countries under Madrid Protocol and through copyrights, designs and appropriate certifications in India. Our Company has (i) registered 513 trademarks, 44 copyrights, 7 designs and 1 patent; and (ii) filed applications for registering 77 trademarks, 19 copyrights and 1 designs, in India as on the date of this Preliminary Placement Document. We have also registered the “Borosil” trademark in 32 countries (including EU countries) countries and recently applied for registration of the same in 81 additional countries under the Madrid protocol. We have recently applied for the registration of LARAH and LARAH OPALWARE BY BOROSIL in 113 countries under Madrid protocol as of the date of this Preliminary Placement Document.

We currently hold trademark registrations with respect to our brands “BOROSIL” “LARAH” and “ORIOLE”, “VISION”, “HYDRA” in India under various classes.

We have registered a patent for “SPIN-N-STORE SPACE SAVER TRAY”.

We have also licensed 244 trademarks and 2 copyrights to Borosil Scientific Limited and 4 trademarks and 2 copyrights to Borosil Renewables Limited who are our group companies.

### **Information Technology**

We have a robust information technology infrastructure where we have implemented automation and integrated technology into our processes at key stages of design, manufacturing and distribution to increase efficiency and ensure quality in a cost-effective manner. Our manufacturing facilities are automated, enabling us to produce large volumes of manufactured products quickly and at a competitive cost.

Our IT infrastructure includes high-performance servers, data storage solutions, and cloud computing platforms,

ensuring scalability, reliability, and high availability. We have invested in both on-premises and cloud-based infrastructure, enabling flexible, scalable solutions that support business growth and allow for efficient resource management. We have also set up a strong security framework which is multi-layered, and includes advanced firewalls, intrusion detection and prevention systems, endpoint protection, SIEM (Security information & event management) tool and regular security assessments.

We have invested significantly in our IT infrastructure and we use systems like (i) SAP Open Text Vendor Invoice Management Solutions for managing and processing vendor invoices and (ii) SAP ERP applications for managing our finance sales & distribution, production, material management, and other business transactions. We print a unique QR code on every box of every SKU. By scanning it, the end customer can register themselves and get the digital warranty/certificate of authenticity.

In addition to the above, over the last few years, the organization has been investing in its distributor management system and sales force automation tool i.e., Borosil SAARTHI to improve its retail market reach and market visibility and employee productivity. Our Company's focus on digitalization and automation has played a significant role in driving this transformation and we intend to continue investing in this. The distributor management system and Borosil SAARTHI have had a positive impact on the sales, revenue growth and productivity of Borosil Limited by increasing efficiency, improving market reach, enhancing distributor engagement, and enabling better sales forecasting.

We are managing our own e-commerce channel, 'MyBorosil.com,' as well as other e-commerce marketplaces with a robust front-end and order processing application integrated with our core ERP SAP and customer support CRM application.

### **Awards and Accreditation**

Our Company was felicitated with the gold medal at the National Awards for Manufacturing Competitiveness 2023-24 by the International Research Institute for Manufacturing in May 2024, and the silver medal at the National Awards for Manufacturing Competitiveness 2021 by International Research Institute for Manufacturing in Mumbai in January 2022. Further, we were felicitated with the silver medal at the India Green Manufacturing Challenge 2020-21 International Research Institute for Manufacturing, India in Mumbai in July 2021.

### **Corporate Social Responsibility**

Our corporate social initiatives are primarily implemented through comprehensive initiatives as well as through formulation of CSR annual action plan. Our corporate social responsibility programs are focused on education, health and sustainable livelihoods. We have extended our support to inspire institute of sports for promoting Olympic sports in India, creating oral cancer awareness through our project 'Satark', providing education, shelter and vocational training to underprivileged children.

### **Insurance**

We maintain insurance policies for our business including registered office, sales office, warehouses and manufacturing plant, which is customary for our industry. These include policies in relation to trade credit risk, marine insurance, fire insurance, industrial all risk insurance policies. We also maintain a group mediclaim policy, group personnel accident insurance policy, D&O policy. We believe that the insurance coverage currently maintained by us represents an appropriate level of coverage required to insure our business and operations, and is in accordance with industry standards in India.

### **Human Resources**

Our Company regularly benchmarks employee benefit policies. Our policies include short-term and long-term incentives such as ESOPs, prevention of sexual harassment policy, environment, health and safety policy, human rights policy and whistle-blower policy. For details of ESOP scheme, please see "*Capital Structure*" on page 78. We undertake the identification and retention of critical roles and positions while nurturing high-potential talent. We foster camaraderie and unity through various celebrations conducted across our manufacturing sites and offices. We maintain a healthy diversity within our organization and have institutionalized individual social responsibility. Various team bonding activities are conducted to boost employee morale, team spirit, and unity.

We make our employees aware of the risks and hazards in their workplace and train them on how to avoid the

risks. Regular training and education programs were conducted for employees to stay informed and safe. Regular audits and inspections were carried out to prevent unwanted mishaps in a timely manner. Depending on the nature of the work being performed, PPE such as helmets, gloves, safety glasses, or respirators were provided to ensure adequate protection of all employees. Our plant safety committee conducts regular mock drills and training programmes for our employees.

As of March 31, 2024, we had 624 permanent employees on our payroll. The following table sets forth the break-up as of March 31, 2024:

<b>Departments</b>	<b>No. of employees</b>
Sales and marketing	230
Finance, accounts and administration	43
Supply chain management and procurement	51
Factory workers, plant team and management team	255
Support Service	45
<b>Total</b>	<b>624</b>

Approximately 8.33% of our workforce consists of female workers, as of March 31, 2024.

### **Property**

Our registered and corporate office is situated at 1101,11<sup>th</sup> Floor, Crescenzo, G-Block, Opp. MCA Club, Bandra Kurla Complex, Bandra (East), Mumbai – 400 051. For details of our manufacturing facility, owned by us, please see"- *Manufacturing Facility*". We currently have warehouses in 7 different locations across India to store our products before they are transported to our customers. These warehouses are located in Thane, Bharuch, Gurugram, Bengaluru, Kolkata, Coimbatore and Jaipur. Further, the proposal of our Subsidiary, Acalypha Realty Limited pursuant to the slum rehabilitation scheme has been principally-accepted under the Regulation 33(10) of Development Control & Promotion Regulation 2034 on stipulated terms.



## BOARD OF DIRECTORS AND SENIOR MANAGEMENT

### Board of Directors

The composition of our Board is governed by the provisions of the Companies Act, 2013, the SEBI Listing Regulations and the Articles. In accordance with the Articles, our Company shall not have less than three Directors and more than fifteen Directors, provided that our Company may appoint a director in excess of the limit provided by passing a special resolution. As on the date of this Preliminary Placement Document, our Company has six Directors, comprising of two Executive Directors and four Non-Executive Directors of which three are Independent Directors, including one-woman Independent Director.

Pursuant to the provisions of the Companies Act, 2013, at least two-thirds of the total number of Directors, excluding our Independent Directors, are liable to retire by rotation, with one-third of such number retiring at each AGM. A retiring Director is eligible for re-election. Further, pursuant to the Companies Act, 2013, our Independent Directors may be appointed for a maximum of two consecutive terms of up to five consecutive years each and thereafter have a cooling-off period of three years prior to re-appointment. Any re-appointment of Independent Directors shall be on the basis of, *inter alia*, the performance evaluation report and approval by our Shareholders through a special resolution.

The following table sets forth details regarding our Board as of the date of this Preliminary Placement Document:

S. No.	Name, Date of Birth, Address, Occupation, Nationality Term and DIN	Age	Designation
1.	<p><b>Pradeep Kumar Kheruka</b></p> <p><i>Date of Birth:</i> July 23, 1951  <i>Address:</i> Kaveri Borosil Renewables Ltd, Jhagadia, Rajpipla Road, Ankleshwar, Bharuch, Gujarat – 393001  <i>Occupation:</i> Business  <i>Nationality:</i> Indian  <i>Term:</i> Re-appointed with effect from July 25, 2023, liable to retire by rotation.  <i>DIN:</i> 00016909</p>	72	Chairman and Non-Executive Director
2.	<p><b>Shreevar Kheruka</b></p> <p><i>Date of Birth:</i> January 4, 1982  <i>Address:</i> 410, Samudra Mahal, Dr. Annie Besant Road, Opp. Nehru Science Centre, Worli, Mumbai, Maharashtra, India, 400018  <i>Occupation:</i> Business  <i>Nationality:</i> Indian  <i>Term:</i> Re-appointed with effect from February 12, 2023, for a period of five years  <i>DIN:</i> 01802416</p>	42	Vice Chairman, Managing Director and CEO
3.	<p><b>Rajesh Kumar Chaudhary</b></p> <p><i>Date of Birth:</i> February 1, 1970  <i>Address:</i> C-1001, Ekta Meadows, Siddharth Nagar, Near Kulraj Broadway, Borivali (East), Mumbai, Maharashtra, India - 400066  <i>Occupation:</i> Service  <i>Nationality:</i> Indian  <i>Term:</i> Re-appointed with effect from February 12, 2023, for a period of three years, liable to retire by rotation.  <i>DIN:</i> 07425111</p>	54	Whole-time Director and Group CFO
4.	<p><b>Anupa Rajiv Sahney</b></p> <p><i>Date of Birth:</i> October 19, 1967  <i>Address:</i> 6<sup>th</sup>, Manavi Apartment, 36, Ridge Road, Malabar Hill, Mumbai, Maharashtra, India - 400006  <i>Occupation:</i> Professional  <i>Nationality:</i> Indian  <i>Term:</i> Appointed with effect from February 3, 2020, for a period of five years  <i>DIN:</i> 00341721</p>	56	Independent Director
5.	<p><b>Kewal Kundanlal Handa</b></p>	71	Independent Director

S. No.	Name, Date of Birth, Address, Occupation, Nationality Term and DIN	Age	Designation
	<p><i>Date of Birth:</i> August 22, 1952  <i>Address:</i> 9<sup>th</sup> Floor, Nair House, 14<sup>th</sup> B Road, Behind Mahavir Hospital Khar West, Mumbai, Maharashtra, India, 400052  <i>Occupation:</i> Professional  <i>Nationality:</i> Indian  <i>Term:</i> Appointed with effect from February 3, 2020, for a period of five years  <i>DIN:</i> 00056826</p>		
6.	<p><b>Kanwar Bir Singh Anand</b>  <i>Date of Birth:</i> August 30, 1955  <i>Address:</i> 36<sup>th</sup> Floor, 3601, Island City, Center One, GD Ambedkar Marg, Dadar (East), Mumbai– Maharashtra, India - 400014  <i>Occupation:</i> Professional  <i>Nationality:</i> Indian  <i>Term:</i> Appointed with effect from February 3, 2020, for a period of five years.  <i>DIN:</i> 03518282</p>	68	Independent Director

### Biographies of our Directors

**Pradeep Kumar Kheruka** is the Promoter, Chairman and a Non-Executive director of the Company. He holds a bachelor's degree in commerce from the University of Calcutta.

**Shreevar Kheruka** is the Promoter, Vice Chairman, Managing Director and CEO of our Company. He holds a bachelor's degree of science in economics as well as bachelor's degree of arts from University of Pennsylvania.

**Rajesh Kumar Chaudhary** is a Whole-time Director of our Company and is also the Group CFO. He is a qualified Chartered Accountant from the Institute of Chartered Accountants of India.

**Anupa Rajiv Sahney** is an Independent Director of our Company. She holds a bachelor's degree of arts in accountancy, finance and economics from the University of Essex and is also a member of the Institute of Chartered Accountants in England and Wales.

**Kewal Kundanlal Handa** is an Independent Director of our Company. He has cleared the examination held by the Institute of Cost and Work Accountants of India and has also cleared the examination held by the Institute of Company Secretaries of India. He has also participated in the senior management development program of the Indian Institute of Management, Ahmadabad.

**Kanwar Bir Singh Anand** is an Independent Director of our Company. He holds a bachelor of technology degree in mechanical engineering from Indian Institute of Technology, Mumbai and has done post graduate diploma in management from Indian Institute of Management, Kolkata.

### Relationship with other Directors

Except as stated below, none of our Directors are related to each other.

Name of the Directors	Relationship
Pradeep Kumar Kheruka and Shreevar Kheruka	Father and Son

### Borrowing powers of our Board

In accordance with the Articles of Association, our Board of Directors has been empowered to borrow funds in accordance with applicable law. Pursuant to the resolution dated August 10, 2017, passed by our Shareholders, our Board is authorized to borrow any sum or sums of money for and on behalf of our Company (apart from temporary loan availed from the Company's Bankers in the ordinary course of business) subject to such borrowings not exceeding ₹ 25,000 lakhs, in excess of the aggregate of the paid up share capital of our Company and its free reserves. Our borrowing limits may be changed from time to time, subject to approval of the Board and our Shareholders.

## Interests of the Directors

Our Directors may be deemed to be interested to the extent of their shareholding, remuneration and fees payable to them for attending meetings of our Board or committees thereof, as well as to the extent of reimbursement of expenses, and the stock options to which they are entitled to. The Executive Directors of our Company may be deemed to be interested to the extent of remuneration paid to them for services rendered. In consideration for these services, they are paid managerial remuneration in accordance with the provisions of applicable law.

Except for Pradeep Kumar Kheruka and Shreevar Kheruka, who are Promoters of our Company, none of our Directors have any interest in the promotion of our Company.

All of the Directors may also be regarded as interested in any Equity Shares held by them and to the extent of any dividend payable to them and other distributions in respect of the Equity Shares held by them. All Directors may also be regarded as interested in the Equity Shares held by the companies, firms, HUFs, and trusts in which they are interested as directors, members, partners, karta, trustees, etc. For details of the Equity Shares held by our Directors, please refer to “- *Shareholding of Directors*” on page 163.

None of our Directors have any interest in any property acquired or proposed to be acquired of our Company or by our Company.

No loans have been availed by our Directors from our Company.

Except as provided in “*Related Party Transactions*” on page 41, our Company has not entered into any contract, agreement or arrangement during the three Financial Years immediately preceding the date of this Preliminary Placement Document, in which any of the Directors are interested, directly or indirectly, and no payments have been made to them in respect of any such contracts, agreements, arrangements which are proposed to be made with them.

Other than as disclosed in this Preliminary Placement Document, there are no outstanding transactions other than in the ordinary course of business undertaken by our Company, in which the Directors are interested.

## Shareholding of Directors

As per our Articles, our Directors are not required to hold any qualification shares.

Except as disclosed below, none of our Directors hold Equity Shares in our Company as of the date of this Preliminary Placement Document.

Sr. No.	Name of the Director	Designation	Number of stock options outstanding	Number of stock options vested and unexercised	Number of Equity Shares	Percentage (%) shareholding
1.	Pradeep Kumar Kheruka	Chairman and Non-Executive Director	Nil	Nil	1,32,33,662	11.55%
2.	Shreevar Kheruka	Vice-Chairman, Managing Director and Chief Executive Officer	Nil	Nil	19,51,747	1.70%
3.	Rajesh Kumar Chaudhary	Whole-Time Director and Group CFO	37,500	20,691	86,180*	0.07%

\*Includes shares held by HUF

## Terms of Appointment of the Non-Executive Director

Pradeep Kumar Kheruka is the Non-Executive Director and Chairman of our Company. The following is a description of the current terms of appointment of Mr. Pradeep Kumar Kheruka:

Sr. No.	Particulars	Amount
1.	Sitting Fees	Entitled to sitting fees as may be decided by the Board of Directors from time to time.
2.	Commission	Entitled to commission as may be decided by the Board of Directors from time to time.

### Terms of Appointment of the Executive Directors

Pursuant to the board resolutions dated May 9, 2022, and shareholders' resolutions dated July 13, 2022, each of the Executive Directors our Company are entitled to the following remuneration and perquisites:

#### *Shreevar Kheruka*

Shreevar Kheruka is the Vice Chairman, Managing Director and Chief Executive Officer of our Company. The following is a description of the current terms of appointment of Mr. Shreevar Kheruka:

1.	Basic Salary	Between ₹ 40 lakhs to ₹ 80 lakhs per month
2.	Commission or Incentive	Such amount as may be decided by the Board considering the performance/growth of our Company and various other factors, subject to same not exceeding ₹ 1,000 lakhs for each financial year or part thereof.
3.	Perquisites/Other benefits	Such perquisites/other benefits as may be decided by the Board, including but not limited to the following: <ul style="list-style-type: none"> <li>• Dependents and self covered under our Company's medical insurance scheme</li> <li>• Reimbursement of membership fee for up to three clubs in India including subscription fees</li> <li>• Coverage under group personal accident policy of our Company for a suitable amount</li> <li>• Company maintained car with driver for official purposes</li> <li>• Phone rentals, call charges and broadband charges to be paid by our Company at actuals for telephone/mobile phone(s)</li> <li>• Company's contribution to provident fund, gratuity and encashment of leave, payable as per our Company's policy. These shall not be included in the computation of limits for the remuneration or perquisites aforesaid.</li> <li>• Leave with full pay or encashment thereof as per our Company's policy.</li> <li>• All expenses incurred for business purposes (including for travel, stay and entertainment expenses etc.), will be paid by our Company at actuals, as per our Company's policy.</li> <li>• Entitled to other perquisites as applicable to other senior management as per our Company's policy.</li> </ul>

#### *Rajesh Kumar Chaudhary*

Rajesh Kumar Chaudhary is the Whole-Time Director of our Company. The following is a description of the current terms of appointment of Mr. Rajesh Kumar Chaudhary:

1.	Basic Salary	Between ₹ 7 lakhs to ₹ 15 lakhs per month
2.	Incentive	Such amount as may be decided by the Board considering his own performance and of our Company, subject to the same not exceeding ₹ 60 lakhs for each financial year or part thereof.
3.	Perquisites/Other benefits	Such perquisites/other benefits as may be decided by the Board, including but not limited to the following: <ul style="list-style-type: none"> <li>• Dependents and self covered under our Company's medical insurance scheme</li> <li>• Coverage under group personal accident policy of our Company for a suitable amount</li> <li>• Call charges and broadband charges to be paid by our Company at actuals for telephone/mobile phone(s)</li> <li>• Company's contribution to provident fund, gratuity and encashment of leave, payable as per our Company's policy or at the end of his tenure. These shall not be included in the computation of limits for the remuneration or perquisites aforesaid.</li> <li>• Leave travel assistance once a year for self and the family, incurred in accordance with Company's policy.</li> <li>• Company maintained car with driver for official purposes.</li> <li>• Leave with full pay or encashment thereof as per the Company's policy.</li> <li>• All expenses incurred for business purposes (including for travel, stay and</li> </ul>

		entertainment expenses etc.), will be paid by our Company at actuals, as per our Company's policy. <ul style="list-style-type: none"> <li>• Entitled to other perquisites as applicable to other senior management as per our Company's policy.</li> <li>• He shall also be entitled to employee stock options as may be granted from time to time.</li> </ul>
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### Remuneration paid to Executive Directors

The following tables set forth the details of remuneration paid by our Company to the Executive Directors of our Company for Financial Year 2022, Financial Year 2023, and Financial Year 2024:

(in ₹ lakhs)

Sr. No.	Name of the Director	Remuneration for Financial Year 2022	Remuneration for Financial Year 2023	Remuneration for Financial Year 2024
1.	Shreevar Kheruka	641.68	989.17	1,120.13
2.	Rajesh Kumar Chaudhary*	119.53	141.31	164.25

\* Exclusive of share based expenses of ₹ 12.69 lakhs lakhs, ₹ 17.15 lakhs, and ₹ Nil for the year ended March 31, 2024, March 31, 2023, and March 31, 2022, respectively.

### Remuneration of the Non-Executive Directors including Independent Directors

Our Non-Executive Directors are entitled to receive sitting fees for attending meetings of our Board of Directors or any of its committee and other payments as may be determined by our Board of Directors from time to time. Pursuant to a resolution passed by our Board of Directors dated May 22, 2023, our Non-Executive Directors are entitled to sitting fees of ₹ 0.75 lakhs for attending each meeting of our Board of Directors and ₹ 0.50 lakhs for attending each meeting of the Risk Management Committee. Additionally, pursuant to a resolution of our Board of Directors dated February 3, 2020, our Non-Executive Directors are entitled to sitting fees of ₹ 0.50 lakhs for attending each meeting of the Audit Committee, and ₹ 0.20 lakhs for attending each meeting of any committee other than the Audit Committee and Risk Management Committee.

The following tables set forth the details of commission and sitting fees paid by our Company to the Non-Executive Directors including Independent Directors of our Company for Financial Year 2022, Financial Year 2023, and Financial Year 2024:

(in ₹ lakhs)

Sr. No.	Name of the Director	Commission and sitting fees for Financial Year 2022	Commission and sitting fees for Financial Year 2023	Commission and sitting fees for Financial Year 2024
1.	Pradeep Kumar Kheruka	17.70	22.20	26.50
2.	Anupa Rajiv Sahney	17.50	22.00	26.75
3.	Kewal Kundanlal Handa	17.70	23.40	27.55
4.	Kanwar Bir Singh Anand	15.50	19.50	26.65
5.	Late Naveen Kumar Kshatriya*	16.90	20.40	1.45

\* Up to October 14, 2023

### Prohibition by SEBI or Other Governmental Authorities

Neither our Company, nor our Directors or Promoters are debarred from accessing capital markets under any order or direction made by SEBI or any other governmental authority.

None of the companies with which our Directors are or were associated as promoters, directors or as persons in control have been debarred from accessing the capital market under any order or direction passed by SEBI or any other governmental authority.

### Key Managerial Personnel

The Key Managerial Personnel are permanent employees of our Company. In addition to (i) Shreevar Kheruka, our Vice Chairman, Managing Director and CEO, and (ii) Rajesh Kumar Chaudhary, our Whole-Time Director and Group CFO, the details of our other Key Managerial Personnel in terms of the Companies Act and the SEBI ICDR Regulations as on the date of this Preliminary Placement Document are set forth below:

Sr. No.	Name	Designation
1.	Anand Sultania	Chief Financial Officer
2.	Anshu Agarwal	Company Secretary and Compliance Officer

#### **Brief details of the Key Managerial Personnel**

In addition to the (i) Shreevar Kheruka, our Vice Chairman, Managing Director and CEO, and (ii) Rajesh Kumar Chaudhary, our Whole-Time Director and Group CFO, whose details are provided in “*Brief Biographies of our Directors*” on page 162. The details of our other Key Managerial Personnel as of the date of this Preliminary Placement Document are set forth below:

**Anand Sultania** is the CFO of our Company.

**Anshu Agarwal** is the Company Secretary and Compliance Officer of our Company.

#### **Members of Senior Management**

The members of Senior Management are permanent employees of our Company. In addition to (i) Shreevar Kheruka, our Vice Chairman, Managing Director and CEO, (ii) Rajesh Kumar Chaudhary, our Whole-Time Director and Group CFO, (iii) Anand Sultania, our CFO, and (iv) Anshu Agarwal, our Company Secretary and Compliance Officer, the details of our members of Senior Management, as on the date of this Preliminary Placement Document are set forth below:

Sr. No.	Name	Designation
1.	Sweta Kochar	Chief Human Resource Officer
2.	Rituraj Sharma	President – Consumer Products
3.	Balesh Talapady	Vice President – Investor Relations & Business Analysis
4.	Siddhartha Chatterjee	General Manager – Corporate Information Technology
5.	Manoj Kumar Singh	Associate Vice President - Operations
6.	Mandar Anil Chandrachud	Vice President-Legal

#### **Brief details of members of Senior Management**

**Sweta Kochar** is the Chief Human Resource Officer of our Company.

**Rituraj Sharma** is the President – Consumer Products of our Company.

**Balesh Talapady** is the Vice President – Investor Relations and Business Analysis of our Company.

**Siddhartha Chatterjee** is the General Manager – Corporate Information Technology of our Company.

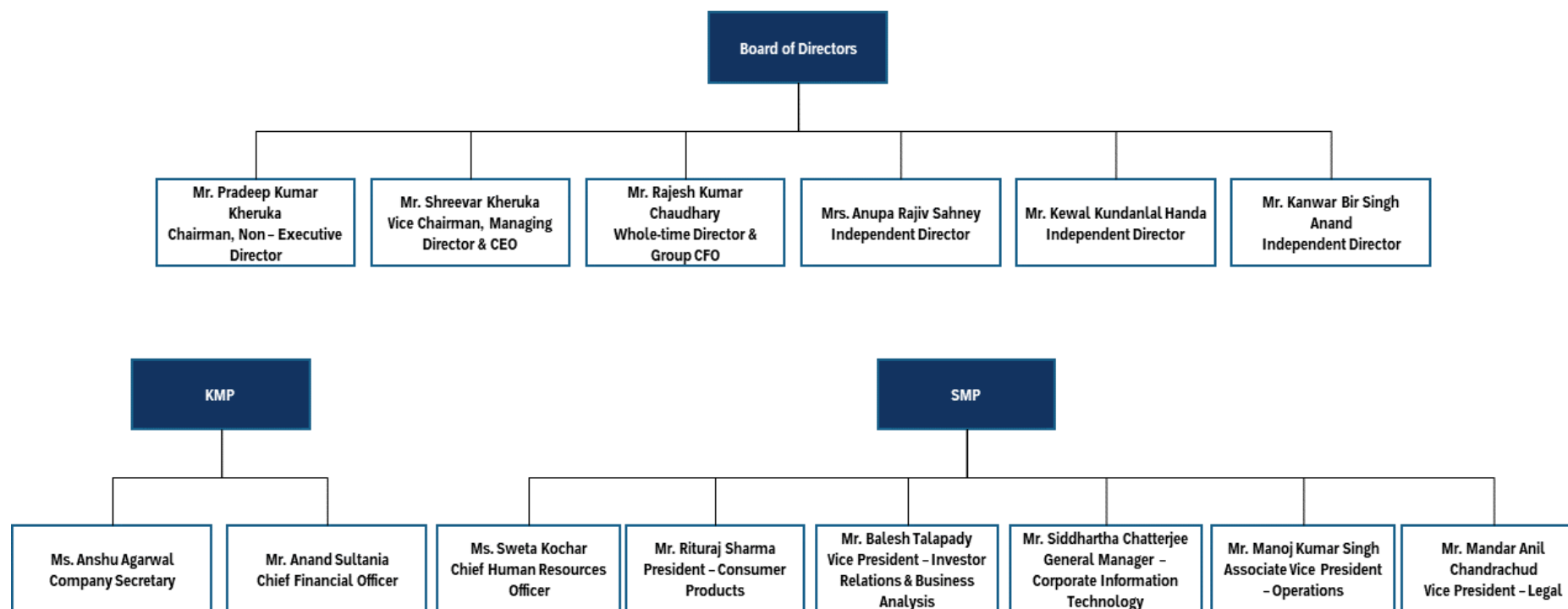
**Manoj Kumar Singh** is the Associate Vice President – Operations of our Company.

**Mandar Anil Chandrachud** is the Vice President-Legal of our Company.

## ORGANISATIONAL CHART OF OUR COMPANY

See forth below is the organisational structure of our Company, including our Board, Key Managerial Personnel and Senior Management.

### Organization Structure | BL



## Relationship

Other than as disclosed under “-Relationship with other Directors” on page 162, none of our Key Managerial Personnel and members of our Senior Management are related either to each other or to the Directors.

## Interest of Key Managerial Personnel and members of Senior Management

Other than as disclosed under “-Interest of Directors” on page 163, our Key Managerial Personnel and members of the Senior Management do not have any interest in our Company other than to the extent of the remuneration or benefits to which they are entitled as per their terms of appointment, reimbursement of expenses incurred by them during the ordinary course of business. Our Key Managerial Personnel and members of Senior Management may also be deemed to be interested to the extent of any dividend payable to them and other distributions in respect of Equity Shares held in our Company, if any.

Our Key Managerial Personnel and members of Senior Management may also be entitled to participate in the Borosil Limited - Special Purpose Employee Stock Option Plan 2020 (ESOP 2020) and Borosil Limited - Employee Stock Option Scheme 2020 (New ESOS 2020).

None of our Key Managerial Personnel and members of Senior Management have been paid any consideration of any nature from our Company, other than their remuneration.

There is no arrangement or understanding with the major shareholders, customers, suppliers or others, pursuant to which any Key Managerial Personnel and members of Senior Management was selected as member of senior management.

## Corporate Governance

Our Company is in compliance with the requirements of the applicable regulations, including the SEBI Listing Regulations, the Companies Act, 2013 and the SEBI ICDR Regulations, in respect of corporate governance, including constitution of our Board and committees thereof. The corporate governance framework is based on an effective independent Board, separation of our Board’s supervisory role from the executive management team and constitution of our Board committees, as required under law.

Our Board has been constituted in compliance with the Companies Act, 2013 and the SEBI Listing Regulations.

## Committees of our Board of Directors

Our Board has constituted statutory committees, which function in accordance with the relevant provisions of the Companies Act, 2013 and the SEBI Listing Regulations.

The statutory committees of our Board are: (i) Audit Committee; (ii) Nomination and Remuneration Committee; (iii) Stakeholders Relationship Committee; (iv) Risk Management Committee; and (v) Corporate Social Responsibility Committee.

The following table sets forth details of members of the aforesaid committees, as on the date of this Preliminary Placement Document:

Sr. No.	Committee	Name and Designation of Members
1.	Audit Committee	<ul style="list-style-type: none"><li>• Mrs. Anupa Rajiv Sahney (Chairperson)</li><li>• Mr. Pradeep Kumar Kheruka</li><li>• Mr. Kewal Kundanlal Handa</li><li>• Mr. Kanwar Bir Singh Anand</li></ul>
2.	Nomination and Remuneration Committee	<ul style="list-style-type: none"><li>• Mr. Kanwar Bir Singh Anand (Chairman)</li><li>• Mr. Pradeep Kumar Kheruka</li><li>• Mrs. Anupa Rajiv Sahney</li><li>• Mr. Kewal Kundanlal Handa</li></ul>



Sr. No.	Committee	Name and Designation of Members
3.	Stakeholders Relationship Committee	<ul style="list-style-type: none"> <li>• Mr. Pradeep Kumar Kheruka (Chairman)</li> <li>• Mr. Shreevar Kheruka</li> <li>• Mrs. Anupa Rajiv Sahney</li> </ul>
4.	Risk Management Committee	<ul style="list-style-type: none"> <li>• Mr. Kewal Kundanlal Handa (Chairman)</li> <li>• Mr. Pradeep Kumar Kheruka</li> <li>• Mr. Shreevar Kheruka</li> <li>• Mr. Rajesh Kumar Chaudhary</li> <li>• Mr. Kanwar Bir Singh Anand</li> <li>• Mr. Rituraj Sharma</li> </ul>
5.	Corporate Social Responsibility Committee	<ul style="list-style-type: none"> <li>• Mr. Pradeep Kumar Kheruka (Chairman)</li> <li>• Mr. Shreevar Kheruka</li> <li>• Mrs. Anupa Rajiv Sahney</li> <li>• Mr. Kewal Kundanlal Handa</li> </ul>

### Other Confirmations

None of our Directors, Promoters or Key Managerial Personnel or members of Senior Management have any financial or other material interest in the Issue.

Neither our Company, nor the Directors or Promoters have ever been identified as wilful defaulters or fraudulent borrowers by any bank or financial institution or consortium thereof, in accordance with the guidelines on wilful defaulters and fraudulent borrowers issued by the RBI.

None of our Promoters or Directors have been declared as fugitive economic offenders under Section 12 of the Fugitive Economic Offenders Act, 2018.

None of our Directors, our Promoter, Key Managerial Personnel or Senior Management of our Company intend to subscribe to the Issue.

No change in control of our Company will occur consequent to the Issue.

### Policy on disclosures and internal procedure for prevention of insider trading

The SEBI Insider Trading Regulations applies to our Company and our employees and requires our Company to implement a code of practices and procedures for fair disclosure of unpublished price sensitive information and conduct for the prevention of insider trading. Our Company has implemented a code of practices and procedures for disclosure of unpublished price sensitive information in accordance with the SEBI Insider Trading Regulations.

### Related Party Transactions

For details in relation to the related party transactions entered into by our Company during Financial Years 2022, 2023, 2024, see “*Financial Information*” and “*Related Party Transactions*” on pages 226 and 41, respectively.

## ORGANISATIONAL STRUCTURE OF OUR COMPANY

### Corporate History

Our Company was originally incorporated as a private limited company under the provisions of Companies Act, 1956 as 'Hopewell Tableware Private Limited' pursuant to certificate of incorporation dated November 25, 2010 issued by the Registrar of Companies, Rajasthan at Jaipur. Our Company was converted from 'Hopewell Tableware Private Limited' to 'Hopewell Tableware Limited' and a fresh certificate of incorporation dated July 19, 2018, consequent upon conversion to a public limited company, was issued by the RoC. Thereafter, the name of our Company was changed to 'Borosil Limited', and a fresh certificate of incorporation dated November 20, 2018 was issued by the RoC.

Our Company's CIN is L36100MH2010PLC292722.

The registered and corporate office of our Company is located at 1101, 11<sup>th</sup> Floor, Crescenzo, G-Block, Opp. MCA Club, Bandra Kurla Complex, Bandra (East), Mumbai – 400051 India.

Our Equity Shares are listed on BSE and NSE since July 22, 2020.

### Changes in Registered Office

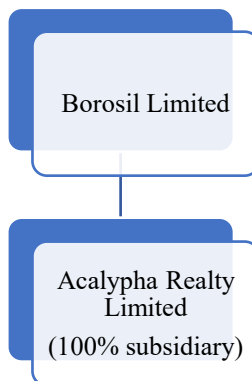
Except as disclosed below, there has been no change in the address of the registered and corporate office of our Company since the date of incorporation:

Date of change	Details of change in registered office
March 4, 2013	D-10/50, Opposite Chitrakoot Stadium, Chitrakoot, Vaishali Nagar, Jaipur, Rajasthan-302021
July 1, 2016	Village Balekhan, PS Anaptura, Near Govindgarh, NH-52, Sikar Road, Chomu, Jaipur, Rajasthan-303807
February 16, 2017	1101, 11 <sup>th</sup> Floor, Crescenzo, G-Block, Plot No. C-38, Opp. MCA Club, Bandra Kurla Complex, Bandra (East), Mumbai – 400 051

### Organizational Structure

As on the date of this Preliminary Placement Document, we have one Subsidiary. For further details, see “*Definitions and Abbreviations*”, “*Our Business – Group Restructuring Process*” and “*Financial Information*” on pages 21, 145 and 226, respectively.

Our organisational structure is set forth below.



## SHAREHOLDING PATTERN OF OUR COMPANY

### Shareholding pattern of our Company as on March 31, 2024

The following table sets forth the details regarding the equity shareholding pattern of our Company as on March 31, 2024:

Category (I)	Category of shareholder (II)	Nos. of shareholders (III)	No. of fully paid up equity shares held (IV)	No. of Partly paid-up equity shares held (V)	No. of shares underlying Depository Receipts (VI)	Total nos. shares held (VII) = (IV)+(V)+(VI)	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) (VIII) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities (IX)			No. of Shares Underlying Outstanding convertible securities (including Warrants) (X)	Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI) = (VII)+(X) As a % of (A+B+C2)	Number of Locked in shares (XII)		Number of Shares pledged or otherwise encumbered (XIII)		Number of equity shares held in dematerialized form (XIV)	
								No of Voting Rights					Total as a % of (A+B+C)	No. (a)	As a % of total Shares held (b)	No. (a)		As a % of total Shares held (b)
								Class eg: X	Class eg: y	Total								
A	Promoter & Promoter Group	11	8,04,15,221	0	0	8,04,15,221	70.18	8,04,15,221	0	8,04,15,221	70.18	0	0	0	0	8,04,15,221		
B	Public	81,109	3,41,66,874	0	0	3,41,66,874	29.82	3,41,66,874	0	3,41,66,874	29.82	0	0			3,25,48,128		
C	Non Promoter-Non Public	0	0	0	0	0		0	0	0	0	0	0			0		
C1	Shares underlying DRs	0	0	0	0	0		0	0	0	0	0	0			0		
C2	Shares held by Employee Trusts	0	0	0	0	0	0	0	0	0	0	0	0			0		
	<b>Total</b>	<b>81,120</b>	<b>11,45,82,095</b>	<b>0</b>	<b>0</b>	<b>11,45,82,095</b>	<b>100</b>	<b>11,45,82,095</b>	<b>0</b>	<b>11,45,82,095</b>	<b>100</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>11,29,63,349</b>		

**Statement showing shareholding pattern of our Promoters and Promoter Group**

The following table sets forth the details regarding the equity shareholding pattern of our Promoters and Promoter Group as on March 31, 2024:

Category	Category & Name of the Shareholders (I)	No. of shareholder (III)	No. of fully paid up equity shares held (IV)	Partly paid-up equity shares held (V)	Nos. of shares underlying Depository Receipts (VI)	Total nos. shares held (VII = IV+V+VI)	Shareholding % calculated as per SCRR, 1957 As a % of (A+B+C2) (VIII)	Number of Voting Rights held in each class of securities (IX)				No. of Shares Outstanding convertible securities (including Warrants) (X)	Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI) = (VII)+(X) as a % of A+B+C2	Number of Locked in shares (XII)		Number of Shares pledged or otherwise encumbered (XIII)		Number of equity shares held in dematerialized form (XIV)
								No of Voting Rights			Total as a % of Total Voting rights			No. (a)	As a % of total Shares held (b)	No. (a)	As a % of total shares held (b)	
								Class X	Class Y	Total								
<b>1</b>	<b>Indian</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
a	Individuals/Hindu undivided Family	4	6,18,87,412	0	0	6,18,87,412	54.01	6,18,87,412	0	6,18,87,412	54.01	0	54.01	0	0	0	0	6,18,87,412
	KIRAN KHERUKA	1	3,02,70,416	0	0	3,02,70,416	26.42	3,02,70,416	0	3,02,70,416	26.42	0	26.42	0	0	0	0	3,02,70,416
	REKHA KHERUKA	1	1,64,31,587	0	0	1,64,31,587	14.34	1,64,31,587	0	1,64,31,587	14.34	0	14.34	0	0	0	0	1,64,31,587
	SHREEVAR KHERUKA	1	19,51,747	0	0	19,51,747	1.7	19,51,747	0	19,51,747	1.7	0	1.7	0	0	0	0	19,51,747
	PRADEEP KUMAR KHERUKA	1	1,32,33,662	0	0	1,32,33,662	11.55	1,32,33,662	0	1,32,33,662	11.55	0	11.55	0	0	0	0	1,32,33,662
b	Central Government/ State Government(s)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
c	Financial Institutions/ Banks	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
d	Any Other (specify)	6	1,85,23,364	0	0	1,85,23,364	16.17	1,85,23,364	0	1,85,23,364	16.17	0	16.17	0	0	0	0	1,85,23,364
	Bodies Corporate	1	1,30,87,339	0	0	1,30,87,339	11.42	1,30,87,339	0	1,30,87,339	11.42	0	11.42	0	0	0	0	1,30,87,339
	Croton Trading Private Limited	1	1,30,87,339	0	0	1,30,87,339	11.42	1,30,87,339	0	1,30,87,339	11.42	0	11.42	0	0	0	0	1,30,87,339
	Other	5	54,36,025	0	0	54,36,025	4.74	54,36,025	0	54,36,025	4.74	0	4.74	0	0	0	0	54,36,025
	Gujarat Fusion Glass LLP	1	31,36,404	0	0	31,36,404	2.74	31,36,404	0	31,36,404	2.74	0	2.74	0	0	0	0	31,36,404

Category	Category & Name of the Shareholders (I)	No. of shareholder (III)	No. of fully paid up equity shares held (IV)	Partly paid-up equity shares held (V)	Nos. of shares underlying Depository Receipts (VI)	Total nos. shares held (VII = IV+V+VI)	Shareholding % calculated as per SCRR, 1957 As a % of (A+B+C2) (VIII)	Number of Voting Rights held in each class of securities (IX)				No. of Shares Outstanding convertible securities (including Warrants) (X)	Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI) = (VII)+(X) as a % of A+B+C2	Number of Locked in shares (XII)		Number of Shares pledged or otherwise encumbered (XIII)		Number of equity shares held in dematerialized form (XIV)
								No of Voting Rights			Total as a % of Total Voting rights			No. (a)	As a % of total Shares held (b)	No. (a)	As a % of total shares held (b)	
								Class X	Class Y	Total								
	Sonargaon Properties LLP	1	18	0	0	18	0	18	0	18	0	0	0	0	0	0	0	18
	Borosil Holdings LLP	1	9,18,179	0	0	9,18,179	0.8	9,18,179	0	9,18,179	0.8	0	0.8	0	0	0	0	9,18,179
	Spartan Trade Holdings LLP	1	11,47,313	0	0	11,47,313	1	11,47,313	0	11,47,313	1	0	1	0	0	0	0	11,47,313
	Associated Fabricators LLP	1	2,34,111	0	0	2,34,111	0.2	2,34,111	0	2,34,111	0.2	0	0.2	0	0	0	0	2,34,111
	<b>Sub-Total (A)(1)</b>	<b>10</b>	<b>8,04,10,776</b>	<b>0</b>	<b>0</b>	<b>8,04,10,776</b>	<b>70.18</b>	<b>8,04,10,776</b>	<b>0</b>	<b>8,04,10,776</b>	<b>70.18</b>	<b>0</b>	<b>70.18</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>8,04,10,776</b>
<b>2</b>	<b>Foreign</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
a	Individuals (Non-Resident Individuals/Foreign Individuals)	1	4,445	0	0	4,445	0	4,445	0	4,445	0	0	0	0	0	0	0	4,445
	Alaknanda Ruia	1	4,445	0	0	4,445	0	4,445	0	4,445	0	0	0	0	0	0	0	4,445
b	Government	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
c	Institutions	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
d	Foreign Portfolio Investor	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
e	Any Other (specify)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	<b>Sub-Total (A)(2)</b>	<b>1</b>	<b>4,445</b>	<b>0</b>	<b>0</b>	<b>4,445</b>	<b>0</b>	<b>4,445</b>	<b>0</b>	<b>4,445</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>4,445</b>
	<b>Total Shareholding of Promoter and Promoter Group (A) = (A)(1)+(A)(2)</b>	<b>11</b>	<b>8,04,15,221</b>	<b>0</b>	<b>0</b>	<b>8,04,15,221</b>	<b>70.18</b>	<b>8,04,15,221</b>	<b>0</b>	<b>8,04,15,221</b>	<b>70.18</b>	<b>0</b>	<b>70.18</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>8,04,15,221</b>

## Statement showing shareholding pattern of the Public Shareholders

The following table sets forth the details regarding the equity shareholding pattern of the Public Shareholders as on March 31, 2024:

Category	Category & Name of the Shareholders (I)	Nos. of shareholder (III)	No. of fully paid up equity shares held (IV)	Partly paid-up equity shares held (V)	Nos. of shares underlying Depository Receipts (VI)	Total nos. shares held VII = IV+V+VI	Shareholding % calculated as per SCRR, 1957 As a % of (A+B+C) VIII	Number of Voting Rights held in each class of securities (IX)			No. of Shares Underlying Outstanding convertible securities (including Warrants) (X)	Total shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI)	Number of Locked in shares (XII)		Number of Shares pledged or otherwise encumbered (XIII)		Number of equity shares held in dematerialized form (XIV)	
								No of Voting Rights					Total as a % of Total Voting rights	No. As a % of total Shares held (b)	No. (Not applicable) (a)	As a % of total shares held (Not applicable) (b)		
								Class X	Class Y	Total								
<b>1</b>	<b>Institutions (Domestic)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	
a	Mutual Funds	2	15,98,268	0	0	15,98,268	1.39	15,98,268	0	15,98,268	1.39	0	1.39	0	0			15,98,268
	Dsp Small Cap Fund	1	15,82,268	0	0	15,82,268	1.38	15,82,268	0	15,82,268	1.38	0	1.38	0	0			15,82,268
b	Venture Capital Funds	0	0	0	0	0	0	0	0	0	0	0	0	0	0			0
c	Alternate Investment Funds	2	55,984	0	0	55,984	0.05	55,984	0	55,984	0.05	0	0.05	0	0			55,984
d	Banks	4	14,000	0	0	14,000	0.01	14,000	0	14,000	0.01	0	0.01	0	0			4000
e	Insurance Companies	0	0	0	0	0	0	0	0	0	0	0	0	0	0			0
f	Provident Funds/ Pension Funds	0	0	0	0	0	0	0	0	0	0	0	0	0	0			0
g	Asset reconstruction companies	0	0	0	0	0	0	0	0	0	0	0	0	0	0			0
h	Sovereign Wealth Funds	0	0	0	0	0	0	0	0	0	0	0	0	0	0			0
i	NBFCs registered with RBI	1	50	0	0	50	0	50	0	50	0	0	0	0	0			50
j	Other Financial Institutions	0	0	0	0	0	0	0	0	0	0	0	0	0	0			0
k	Any Other (specify)	0	0	0	0	0	0	0	0	0	0	0	0	0	0			0
	<b>Sub-Total (B)(1)</b>	<b>9</b>	<b>16,68,302</b>	<b>0</b>	<b>0</b>	<b>16,68,302</b>	<b>1.46</b>	<b>16,68,302</b>	<b>0</b>	<b>16,68,302</b>	<b>1.46</b>	<b>0</b>	<b>1.46</b>	<b>0</b>	<b>0</b>			<b>16,58,302</b>
<b>2</b>	<b>Institutions (Foreign)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>			<b>0</b>
a	Foreign Direct Investment	0	0	0	0	0	0	0	0	0	0	0	0	0	0			0
b	Foreign Venture Capital Investors	0	0	0	0	0	0	0	0	0	0	0	0	0	0			0

Category	Category & Name of the Shareholders (I)	Nos. of shareholder (III)	No. of fully paid up equity shares held (IV)	Partly paid-up equity shares held (V)	Nos. of shares underlying Depository Receipts (VI)	Total nos. shares held VII = IV+V+VI	Shareholding % as per SCRR, 1957 As a % of (A+B+C) VIII	Number of Voting Rights held in each class of securities (IX)			No. of Shares Outstanding convertible securities (including Warrants) (X)	Total shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI)	Number of Locked in shares (XII)		Number of Shares pledged or otherwise encumbered (XIII)		Number of equity shares held in dematerialized form (XIV)	
								No of Voting Rights					Total as a % of Total Voting rights	No. (a)	As a % of total Shares held (b)	No. (Not applicable) (a)		As a % of total shares held (Not applicable) (b)
								Class X	Class Y	Total								
c	Sovereign Wealth Funds	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
d	Foreign Portfolio Investors Category I	40	7,40,741	0	0	7,40,741	0.65	7,40,741	0	7,40,741	0.65	0	0.65	0	0			7,40,741
e	Foreign Portfolio Investors Category II	5	2,34,699	0	0	2,34,699	0.2	2,34,699	0	2,34,699	0.2	0	0.2	0	0			2,34,699
f	Overseas Depositories (holding DRs) (balancing figure)	0	0	0	0	0	0	0	0	0	0	0	0	0	0			0
g	Any Other (specify)	0	0	0	0	0	0	0	0	0	0	0	0	0	0			0
	<b>Sub-Total (B)(2)</b>	<b>45</b>	<b>9,75,440</b>	<b>0</b>	<b>0</b>	<b>9,75,440</b>	<b>0.85</b>	<b>9,75,440</b>	<b>0</b>	<b>9,75,440</b>	<b>0.85</b>	<b>0</b>	<b>0.85</b>	<b>0</b>	<b>0</b>			<b>9,75,440</b>
<b>3</b>	<b>Central Government / State Government(s)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>			<b>0</b>
a	Central Government / President of India	0	0	0	0	0	0	0	0	0	0	0	0	0	0			0
b	State Government / Governor	0	0	0	0	0	0	0	0	0	0	0	0	0	0			0
c	Shareholding by Companies or Bodies Corporate where Central / State Government is a promoter	0	0	0	0	0	0	0	0	0	0	0	0	0	0			0
	<b>Sub-Total (B)(3)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>			<b>0</b>
<b>4</b>	<b>Non-institutions</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>			<b>0</b>
a	Associate companies / Subsidiaries	0	0	0	0	0	0	0	0	0	0	0	0	0	0			0
b	Directors and their relatives (excluding independent directors and nominee directors)	3	1,00,105	0	0	1,00,105	0.09	1,00,105	0	1,00,105	0.09	0	0.09	0	0			1,00,105
c	Key Managerial Personnel	1	80	0	0	80	0	80	0	80	0	0	0	0	0			80
d	Relatives of promoters (other than "Immediate Relatives" of promoters disclosed under "Promoter and Promoter Group")	0	0	0	0	0	0	0	0	0	0	0	0	0	0			0

Category	Category & Name of the Shareholders (I)	Nos. of shareholder (III)	No. of fully paid up equity shares held (IV)	Partly paid-up equity shares held (V)	Nos. of shares underlying Depository Receipts (VI)	Total nos. shares held VII = IV+V+VI	Shareholding % as per SCRR, 1957 As a % of (A+B+C) VIII	Number of Voting Rights held in each class of securities (IX)			No. of Shares Underlying Outstanding convertible securities (including Warrants) (X)	Total shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI)	Number of Locked in shares (XII)		Number of Shares pledged or otherwise encumbered (XIII)		Number of equity shares held in dematerialized form (XIV)	
								No of Voting Rights					Total as a % of Total Voting rights	No. (a)	As a % of total Shares held (b)	No. (Not applicable) (a)		As a % of total shares held (Not applicable) (b)
								Class X	Class Y	Total								
	category)																	
e	Trusts where any person belonging to "Promoter and Promoter Group" category is "trustee", "beneficiary", or "author of the trust"	0	0	0	0	0	0	0	0	0	0	0	0	0			0	
f	Investor Education and Protection Fund (IEPF)	1	26,82,534	0	0	26,82,534	2.34	26,82,534	0	26,82,534	2.34	0	2.34	0	0		26,82,534	
	Investor Education And Protection Fund Authority	1	26,82,534	0	0	26,82,534	2.34	26,82,534	0	26,82,534	2.34	0	2.34	0	0		26,82,534	
g	Resident Individuals holding nominal share capital up to Rs. 2 lakhs	78327	2,11,33,354	0	0	2,11,33,354	18.44	2,11,33,354	0	2,11,33,354	18.44	0	18.44	0	0		1,96,21,208	
h	Resident Individuals holding nominal share capital in excess of Rs. 2 lakhs	3	24,04,500	0	0	24,04,500	2.1	24,04,500	0	24,04,500	2.1	0	2.1	0	0		24,04,500	
	DIPAK KANAYALAL SHAH	1	12,04,000	0	0	12,04,000	1.05	12,04,000	0	12,04,000	1.05	0	1.05	0	0		12,04,000	
i	Non Resident Indians (NRIs)	1,114	7,94,240	0	0	7,94,240	0.69	7,94,240	0	7,94,240	0.69	0	0.69	0	0		7,53,390	
j	Foreign Nationals	3	29,250	0	0	29,250	0.03	29,250	0	29,250	0.03	0	0.03	0	0		0	
k	Foreign Companies	0	0	0	0	0	0	0	0	0	0	0	0	0	0		0	
l	Bodies Corporate	334	24,50,628	0	0	24,50,628	2.14	24,50,628	0	24,50,628	2.14	0	2.14	0	0		24,24,128	
m	Any Other (specify)	1269	19,28,441	0	0	19,28,441	1.68	19,28,441	0	19,28,441	1.68	0	1.68	0	0		19,28,441	
	Clearing Members	8	3,922	0	0	3,922	0	3,922	0	3,922	0	0	0	0	0		3,922	
	HUF	1227	7,99,045	0	0	7,99,045	0.7	7,99,045	0	7,99,045	0.7	0	0.7	0	0		7,99,045	
	LLP	32	90,340	0	0	90,340	0.08	90,340	0	90,340	0.08	0	0.08	0	0		90,340	
	Trusts	1	3,000	0	0	3,000	0	3,000	0	3,000	0	0	0	0	0		3,000	



Category	Category & Name of the Shareholders (I)	Nos. of shareholder (III)	No. of fully paid up equity shares held (IV)	Partly paid-up equity shares held (V)	Nos. of shares underlying Depository Receipts (VI)	Total nos. shares held VII = IV+V+VI	Shareholding % calculated as per SCRR, 1957 As a % of (A+B+C2) VIII	Number of Voting Rights held in each class of securities (IX)			No. of Shares Underlying Outstanding convertible securities (including Warrants) (X)	Total shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI)	Number of Locked in shares (XII)		Number of Shares pledged or otherwise encumbered (XIII)		Number of equity shares held in dematerialized form (XIV)	
								No of Voting Rights					Total as a % of Total Voting rights	No. (a)	As a % of total Shares held (b)	No. (Not applicable) (a)		As a % of total shares held (Not applicable) (b)
								Class X	Class Y	Total								
	Unclaimed or Suspense or Escrow Account	1	10,32,134	0	0	10,32,134	0.9	10,32,134	0	10,32,134	0.9	0	0	0	0	10,32,134		
	<b>Sub-Total (B)(4)</b>	<b>81,055</b>	<b>3,15,23,132</b>	<b>0</b>	<b>0</b>	<b>3,15,23,132</b>	<b>27.51</b>	<b>3,15,23,132</b>	<b>0</b>	<b>3,15,23,132</b>	<b>27.51</b>	<b>0</b>	<b>27.51</b>	<b>0</b>	<b>0</b>	<b>2,99,14,386</b>		
	<b>Total Public Shareholding (B)=(B)(1)+(B)(2)+(B)(3)+(B)(4)</b>	<b>81,109</b>	<b>3,41,66,874</b>	<b>0</b>	<b>0</b>	<b>3,41,66,874</b>	<b>29.82</b>	<b>3,41,66,874</b>	<b>0</b>	<b>3,41,66,874</b>	<b>29.82</b>	<b>0</b>	<b>29.82</b>	<b>0</b>	<b>0</b>	<b>3,25,48,128</b>		

#### Statement showing shareholding pattern of the Non-Promoter Non-Public Shareholders

The following table sets forth the details regarding the equity shareholding pattern of the Non-Promoter Non-Public Shareholders as on March 31, 2024:

Category	Category & Name of the Shareholders (I)	No. of shareholder (III)	No. of fully paid up equity shares held (IV)	Partly paid-up equity shares held (V)	Nos. of shares underlying Depository Receipts (VI)	Total no. shares held (VII = IV+V+VI)	Shareholding % calculated as per SCRR, 1957 As a % of (A+B+C2) (VIII)	Number of Voting Rights held in each class of securities (IX)			No. of Shares Underlying Outstanding convertible securities (including Warrants) (X)	Total shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI)	Number of Locked in shares (XII)		Number of Shares pledged or otherwise encumbered (XIII)		Number of equity shares held in dematerialized form (XIV) (Not Applicable)	
								No of Voting Rights					Total as a % of Total Voting rights	No. (a)	As a % of total Shares held (b)	No. (Not applicable) (a)		As a % of total shares held (Not applicable) (b)
								Class X	Class Y	Total								
1	Custodian/DR Holder	0	0	0	0	0		0	0	0	0	0	0	0	0	0		
2	Employee Benefit Trust / Employee Welfare Trust under SEBI (Share	0	0	0	0	0		0	0	0	0	0	0	0	0	0		

Category	Category & Name of the Shareholders (I)	No. of shareholder (III)	No. of fully paid up equity shares held (IV)	Partly paid-up equity shares held (V)	Nos. of shares underlying Depository Receipts (VI)	Total no. shares held (VII = IV+V+VI)	Shareholding % calculated as per SCRR, 1957 As a % of (A+B+C2) (VIII)	Number of Voting Rights held in each class of securities (IX)			No. of Shares Underlying Outstanding convertible securities (including Warrants) (X)	al shareholdi, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI)	Number of Locked in shares (XII)		Number of Shares pledged or otherwise encumbered (XIII)		Number of equity shares held in dematerialized form (XIV) (Not Applicable)	
								No of Voting Rights					Total as a % of Total Voting rights	No.	As a % of total Shares held	No. (Not applicable)		As a % of total shares held (Not applicable)
								Class X	Class Y	Total								
	Based Employee Benefits and Sweat Equity) Regulations, 201																	
	<b>Total Non-Promoter- Non-Public Shareholding (C)= (C)(1)+(C)(2)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>		<b>0</b>	<b>0</b>				<b>0</b>

## ISSUE PROCEDURE

*The following is a summary intended to present a general outline of the procedure relating to the application, payment of Application Amount, Allocation and Allotment of the Equity Shares pursuant to the Issue. The procedure followed in the Issue may differ from the one mentioned below, and Bidders are assumed to have apprised themselves of the same from our Company or the BRLM.*

*Our Company, the BRLM and their respective directors, officers, agents, advisors, shareholders, employees, counsels, affiliates and representatives are not liable for any amendment or modification or change to applicable laws or regulations, which may occur after the date of this Preliminary Placement Document. Bidders are advised to make their independent investigations and satisfy themselves that they are eligible to apply. Bidders are advised to ensure that any single Bid from them does not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or regulation or as specified in this Preliminary Placement Document. Further, Bidders are required to satisfy themselves that their Bids would not result in triggering an open offer under the SEBI Takeover Regulations and shall be solely responsible for compliance with all the applicable provisions of the SEBI Takeover Regulations, the SEBI Insider Trading Regulations and other applicable laws.*

*Bidders are advised to inform themselves of any restrictions or limitations that may be applicable to them and are required to consult their respective advisers in this regard. Bidders that apply in the Issue will be required to confirm and will be deemed to have represented to our Company, the BRLM and their respective directors, officers, agents, advisors, shareholders, employees, counsels, affiliates and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire the Equity Shares. Our Company, the BRLM and their respective directors, officers, agents, advisors, shareholders, employees, counsels, affiliates, and representatives accept no responsibility or liability for advising any Bidder on whether such Bidder is eligible to acquire the Equity Shares. For further details, please see the sections titled "Selling Restrictions" and "Transfer Restrictions and Purchaser Representations" on pages 196 and 203 respectively.*

### **Qualified Institutions Placement**

**THE ISSUE IS MEANT ONLY FOR ELIGIBLE QIBS ON A PRIVATE PLACEMENT BASIS AND IS NOT AN OFFER TO THE PUBLIC OR TO ANY OTHER CLASS OF INVESTORS.**

This Preliminary Placement Document has not been, and the Placement Document will not be, registered as a prospectus with the RoC and, no Equity Shares will be offered in India or overseas to the public or any members of the public or any other class of investors, other than Eligible QIBs.

The Issue is being made to Eligible QIBs in accordance with Chapter VI of the SEBI ICDR Regulations, Section 42 and Section 62 of the Companies Act, 2013 and other applicable provisions of the Companies Act, 2013 and rules thereunder, to the extent applicable, through the mechanism of a qualified institutions placement. Under Chapter VI of the SEBI ICDR Regulations and Section 42 of the Companies Act, 2013 read with Rule 14 of the PAS Rules, to the extent applicable, our Company, being a listed company in India may issue Equity Shares to Eligible QIBs, provided, inter alia that:

- a special resolution approving the qualified institutions placement has been passed by its shareholders. Such special resolution must specify (i) that the allotment of the securities is proposed to be made pursuant to the qualified institutions placement; and (ii) the relevant date for the qualified institutions placement;
- the explanatory statement to the notice to the shareholders for convening the general meeting must disclose, amongst others, the particulars of the issue including the date of passing the board resolution, the kind of securities being offered, amount which the company intends to raise by way of such securities and the material terms of raising such securities, proposed issue schedule, the purpose or objects of offer, the contribution made by the promoters or directors either as part of the offer or separately in furtherance of the objects, and the basis or justification for the price (including premium, if any) at which the offer or invitation is being made;
- under Regulation 172(1)(b) of the SEBI ICDR Regulations, the equity shares of the same class of such issuer, which are proposed to be allotted through the qualified institutions placement or pursuant to conversion or exchange of eligible securities, are listed on a recognized stock exchange in India that has

nation-wide trading terminals for a period of at least one year prior to the date of issuance of notice to its shareholders for convening the meeting to pass the above-mentioned special resolution, except for Equity Shares allotted during the preceding one year from the date of this Preliminary Placement Document. For details, please see the section titled “*Capital Structure*” on page 78;

- issuance and allotment of Equity Shares shall be done in dematerialised form only;
- invitation to apply in the Issue must be made through a private placement offer-cum-application (i.e., this Preliminary Placement Document) and an application form serially numbered and addressed specifically to the Eligible QIBs to whom the Issue is made either in writing or in electronic mode, within 30 days of recording the name of such person in accordance with applicable law. The allotments with respect to any earlier offer or invitation made by the Issuer shall have been completed or the Issuer shall have withdrawn or abandoned such invitation or offer made, except as permitted under the Companies Act, 2013;
- our Company shall not make any subsequent qualified institutions placement until the expiry of two weeks from the date of this Issue;
- our Company shall have completed allotments with respect to any offer or invitation made by our Company or has withdrawn or abandoned any such invitation or offer, however, our Company may, at any time, make more than one issue of securities to such class of identified persons as may be prescribed;
- our Promoters and Directors are not fugitive economic offenders; and
- an offer to Eligible QIBs will not be subject to a limit of 200 persons. Prior to circulating the private placement offer-cum- application (i.e., this Preliminary Placement Document), our Company must prepare and record a list of Eligible QIBs to whom the offer will be made. The offer must be made only to such Eligible QIBs whose names are recorded by our Company prior to the invitation to subscribe;
- our Company acknowledges that the offering of securities by issue of public advertisements or utilization of any media, marketing or distribution channels or agents to inform the public about the Issue is prohibited;
- At least 10% of the Equity Shares offered to Eligible QIBs shall be available for Allocation to Mutual Funds, provided that, if this portion or any part thereof to be allotted to Mutual Funds remains unsubscribed, it may be allotted to other Eligible QIBs; and
- The Issuer shall not issue or allot partly paid-up shares.

Bidders are not allowed to withdraw or revise their Bids downwards after the Issue Closing Date.

Additionally, there is a minimum pricing requirement under the SEBI ICDR Regulations. The Floor Price of the Equity Shares offered under this Issue shall not be less than the average of the weekly high and low of the closing prices of the Equity Shares of the same class quoted on the stock exchanges during the two weeks preceding the Relevant Date as calculated in accordance with Chapter VI of the SEBI ICDR Regulations. The “Relevant Date” referred to above means the date of the meeting in which the Board decides to open the Issue and “stock exchange” means any of the recognized stock exchanges on which the Equity Shares of the same class are listed and on which the highest trading volume in such Equity Shares has been recorded during the two weeks immediately preceding the Relevant Date. Further, in accordance with Regulation 176(1) of the SEBI ICDR Regulations and the resolution of our Board on January 24, 2024, and the shareholders of our Company on February 20, 2024, our Company may offer a discount of not more than 5% on the Floor Price.

In accordance with Regulation 172(1)(a) of the SEBI ICDR Regulations, the Equity Shares will be Allotted within 365 days from the date of the shareholders’ resolution approving the Issue, being February 20, 2024 and within 60 days from the date of receipt of Bid Amount from the Successful Bidders. For details of refund of bid amount, please see section titled “*Issue Procedure- Refunds*” on page 191. The subscription to the Equity Shares offered pursuant to the Issue must be made by Eligible QIBs on the basis of this Preliminary Placement Document and the Placement Document shall contain all material information required under applicable law including the information specified in Schedule VII of SEBI ICDR Regulations and the requirements prescribed under Form

PAS-4. This Preliminary Placement Document and the Placement Document are private documents provided to only select Eligible QIBs through serially numbered copies and are required to be placed on the website of the concerned Stock Exchanges and of our Company with a disclaimer to the effect that it is in connection with an offer to Eligible QIBs and no offer is being made to the public or to any other category of investors. Please note that if you do not receive a serially numbered copy of this Preliminary Placement Document addressed to you, you may not rely on this Preliminary Placement Document or Placement Document uploaded on the website of the Stock Exchanges or our Company for making an application to subscribe to Equity Shares pursuant to the Issue. Even if such documentation were to come into the possession of any person other than the intended recipient, no offer or invitation to offer shall be deemed to have been made to such person and any application that does not comply with this requirement shall be treated as invalid.

This Issue was authorized and approved by our Board of Directors by way of resolution dated January 24, 2024, and by our Shareholders through special resolution on February 20, 2024.

The minimum number of Allottees for each qualified institutions placement shall not be less than:

- two, where the Issue size is less than or equal to ₹ 25,000 lakhs; and
- five, where the Issue size is greater than ₹ 25,000 lakhs.

No single Allottee shall be Allotted more than 50% of the Issue Size. Eligible QIBs that belong to the same group or that are under common control shall be deemed to be a single Allottee for the purpose of the Issue. For details of what constitutes “same group” or “common control”, see “*Bid Process —Application Form*” on page 186.

Equity Shares being Allotted pursuant to the Issue shall not be sold for a period of one year from the date of Allotment, except on the floor of a recognised stock exchange. In addition, purchasers of the Equity Shares Allotted pursuant to the Issue shall comply with the resale restrictions set forth in the sections titled, “*Selling Restrictions*” and “*Transfer Restrictions and Purchaser Representations*” on pages 196 and 203, respectively.

We have applied for, and received, the in-principle approvals of the Stock Exchanges under Regulation 28(1)(a) of the SEBI Listing Regulations for listing of the Equity Shares on the Stock Exchanges on June 24, 2024. We have filed a copy of this Preliminary Placement Document and will file a copy of the Placement Document with the Stock Exchanges.

We shall also make the requisite filings with the RoC within the stipulated period as required under the Companies Act and the PAS Rules, to the extent applicable.

**Allotments made to VCFs and AIFs in the Issue are subject to the rules and regulations that are applicable to each of them respectively, including in relation to lock-in requirements. VCFs and AIFs should independently consult their own counsel and advisors as to investment in and related matters concerning the Issue.**

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Bids may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction. The Equity Shares offered hereby have not been and will not be registered under the U.S. Securities Act or the securities laws of any state of the United States and may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable U.S. state securities laws. Accordingly, the Equity Shares offered in this Issue are being offered and sold outside the United States in “offshore transactions” as defined in, and in reliance on Regulation S and the applicable laws of the jurisdiction where those offers, and sales are made. The Equity Shares are transferable only in accordance with the restrictions described under “*Selling Restrictions*” and “*Transfer Restrictions and Purchase Representations*” on pages 196 and 203, respectively.

#### **Issue Procedure**

1. On the Issue Opening Date, our Company and the BRLM shall circulate serially numbered copies of this Preliminary Placement Document and the serially numbered Application Form, either in electronic or physical form, to identified Eligible QIBs and the Application Form will be specifically addressed to each such Eligible QIB. In terms of Section 42(3) of the Companies Act, 2013, our Company shall

maintain complete records of the Eligible QIBs in the form and manner as prescribed under the PAS Rules, to the extent applicable, to whom this Preliminary Placement Document and the serially numbered Application Form will be dispatched. Our Company will make the requisite filings with the RoC within the stipulated time periods as required under the Companies Act, 2013 and the PAS Rules, if and to the extent applicable. The list of Eligible QIBs to whom this Preliminary Placement Document and Application Form is delivered will be determined by our Company in consultation with the BRLM, at their sole discretion.

2. **Unless a serially numbered Preliminary Placement Document along with the serially numbered Application Form, which includes the details of the bank account wherein the Bid Amount is to be deposited, is addressed to a particular Eligible QIB, no invitation to make an offer to subscribe shall be deemed to have been made to such Eligible QIB.** Even if such documentation were to come into the possession of any person other than the intended recipient, no offer or invitation to offer shall be deemed to have been made to such person and any application that does not comply with this requirement shall be treated as invalid.
3. Eligible QIBs may submit the Application Form, including any revisions thereof along with the Bid Amount transferred to the Escrow Account specified in the Application form and a copy of the PAN card or PAN allotment letter (as applicable) and/or any other documents mentioned in the Application Form, during the Issue Period to the BRLM. The Application Form may be signed physically or digitally, if required under applicable law in the relevant jurisdiction applicable to each Eligible QIB and as permitted under such applicable law. An Eligible QIB may submit an unsigned copy of the Application Form, as long as the Bid Amount is paid along with submission of the Application Form within the Issue Period. Once a duly filled Application Form is submitted by an Eligible QIB, whether signed or not, and the Bid Amount has been transferred to the Escrow Account, such Application Form constitutes an irrevocable offer and cannot be withdrawn or revised downwards after the Issue Closing Date. In case Bids are being made on behalf of the Eligible QIB and this Application Form is unsigned, it shall be assumed that the person submitting the Application Form and providing necessary instructions for transfer of the Bid Amount to the Escrow Account, on behalf of the Eligible QIB is authorised to do so.
4. Bidders will be required to indicate the following in the Application Form:
  - full official name of the Eligible QIB to whom Equity Shares are to be Allotted, complete address, e-mail id, PAN details (if applicable), contact number and bank account details;
  - number of Equity Shares Bid for;
  - price at which they are agreeable to subscribe for the Equity Shares and the aggregate Bid Amount for the number of Equity Shares Bid for;
  - details of the depository / beneficiary account maintained by the Depository Participant to which the Equity Shares should be credited;
  - Equity Shares held by the Eligible QIBs in our Company prior to the Issue;
  - a representation that it is outside the United States and has agreed to certain other representations set forth in the “*Representations by Investors*” on page 6 and “*Transfer Restrictions and Purchaser Representations*” on page 203 and certain other representations made in the Application Form; and
  - confirm acceptance of any other representations set forth in the Application Form.

*Note: Eligible FPIs are required to indicate the SEBI FPI registration number in the Application Form. The Bids made by the asset management companies or custodians of Mutual Funds shall specifically state the names of the concerned schemes for which the Bids are made. In case of a Mutual Fund, a separate Bid can be made in respect of each scheme of the Mutual Fund registered with SEBI and such Bids in respect of more than one scheme of the Mutual Fund will not be treated as multiple Bids provided that the Bids clearly indicate the scheme for which the Bid has been made. Application by various schemes or funds of a Mutual Fund will be treated as one application from the Mutual Fund. Bidders*

*are advised to ensure that any single Bid from them does not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable laws.*

Eligible QIBs shall be required to make the entire payment of the Bid Amount for the Equity Shares Bid for, along with the Application Form, only through electronic transfer to the Escrow Account opened in the name of “Borosil Limited Escrow Account” with the Escrow Agent, within the Issue Period as specified in the Application Form sent to the respective Bidders. Please note that any payment of Bid Amount for the Equity Shares shall be made from the bank accounts of the relevant Bidders and our Company shall keep a record of the bank account from where such payment has been received. Bid Amount payable on Equity Shares to be held by joint holders shall be paid from the bank account of the person whose name appears first in the Application Form. Pending Allotment, and the filing of return of Allotment by our Company with the RoC, or receipt of final listing and trading approvals from the Stock Exchanges, whichever is later, Application Amount received for subscription of the Equity Shares shall be kept by our Company in a separate bank account with a scheduled bank and shall be utilised only for the purposes permitted under the Companies Act, 2013. Notwithstanding the above, in the event (a) any Bidder is not Allocated Equity Shares in the Issue, (b) the number of Equity Shares Allocated to a Bidder is lower than the number of Equity Shares applied for through the Application Form and towards which Bid Amount has been paid by such Bidder, (c) the Application Amount was in excess of the amount equivalent to the product of the Equity Shares that have been Allocated to the Bidder and the Issue Price, or the Application Amount has been arrived at using an indicative price higher than the Issue Price, or (d) any Eligible QIB lowers or withdraws their Bid after submission of the Application Form but prior to the Issue Closing Date, the excess Application Amount will be refunded to the same bank account from which it was remitted, in the form and manner set out in “*Issue Procedure – Refunds*” on page 191.

5. Once a duly completed Application Form is submitted by a Bidder and the Bid Amount is transferred to the Escrow Account, such Application Form constitutes an irrevocable offer and the Bid cannot be withdrawn or revised downwards after the Issue Closing Date. In case of an upward revision before the Issue Closing Date, an additional amount shall be required to be deposited towards the Bid Amount in the Escrow Account along with the submission of such revised Bid. The Issue Closing Date shall be notified to the Stock Exchanges and the Eligible QIBs shall be deemed to have been given notice of such date after receipt of the Application Form.
6. Upon receipt of the duly completed Application Form and the Bid Amount in the Escrow Account, after the Issue Closing Date, our Company shall, in consultation with the BRLM determine the final terms, including the Issue Price of the Equity Shares to be offered pursuant to the Issue and Allocation. Upon such determination, the BRLM will send the serially numbered CAN to the Eligible QIBs who have been Allocated the Equity Shares. The dispatch of a CAN, and the Placement Document (when dispatched) to a Successful Bidder shall be deemed a valid, binding and irrevocable contract for the Successful Bidders to subscribe to the Equity Shares Allocated to such Successful Bidders at an aggregate price equivalent to the product of the Issue Price and Equity Shares Allocated to such Successful Bidders. The CAN shall contain details such as the number of Equity Shares Allocated to the Successful Bidders, Issue Price and the aggregate amount received towards the Equity Shares Allocated. **Please note that the Allocation will be at the absolute discretion of our Company and will be in consultation with the BRLM.**
7. The Bidder acknowledges that in terms of the requirements of the Companies Act, upon Allocation, our Company will be required to disclose the names of proposed allottees and the percentage of their post-Issue shareholding in the Placement Document and consents to such disclosure, if any Equity Shares are allocated to it.
8. Upon determination of the Issue Price and the issuance of CAN and before Allotment of Equity Shares to the Successful Bidders, the BRLM, shall, on our behalf, send a serially numbered Placement Document either in electronic form or through physical delivery to each of the Successful Bidders who have been Allocated Equity Shares pursuant to dispatch of a serially numbered CAN.
9. Upon dispatch of the serially numbered Placement Document, our Company shall Allot Equity Shares as per the details in the CANs sent to the Successful Bidders. We will inform the Stock Exchanges of the details of the Allotment.
10. After passing the resolution for Allotment, and prior to crediting the Equity Shares into the beneficiary account of the Successful Bidders maintained by the depository participant, as indicated in their

respective Application Form, our Company shall submit relevant documents to the Stock Exchanges in respect of the Equity Shares Allotted pursuant to the Issue.

11. After receipt of the listing approvals of the Stock Exchanges, our Company shall credit the Equity Shares Allotted pursuant to this Issue into the beneficiary accounts of the respective Allottees.
12. Our Company shall then apply for the final listing and trading permissions from the Stock Exchanges.
13. The Equity Shares that would have been credited to the beneficiary account with the Depository Participant accounts of the Successful Bidders shall be eligible for trading on the Stock Exchanges only upon the receipt of final listing and trading approvals from the Stock Exchanges.
14. As per applicable law, the Stock Exchanges will notify the final listing and trading approvals, which are ordinarily available on their websites, and our Company may communicate the receipt of the listing and trading approvals to those Successful Bidders to whom the Equity Shares have been Allotted. Our Company, and the BRLM shall not be responsible for any delay or non-receipt of the communication of the final trading and listing permissions from the Stock Exchanges or any loss arising from such delay or non-receipt. Investors are advised to apprise themselves of the status of the receipt of the permissions from the Stock Exchanges or our Company.
15. A representation that it is outside the United States and is acquiring the Equity Shares in an “*offshore transaction*” as defined in, and in reliance on, Regulation S, is not an affiliate of our Company or the BRLM or a person acting on behalf of such an affiliate and it has agreed to certain other representations set forth in the Application Form.

#### **Eligible Qualified Institutional Buyers**

Only Eligible QIBs are eligible to invest in the Equity Shares pursuant to the Issue, provided that with respect to FPIs, only Eligible FPIs applying under Schedule II of the FEMA Rules eligible to invest in India under applicable law, will be considered as Eligible QIBs. FVCIs and non-resident multilateral or bilateral development financial institutions are not permitted to participate in the Issue. Currently, QIBs, who are eligible to participate in the Issue and also as defined under Regulation 2(1)(ss) of the SEBI ICDR Regulations, are set forth below:

- mutual funds, venture capital fund and alternate investment funds registered with SEBI;
- Eligible FPIs;
- insurance companies registered with the Insurance Regulatory and Development Authority of India;
- insurance funds set up and managed by army, navy or air force of the Union of India;
- insurance funds set up and managed by the Department of Posts, India;
- multilateral and bilateral development financial institutions (which are resident in India);
- pension funds with minimum corpus of ₹ 2,500 lakhs;
- provident funds with minimum corpus of ₹ 2,500 lakhs;
- public financial institutions as defined under Section 2(72) of the Companies Act;
- scheduled commercial banks;
- state industrial development corporations;
- the National Investment Fund set up by resolution no. F. No. 2/3/2005-DDII dated November 23, 2005, of the Government published in the Gazette of India; and
- systemically important non-banking financial companies.



**Eligible FPIs are permitted to participate under Schedule II of FEMA Rules in this Issue. Eligible FPIs are permitted to participate in the Issue subject to compliance with all applicable laws and such that the shareholding of the FPIs do not exceed specified limits as prescribed under applicable laws in this regard. FVCIs and non-resident multilateral and bilateral development financial institutions are not permitted to participate in this Issue.**

In terms of the SEBI FPI Regulations, the offer of Equity Shares to a single FPI or an investor group (which means the same set of ultimate beneficial owner(s) investing through multiple entities) is not permitted to exceed 10% of our post-Issue Equity Share capital of our Company. Further, in terms of the FEMA Rules, the total holding by each FPI or investor group shall be below 10% of the total paid-up Equity Share capital of our Company. Hence, Eligible FPIs may invest in such number of Equity Shares in the Issue such that (i) the individual investment of the FPI in our Company does not exceed 10% of the post-Issue paid-up capital of our Company on a fully diluted basis, and (ii) the aggregate investment by FPIs in our Company does not exceed the sectoral cap applicable to our Company on a fully diluted basis. In case the holding of an FPI or investor group increases to 10% or more of the total paid-up equity capital, on a fully diluted basis, the FPI including its investor group is required to divest the excess holding within five trading days from the date of settlement of the trades resulting in the breach. In the event that such divestment of excess holding is not done within the aforementioned prescribed time, the total investment made by such FPI together with its investor group will be re-classified as FDI as per the procedure specified by SEBI, and the FPI and its investor group will be prohibited from making any further portfolio investment in our Company under the SEBI FPI Regulations. However, in accordance with Regulation 22(4) of the SEBI FPI Regulations, the FPIs who are: (i) appropriately regulated public retail funds; (b) public retail funds where the majority is owned by appropriately regulated public retail fund on look through basis; or (c) public retail funds and investment managers of such foreign portfolio investors are appropriately regulated, the aggregation of the investment limits of such FPIs having common control, shall not be applicable.

Two or more subscribers of ODIs having a common beneficial owner shall be considered together as a single subscriber of the ODI. In the event an investor has investments as a FPI and as a subscriber of ODIs, these investment restrictions shall apply on the aggregate of the FPI and ODI investments held in the underlying company. Pursuant to the SEBI Circular dated April 5, 2018 (Circular No: IMD/FPIC/CIR/P/2018/61), our Company has appointed NSDL as the designated depository to monitor the level of FPI/NRI shareholding in our Company on a daily basis and once the aggregate foreign investment of a company reaches a cut-off point, which is 3% below the overall limit a red flag shall be activated. SEBI however, pursuant to its Circular dated May 17, 2018 (Circular No: SEBI/HO/IMD/FPIC/CIR/P/2018/81), directed that this system of monitoring foreign investment limits in Indian listed companies be made operational with effect from June 1, 2018. The depository is then required to inform the Stock Exchanges about the activation of the red flag. The Stock Exchanges are then required to issue the necessary circulars/ public notifications on their respective websites. Once a red flag is activated, the FPIs must trade cautiously, because in the event that there is a breach of the sectoral cap, the FPIs will be under an obligation to disinvest the excess holding within five trading days from the date of settlement of the trades.

As per the circular issued by SEBI on November 5, 2019, these investment restrictions shall also apply to subscribers of P- Notes. Two or more subscribers of P-Notes having a common beneficial owner shall be considered together as a single subscriber of the P-Note. In the event an investor has investments as a FPI and as a subscriber of P-Notes, these investment restrictions shall apply on the aggregate of the FPI and P-Note investments held in the underlying company.

Eligible FPIs are permitted to participate in the Issue subject to compliance with conditions and restrictions which may be specified by the Government from time to time.

In terms of the FEMA Rules, for calculating the aggregate holding of FPIs in a company, holding of all registered FPIs shall be included.

### **Restriction on Allotment**

Pursuant to Regulation 179(2)(b) of the SEBI ICDR Regulations, no Allotment shall be made pursuant to the Issue, either directly or indirectly, to any Eligible QIB being, or any person related to, the Promoter. QIBs which have all or any of the following rights shall be deemed to be persons related to the Promoters:

- rights under a shareholders' agreement or voting agreement entered into with our Promoters or members of the Promoter Group;

- veto rights; or
- a right to appoint any nominee director on our Board.

Provided, however, that an Eligible QIB which does not hold any Equity Shares in our Company and which has acquired the aforesaid rights in the capacity of a lender shall not be deemed to be related to the Promoters.

**Our Company and the BRLM and any of its respective shareholders, employees, counsels, officers, directors, representatives, agents, advisors or affiliates are not liable for any amendment or modification or change to applicable laws or regulations, which may occur after the date of this Preliminary Placement Document. Eligible QIBs are advised to make their independent investigations and satisfy themselves that they are eligible to apply. Eligible QIBs are advised to ensure that any single application from them does not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or regulation or as specified in this Preliminary Placement Document. Further, Eligible QIBs are required to satisfy themselves that their Bids would not result in triggering an open offer under the SEBI Takeover Regulations.**

**A minimum of 10% of the Equity Shares offered in the Issue shall be Allotted to Mutual Funds. In case of undersubscription in such portion, such portion or part thereof may be Allotted to other Eligible QIBs.**

*Note: Affiliates or associates of the BRLM who are QIBs may participate in the Issue in compliance with applicable laws.*

## **Bid Process**

### ***Application Form***

Eligible QIBs shall only use the serially numbered Application Forms (which are specifically addressed to them) supplied by our Company and/or the BRLM in either electronic form or by physical delivery for the purpose of making a Bid (including revision of a Bid) in terms of this Preliminary Placement Document and the Placement Document. The Application Form may be signed physically or digitally, if required under applicable law in the relevant jurisdiction applicable to each Eligible QIB and as permitted under such applicable law. An Eligible QIB may submit an unsigned copy of the Application Form, as long as the Application Amount is paid along with submission of the Application Form within the Issue Period, and in such case, it shall be assumed that the person submitting the Application Form and providing necessary instructions for transfer of the Application Amount to the Escrow Account, on behalf of the Eligible QIB is authorised to do so.

By making a Bid (including the revision thereof) for Equity Shares through Application Forms and pursuant to the terms of this Preliminary Placement Document, the Eligible QIB will be deemed to have made the following representations, warranties, acknowledgements and undertakings given or made under “*Notice to Investors*”, “*Representations by Investors*”, “*Selling Restrictions*” and “*Transfer Restrictions and Purchaser Representations*” on pages 3, 6, 196 and 203, respectively:

1. The Bidder confirms that it is a QIB in terms of Regulation 2(1)(ss) of the SEBI ICDR Regulations and is not excluded under Regulation 179(2)(b) of the SEBI ICDR Regulations, has a valid and existing registration under the applicable laws in India (as applicable) and is eligible to participate in this Issue;
2. The Bidder confirms that it is not a Promoter and is not a person related to the Promoters, either directly or indirectly and its Application Form does not directly or indirectly represent the Promoters or Promoter Group or persons related to the Promoters;
3. The Bidder confirms that it has no rights under a shareholders’ agreement or voting agreement with the Promoters or members of the Promoter Group, no veto rights or right to appoint any nominee director on the Board other than those acquired in the capacity of a lender not holding any Equity Shares, which shall not be deemed to be a person related to the Promoters;
4. The Bidder acknowledges that it has no right to withdraw or revise its Bid downwards after the Issue Closing Date;

5. The Bidder confirms that if the Equity Shares are Allotted through the Issue, it shall not, for a period of one year from Allotment, sell such Equity Shares otherwise than on the floor of the Stock Exchanges;
6. The Bidder confirms that the QIB is eligible to Bid for and hold the Equity Shares so Allotted and together with any Equity Shares held by the QIB prior to the Issue. The Bidder further confirms that the holding of the QIB, does not and shall not, exceed the level permissible as per any regulations applicable to the QIB;
7. The Bidder confirms that the Application would not result in triggering a tender offer under the SEBI Takeover Regulations;
8. The Bidder confirms that in the event it is resident outside India, it is an Eligible FPI, having a valid and existing registration with SEBI under the applicable laws in India, including the FEMA Rules, as amended, and any notifications, circulars or clarifications issued thereunder, and has not been prohibited by SEBI or any other regulatory authority, from buying, selling, dealing in securities or otherwise accessing the capital markets and is not an FVCI or a non-resident multilateral and bilateral development financial institution;
9. The Bidder agrees that it will make payment of its Bid Amount, along with submission of the Application Form within the Issue Period. The Bidder agrees that once a duly filled Application Form is submitted by itself, whether signed or not, and the Bid Amount has been transferred to the Escrow Account, such Application Form constitutes an irrevocable offer and cannot be withdrawn or revised downwards after the Issue Closing Date;
10. The Bidder agrees that although the Bid Amount is required to be paid by it, along with the Application Form within the Issue Period in terms of provisions of the Companies Act and rules made thereunder, our Company reserves the right to Allocate and Allot Equity Shares pursuant to this Issue on a discretionary basis in consultation with the BRLM. The Bidder further acknowledges and agrees that the payment of Bid Amount does not guarantee Allocation and/or Allotment of Equity Shares Bid for in full or in part;
11. The Bidder acknowledges that in terms of the requirements of the Companies Act, upon Allocation, our Company will be required to disclose their names as “proposed Allottees” and percentage of post-Issue shareholding of the proposed Allottees in the Placement Document and consents of such disclosure, if any Equity Shares are Allocated to it. However, the Bidder further acknowledges and agrees, disclosure of such details in relation to the proposed Allottees in the Placement Document will not guarantee Allotment to them, as Allotment in the Issue shall continue to be at the discretion of our Company, in consultation with the BRLM;
12. The Bidder confirms that the number of Equity Shares Allotted to it pursuant to the Issue, together with other Allottees that belong to the same group or are under common control, shall not exceed 50% of the Issue size. For the purposes of this representation:
  - a. The expression “belonging to the same group” shall mean entities where (a) any of them controls, directly or indirectly, through its subsidiary or holding company, not less than 15% of the voting rights in the other; (b) any of them, directly or indirectly, by itself, or in combination with other persons, exercise control over the others; or (c) there is a common director, excluding nominee and Independent Directors, amongst an Eligible QIB, its subsidiary(ies) or holding company and any other QIB ; and
  - b. ‘Control’ shall have the same meaning as is assigned to it under Regulation 2(1)(e) of the SEBI Takeover Regulations;
13. The Eligible QIB confirms that:
  - a. It is outside the United States and subscribing to the Equity Shares in an “offshore transaction” in reliance upon Regulation S, and is not our affiliate or a person acting on behalf of such an affiliate; and
  - b. It has agreed to the other representations set forth in the sections titled, “*Selling Restrictions*”

and “*Transfer Restrictions and Purchaser Representations*” on pages 196 and 203 respectively, and the other representations made in the Application Form.

14. The Bidder acknowledges that no Allotment shall be made to them if the price at which they have Bid for in the Issue is lower than the Issue Price;
15. The Bidder confirms that it shall not undertake any trade in the Equity Shares credited into the beneficiary account maintained with the Depository Participant by the QIBs until such time that the final listing and trading approvals for the Equity Shares are issued by the Stock Exchanges;
16. The Bidder acknowledges, represents and agrees that in the event its total interest in the paid-up share capital of our Company or voting rights in our Company, whether direct or indirect, beneficial or otherwise (any such interest, your “**Holding**”), when aggregated together with any existing Holding and/or Holding of any of the persons acting in concert, results in Holding of 5% or more of the total paid-up share capital of, or voting rights in, our Company a disclosure of the aggregate shareholding and voting rights will have to be made under the SEBI Takeover Regulations. In case such Eligible QIB is an existing shareholder who, together with persons acting in concert, holds 5% or more of the underlying paid up share capital of, or voting rights in our Company a disclosure will have to be made under the SEBI Takeover Regulations in the event of a change of 2% or more in the existing Holding of the Eligible QIB and persons acting in concert;
17. The Eligible FPI, confirms that it will participate in the Issue only under and in conformity with Schedule II of FEMA Rules. Further, each Eligible FPI acknowledges that Eligible FPIs may invest in such number of Equity Shares such that the individual investment of the Eligible FPI or its investor group (multiple entities registered as FPIs and directly or indirectly, having common ownership of more than fifty per cent or common control) in our Company does not exceed 10% of the post-Issue paid-up capital of our Company on a fully diluted basis. The Bidder confirms that it, individually or together with its investor group, is not restricted from making further investments in our Company through the portfolio investment route, in terms of Regulation 22(3) of the SEBI FPI Regulations; and
18. The Bidder has read and understood, and by making a Bid for the Equity Shares through the Application Forms and pursuant to the terms of this Preliminary Placement Document, will be deemed to have made the representations, warranties and agreements made under “*Notice to Investors*”, “*Representations by Investors*”, “*Selling Restrictions*” and “*Transfer Restrictions and Purchaser Representations*” on page 3, 6, 196 and 203, respectively.

Further, in accordance with Press Note No. 3 (2020 Series), dated April 17, 2020, issued by the Department for Promotion of Industry and Internal Trade, Government of India and the FDI Policy, investments where the beneficial owner of the Equity Shares is situated in or is a citizen of a country which shares land border with India, can only be made through the Government approval route.

**ELIGIBLE QIBS MUST PROVIDE THEIR NAME, COMPLETE ADDRESS, EMAIL ID, PHONE NUMBER, BANK ACCOUNT DETAILS, BENEFICIARY ACCOUNT DETAILS, PAN / PAN ALLOTMENT LETTER (IF APPLICABLE), DEPOSITORY PARTICIPANT’S NAME, DEPOSITORY PARTICIPANT IDENTIFICATION NUMBER AND BENEFICIARY ACCOUNT NUMBER IN THE APPLICATION FORM. ELIGIBLE QIBS MUST ENSURE THAT THE NAME GIVEN IN THE APPLICATION FORM IS EXACTLY THE SAME AS THE NAME IN WHICH THEIR DEPOSITORY / BENEFICIARY ACCOUNT IS HELD.**

**IF SO, REQUIRED BY THE BRLM, THE ELIGIBLE QIBS SUBMITTING A BID, ALONG WITH THE APPLICATION FORM, WILL ALSO HAVE TO SUBMIT REQUISITE DOCUMENT(S) TO THE BRLM TO EVIDENCE THEIR STATUS AS A “QIB” AS DEFINED HEREINABOVE.**

**IF SO, REQUIRED BY THE BRLM, THE ESCROW AGENT OR ANY STATUTORY OR REGULATORY AUTHORITY IN THIS REGARD, INCLUDING AFTER ISSUE CLOSING DATE, THE ELIGIBLE QIBS SUBMITTING A BID AND/OR BEING ALLOTTED EQUITY SHARES IN THE ISSUE, WILL ALSO HAVE TO SUBMIT REQUISITE DOCUMENT(S) TO FULFILL THE APPLICABLE KNOW YOUR CUSTOMER (KYC) NORMS.**

Demographic details such as address and bank account will be obtained from the Depositories as per the

Depository Participant account details provided in the Application Form. However, for the purposes of refund of all or part of the Bid Amount submitted by the Bidder, the bank details as mentioned in the Application Form from which the Bid Amount shall be remitted for the Equity Shares applied for in the Issue, will be considered.

The submission of an Application Form and payment of the Bid Amount pursuant to the Application Form by a Bidder shall be deemed a valid, binding and irrevocable offer for such Bidder to pay the entire Issue Price for the Equity Shares and becomes a binding contract on a Successful Bidder upon issuance of the CAN and the Placement Document (when dispatched) by our Company or by the BRLM in favour of the Successful Bidder.

### **Submission of Application Form**

All Application Forms must be duly completed with information including the name of the Bidder, the number of Equity Shares applied for along with proof of payment and a copy of the PAN card or PAN allotment letter (if applicable). The Bid Amount shall be deposited in the Escrow Account as is specified in the Application Form and the Application Form shall be submitted to the BRLM either through electronic form or through physical delivery at the following address:

<b>Name of the BRLM</b>	<b>Address</b>	<b>Contact Person</b>	<b>Email</b>	<b>Contact Number</b>
<b>ICICI Securities Limited</b>	ICICI Venture House, Appasaheb Marathe Marg, Prabhadevi, Mumbai - 400025, Maharashtra, India	Harsh Thakkar / Abhijit Diwan	Website: <a href="http://www.icicisecurities.com">www.icicisecurities.com</a> Email: <a href="mailto:borosil.qip2024@icicisecurities.com">borosil.qip2024@icicisecurities.com</a>	+91 22 6807 7100

The BRLM shall not be required to provide any written acknowledgement of the receipt of the Application Form and the Bid Amount.

Bidders Bidding in the Issue shall pay the entire Bid Amount along with the submission of the Application Form, within the Issue Period.

### **Payment of Bid Amount**

Our Company has opened the Escrow Account in the name of “Borosil Limited Escrow Account” with the Escrow Agent, in terms of the arrangement among our Company, the BRLM and the Escrow Agent. Each Bidder will be required to deposit the Bid Amount payable for the Equity Shares Bid by it along with the submission of the Application Form and during the Bidding Period. Bidders can make payment of the Bid Amount only through electronic transfer of funds from their own bank account.

**Note: Payments are to be made only through electronic fund transfer. Payments made through cash or cheques are liable to be rejected. Further, if the payment is not made favouring the Escrow Account, the Application Form is liable to be cancelled and rejected.**

Pending Allotment, our Company undertakes to utilise the amount deposited in “Borosil Limited Escrow Account” only for the purposes of (i) adjustment against Allotment of Equity Shares in the Issue; or (ii) repayment of Bid Amount if our Company is not able to Allot Equity Shares in the Issue. Notwithstanding the above, in the event a Bidder is not Allocated Equity Shares in the Issue, or the number of Equity Shares Allocated to a Bidder, is lower than the number of Equity Shares applied for through the Application Form and towards which Application Amount has been paid by such Bidder, or the Application Amount was in excess of the amount equivalent to the product of the Equity Shares that have been Allocated to the Bidder and the Issue Price, or the Application Amount has been arrived at using an indicative price higher than the Issue Price, or any Bidder lowers or withdraws their Bid after submission of the Application Form but prior to the Issue Closing Date, the excess Application Amount will be refunded to the same bank account from which Application Amount was remitted, in the form and manner set out in “Issue Procedure – Refunds” on page 191.

### **Pricing and Allocation**

There is a minimum pricing requirement under the SEBI ICDR Regulations. The Floor Price shall not be less than the average of the weekly high and low of the closing prices of the Equity Shares quoted on the stock exchange during the two weeks preceding the Relevant Date. However, a discount of not more than 5% of the Floor Price may be offered by our Company in accordance with the provisions of the SEBI ICDR Regulations.

Our Company, in consultation with the BRLM, shall determine the Issue Price, which shall be at or above the Floor Price.

The “Relevant Date” referred to above, for Allotment, will be the date of the meeting in which the Board decides to open the Issue and “stock exchange” means any of the recognized stock exchanges in India on which the Equity Shares of our Company of the same class are listed and on which the highest trading volume in such Equity Shares has been recorded during the two weeks immediately preceding the Relevant Date.

### ***Build-up of the Book***

The Eligible QIBs shall submit their Bids (including any revision thereof) through the Application Forms within the Issue Period to the BRLM. Such Bids cannot be withdrawn or revised downwards after the Issue Closing Date. The book shall be maintained by the BRLM.

### ***Price Discovery, Terms and Allocation***

Our Company, in consultation with the BRLM, shall determine the Issue Price, which shall be at or above the Floor Price and the Allocation on a discretionary basis and in compliance with Chapter VI of the SEBI ICDR Regulations. However, our Company may offer a discount of not more than 5% on the Floor Price in terms of Regulation 176 of the SEBI ICDR Regulations as approved by the Board pursuant to resolution dated January 24, 2024 and the resolution of our Shareholders on February 20, 2024.

After finalisation of the Issue Price, our Company shall update this Preliminary Placement Document with the Issue details and file the same with the Stock Exchanges as the Placement Document.

### ***Method of Allocation***

Our Company shall determine the Allocation in consultation with the BRLM on a discretionary basis and in compliance with Chapter VI of the SEBI ICDR Regulations.

Bids received from the Eligible QIBs at or above the Issue Price shall be grouped together to determine the total demand. The Allocation to all such Eligible QIBs will be made at the Issue Price. Allocation to Mutual Funds for up to a minimum of 10% of the Issue Size shall be undertaken subject to valid Bids being received at or above the Issue Price.

In case of cancellations or default by the Bidders, our Company, in consultation with the BRLM, have the right to reallocate the Equity Shares at the Issue Price among existing or new Bidders at their sole and absolute discretion subject to the applicable laws.

**THE DECISION OF OUR COMPANY, IN CONSULTATION WITH THE BRLM, IN RESPECT OF ALLOCATION SHALL BE FINAL AND BINDING ON ALL BIDDERS. BIDDERS MAY NOTE THAT ALLOCATION OF EQUITY SHARES IS AT THE SOLE AND ABSOLUTE DISCRETION OF OUR COMPANY, IN CONSULTATION WITH THE BRLM, AND ELIGIBLE QIBS MAY NOT RECEIVE ANY ALLOCATION EVEN IF THEY HAVE SUBMITTED VALID APPLICATION FORMS AND PAID THE ENTIRE BID AMOUNT AT OR ABOVE THE ISSUE PRICE. NEITHER OUR COMPANY NOR THE BRLM IS OBLIGED TO ASSIGN ANY REASON FOR ANY NON-ALLOCATION.**

### **Confirmation of Allocation Note (CAN)**

Based on receipt of the serially numbered Application Forms and Bid Amount, our Company, in consultation with the BRLM, in their sole and absolute discretion, shall decide the Successful Bidders to whom the serially numbered CAN shall be dispatched, pursuant to which the details of the Equity Shares Allocated to them, the Issue Price and the Bid Amount for the Equity Shares Allocated to them shall be notified to such Successful Bidders. Additionally, the CAN will include the probable Designated Date, being the date of credit of the Equity Shares to the Bidders’ account, as applicable to the respective Bidder.

The Successful Bidders would also be sent a serially numbered Placement Document (which will include the names of the proposed Allottees along with the percentage of their post-Issue Shareholding in the Company) either in electronic form or by physical delivery.

The dispatch of the serially numbered CAN and the Placement Document (when dispatched), to the Eligible QIBs shall be deemed a valid, binding and irrevocable contract for the Eligible QIBs to subscribe to the Equity Shares Allocated to such Successful Bidders. Subsequently, our Board will approve the Allotment of the Equity Shares to the Allottees in consultation with the BRLM.

**Successful Bidders are advised to instruct their Depository Participant to accept the Equity Shares that may be Allotted to them pursuant to the Issue.**

By submitting the Application Form, an Eligible QIB would have deemed to have made the representations and warranties as specified in “*Notice to Investors*” on page 3 and further that such Eligible QIB shall not undertake any trade on the Equity Shares credited to its Depository Participant account pursuant to the Issue until such time as the final listing and trading approval is issued by Stock Exchanges.

#### ***Designated Date and Allotment of Equity Shares***

1. Subject to the satisfaction of the terms and conditions of the Placement Agreement, our Company will ensure that the Allotment of the Equity Shares is completed by the Designated Date provided in the respective CANs.
2. In accordance with the SEBI ICDR Regulations, the Equity Shares will be offered, and Allotment shall be made only in the dematerialized form to the Allottees. Allottees will have the option to re-materialize the Equity Shares, if they so desire, as per the provisions of the Companies Act and the Depositories Act. However, no transfer in physical form is permitted as per Regulation 40 of the SEBI Listing Regulations.
3. Our Company, at its sole discretion, reserves the right to cancel the Issue at any time up to Allotment without assigning any reasons whatsoever.
4. Following the Allotment of the Equity Shares pursuant to the Issue, our Company shall submit the necessary documents with the Stock Exchanges in relation to the Issue and post that our Company shall credit the Equity Shares into the beneficiary accounts of the Eligible QIBs.
5. Following the credit of Equity Shares into the Successful Bidders’ beneficiary accounts (a) the Successful Bidders will be eligible for trading on the Stock Exchanges immediately upon such credit, and (b) the monies lying to the credit of the Escrow Account shall be released until the final listing and trading approvals of the Stock Exchanges for the listing and trading of the Equity Shares issued pursuant to this Issue are received by our Company and our Company files the return of Allotment in connection with the Issue with the RoC.
6. After finalization of the Issue Price, our Company shall update this Preliminary Placement Document with the Issue details and file it with the Stock Exchanges as the Placement Document, including the details of names of the proposed Allottees and the percentage of their post-Issue shareholding in our Company. Pursuant to a circular dated March 5, 2010 issued by the SEBI, the Stock Exchanges are required to make available on their websites the details of those Allottees in Issue who have been allotted more than 5% of the Equity Shares offered in the Issue, namely, names of the Allottees, and number of Equity Shares Allotted to each of them, pre and post Issue shareholding pattern of our Company along with the Placement Document.
7. In the event that we are unable to issue and Allot the Equity Shares offered in the Issue or if the Issue is cancelled within the timelines prescribed under the applicable laws, our Company shall repay the application monies within the timelines prescribed under the applicable laws, failing which our Company shall repay that monies with interest at such rate and in such manner as prescribed under the Companies Act and SEBI ICDR Regulations. The application monies to be refunded by us shall be refunded to the same bank account from which application monies was remitted by the Bidders, as mentioned in the Application Form.

#### **Refunds**

In the event that the number of Equity Shares Allocated to a Bidder is lower than the number of Equity Shares applied for through the Application Form and towards which Bid Amount has been paid by such Bidder, or Equity Shares are not Allocated to a Bidder for any reasons, or the Application Amount paid by a Bidder is in excess of

the amount equivalent to the product of the Equity Shares that have been Allocated to such Bidder and the Issue Price, or a Bidder lowers or withdraws the Bid prior to the Issue Closing Date, any excess Bid Amount paid by such Bidder will be refunded to the same bank account from which Bid Amount was remitted (as set out in the Application in the form and manner set out in the Refund Intimation Letter. The Refund Amount will be transferred to the relevant Bidders within two Working Days from the issuance of the CAN.

In the event that Equity Shares have been Allocated to Successful Bidders and our Company is unable to issue and Allot the Equity Shares offered in the Issue or on cancellation of the Issue within the timelines prescribed under the applicable laws, our Company shall repay the Bid Amount as per the timelines prescribed under the applicable laws, failing which our Company shall repay that money with interest at such rate and in such manner as prescribed under the Companies Act and SEBI ICDR Regulations.

### **Release of Funds to our Company**

The monies lying to the credit of the Escrow Account shall not be released until the final listing and trading approvals of the Stock Exchanges for the listing and trading of the Equity Shares issued pursuant to the Issue are received by our Company and the Company files the return of Allotment in connection with the Issue with the RoC. In the event of any delay in the Allotment or credit of Equity Shares, or receipt of trading or listing approvals or cancellation of the Issue, no interest or penalty would be payable by us.

### **Other Instructions**

#### ***Submission of Documents***

A physical copy of the Application Form and relevant documents as required to be provided along with the Application Form shall be submitted as soon as practicable.

#### ***Permanent Account Number or PAN***

Each Bidder should mention its PAN allotted under the Income Tax Act, 1961 (“**IT Act**”). A copy of PAN card is required to be submitted with the Application Form. However, this requirement may not apply to certain Bidders who are exempted from the requirement of obtaining a PAN under the IT Act. Further, the Application Forms without this information will be considered incomplete and are liable to be rejected. It is to be specifically noted that applicants should not submit the GIR number instead of the PAN as the Application Form is liable to be rejected on this ground.

#### ***Bank account details***

Each Bidder shall mention the details of the bank account from which the payment of Bid Amount has been made along with confirmation that such payment has been made from such account.

#### ***Right to Reject Applications***

Our Company, in consultation with the BRLM, may reject Bids, in part or in full, without assigning any reason whatsoever. The decision of our Company in consultation with the BRLM in relation to the rejection of Bids shall be final and binding. In the event the Bid is rejected by our Company, the Bid Amount paid by the Bidder shall be refunded to the same bank account from which the Bid Amount was remitted by such Bidder, as set out in the Application Form. For details see “*Issue Procedure – Refund*” on page 191. Our Company, at its sole discretion, reserves the right to cancel the Issue at any time up to Allotment without assigning any reason whatsoever.

#### ***Equity Shares in dematerialised form with the Depositories***

The Allotment of the Equity Shares in this Issue shall be only in dematerialised form (i.e., not in physical certificates but be fungible and be represented by the statement issued through the electronic mode). Allottees will have the option to re-materialise the Equity Shares, if they so desire, as per the provisions of the Companies Act, the Depositories Act and other applicable laws. However, no transfer in physical form is permitted as per Regulation 40 of the SEBI Listing Regulations.

The Bidders applying for Equity Shares to be issued pursuant to the Issue must have at least one beneficiary account with a Depository Participant of either of the Depositories prior to making the Bid. Equity Shares Allotted



to a Successful Bidder will be credited in electronic form directly to the beneficiary account (with the Depository Participant) of the Successful Bidder, as indicated in the Application Form.

Equity Shares in electronic form can be traded only on the stock exchanges having electronic connectivity with the Depositories. The Stock Exchanges have electronic connectivity with the Depositories. The trading of the Equity Shares would be in dematerialised form only for all Allottees in the respective demat segment of the Stock Exchanges. Our Company and the BRLM will not be responsible or liable for the delay in the credit of the Equity Shares to be issued pursuant to the Issue due to errors in the Application Form or otherwise on part of the Bidder.

## PLACEMENT

*No assurance can be given as to the liquidity or sustainability of the trading market for the Equity Shares, the ability of holders of the Equity Shares to sell their Equity Shares or the price at which holders of the Equity Shares will be able to sell their Equity Shares*

### Placement Agreement

The BRLM has entered into the Placement Agreement dated June 24, 2024 with our Company, pursuant to which the BRLM has agreed, subject to certain conditions, to manage the Issue and to act as placement agent in connection with the proposed Issue and procure subscription for Equity Shares to be placed with the Eligible QIBs, pursuant to Chapter VI of the SEBI ICDR Regulations, Section 42 of the Companies Act, 2013 read with Rule 14 of the PAS Rules, to the extent applicable, as amended and other applicable provisions of the Companies Act and the rules made thereunder. The Placement Agreement contains customary representations, warranties and indemnities from our Company, and it is subject to satisfaction of certain conditions and subject to termination in accordance with the terms contained therein.

This Preliminary Placement Document and the Placement Document has not been, and will not be, registered as a prospectus with the RoC and, no Equity Shares offered pursuant to the Issue, will be offered in India or overseas to the public or any members of the public or any other class of prospective investors, other than Eligible QIBs.

The Equity Shares offered hereby have not been and will not be registered under the U.S. Securities Act or the securities laws of any state of the United States and may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable U.S. state securities laws. Accordingly, the Equity Shares offered in this Issue are being offered and sold outside the United States in "offshore transactions" as defined in, and in reliance on Regulation S and the applicable laws of the jurisdiction where those offers, and sales are made. For further information, see "*Selling Restrictions*" and "*Transfer Restrictions and Purchase Representations*" on pages 196 and 203, respectively.

Applications shall be made to list the Equity Shares issued pursuant to the Issue and admit them to trading on the Stock Exchanges.

In connection with the Issue, the BRLM (or their affiliates) may, for its own account, subscribe to the Equity Shares or enter into asset swaps, credit derivatives or other derivative transactions relating to the Equity Shares to be offered pursuant to the Issue at the same time as the offer and sale of the Equity Shares, or in secondary market transactions. As a result of such transactions, the BRLM may hold long or short positions in such Equity Shares. These transactions may comprise a substantial portion of the Issue and no specific disclosure will be made of such positions. The Affiliates of the BRLM may purchase Equity Shares and be Allotted Equity Shares for proprietary purposes and not with a view to distribute or in connection with the issuance of P-Notes. For further details, see "*Offshore Derivative Instruments*" on page 12.

From time to time, the BRLM, and their affiliates may be engaged in or may in the future engage in transactions with and perform services, including but not limited to investment banking, advisory, banking, trading services for our Company, its Subsidiary, its group companies, affiliates and the shareholders of our Company, as well as to their respective affiliates, pursuant to which fees and commissions have been paid or will be paid to the BRLM and its affiliates.

### Lock-up

The Company will not, for a period commencing the date hereof and 90 days after the date on which Allotment of Equity Shares pursuant to this Issue shall be made ("**Closing Date**"), without the prior written consent of the Book Running Lead Manager, (a) directly or indirectly offer, issue, contract to issue, lend, sell, contract to sell, sell any option or contract to purchase, purchase any option or contract to sell, grant any option, right or warrant to purchase, or otherwise transfer or dispose of, any of the Equity Shares or any securities convertible into or exercisable for the Equity Shares; (b) enter into any swap or other agreement or any transaction that transfers, in whole or in part, directly or indirectly, any of the economic consequences associated with the ownership of any of the Equity Shares or any securities convertible into or exercisable or exchangeable for the Equity Shares (regardless of whether any of the transactions described in clause (a) or (b) is to be settled by the delivery of the

Equity Shares or such other securities, in cash or otherwise); or (c) publicly announce any intention to enter into any transaction falling within (a) and (b) above.

Our Company will not, for a period of 90 days from the date of Allotment under the Issue, without the prior written consent of the Book Running Lead Manager, make any demand for or exercise any right with respect to, the registration of any Equity Shares or any other securities of the Company substantially similar to the Equity Shares, including, but not limited to options, warrants or other securities that are convertible into, exercisable or exchangeable for, or that represent the right to receive Equity Shares or any such substantially similar securities, whether now owned or hereinafter acquired.

Provided however, that the foregoing restrictions shall not be applicable to (i) grant of ESOPs under the ESOP 2020 and New ESOS 2020; (ii) allotment of Equity Shares upon exercise of vested options under the ESOP 2020 and New ESOS 2020; (iii) the issuance of the Issue Shares pursuant to the Issue; and (iv) any transaction required by law or an order of a court of law or a statutory authority.

Our Company acknowledges that our Promoters in respect to the Equity Shares held by them, together with the Equity Shares held by their respective Promoter Group entities ("**Lock-up Shares**"), will not for a period of 90 days after the date of allotment of the Equity Shares pursuant to the Issue without the prior written consent of the BRLM (a) directly or indirectly, issue, offer, lend, sell, contract to sell, pledge, encumber, sell any option or contract to purchase, purchase any option or contract to sell, grant any option, right or warrant to purchase, make any short sale, or otherwise transfer or dispose of, any Lock-up Shares, including but not limited to any options or warrants to purchase any Promoter and Promoter Group Shares, or any securities convertible into or exercisable for, or that represent the right to receive, any Lock-up or file any registration statement under the Securities Act with respect to any of the foregoing (regardless of whether any of the transactions described in this clause (a) is to be settled by the delivery of the Lock-up Shares or such other securities, in cash or otherwise); (b) enter into any swap or other agreement or any transaction that transfers, in whole or in part, directly or indirectly, any of the economic consequences associated with the ownership of any of the Lock-up Shares or any securities convertible into or exercisable or exchangeable for any of the Lock-up Shares (regardless of whether any of the transactions described in this clause (b) is to be settled by the delivery of the Lock-up Shares or such other securities, in cash or otherwise); (c) deposit any of the Lock-up Shares, or any securities convertible into or exercisable or exchangeable for the Lock-up Shares or which carry the rights to subscribe for or purchase the Lock-up Shares, with any depository in connection with a depository receipt facility; or (d) publicly announce any intention to enter into any transaction falling within (a) to (c) above, provided, however, that the foregoing restrictions shall not apply to (i) any sale, transfer or disposition of any of the Lock-up Shares by the Promoters and members of the Promoter Group of our Company with prior notice to the Book Running Lead Manager to the extent such sale, transfer or disposition is required by Indian law; (ii) any bona fide pledge or non-disposal undertaking of any of the Lock-up Shares held by the Promoters and members of the Promoter Group of our Company as collateral for loans on normal commercial terms entered or to be entered into in the ordinary course of business of the Promoters and members of the Promoter Group of our Company, our Company or transfer of any of the Lock-up Shares to any third party pursuant to the invocation of any pledge in relation to the Lock-up Shares; (iii) any inter group transfer made between members of the Promoter Group, subject to compliance with applicable laws and subject to observance by the transferee Promoter Group entities of the foregoing restrictions on transfer of Lock-up Shares until the expiry of the period of 90 days after the date of allotment of the Equity Shares pursuant to the Issue; and (iv) a secondary sale of Equity Shares held by promoters or members of the Promoter Group, aggregating up to / not exceeding 4% of the pre-Issue share capital of our Company, post completion of Allotment of Equity Shares pursuant to the Issue.

## SELLING RESTRICTIONS

*The distribution of this Preliminary Placement Document or any offering material and the offering, sale or delivery of Equity Shares in this Issue is restricted by law in certain jurisdictions. Therefore, persons who may come into possession of this Preliminary Placement Document or any offering material are advised to consult with their own legal advisors as to what restrictions may be applicable to them and to observe such restriction. This Preliminary Placement Document may not be used for the purpose of an offer or invitation in any circumstances in which such offer or invitation is not authorised.*

### General

No action has been taken or will be taken by our Company or the BRLM that would permit a public offering of the Equity Shares to occur in any jurisdiction, or the possession, circulation or distribution of this Preliminary Placement Document or any other material relating to our Company or the Equity Shares in any jurisdiction where action for such purpose is required (including filing of prospectus in India with SEBI or any other authority in connection with the Issue). Accordingly, the Equity Shares may not be offered or sold, directly or indirectly, and none of this Preliminary Placement Document, any offering materials and any advertisements in connection with the offering of the Equity Shares may be distributed or published in or from any country or jurisdiction except under circumstances that will result in compliance with any applicable rules and regulations of any such country or jurisdiction. The Issue will be made in compliance with the applicable SEBI ICDR Regulations. Each purchaser of the Equity Shares in this Issue will be deemed to have made representations, warranties, acknowledgments and agreements as described in this section and under “*Notice to Investors*”, “*Representations by Investors*” and “*Transfer Restrictions and Purchase Representations*” on page 3, 6 and 203.

### Republic of India

The Issue will be made in compliance with the SEBI ICDR Regulations, Section 42 of the Companies Act, read with Rule 14 of the PAS Rules and other applicable provisions of the Companies Act and the rules made thereunder.

This Preliminary Placement Document may not be distributed directly or indirectly in India or to residents of India and any Equity Shares may not be offered or sold directly or indirectly in India to, or for the account or benefit of, any resident of India except as permitted by applicable Indian laws and regulations, under which an offer is strictly on a private and confidential basis and is limited to Eligible QIBs and is not an offer to the public or any other class of investors other than Eligible QIBs. This Preliminary Placement Document has not been and will not be filed as a prospectus with the RoC, or an advertisement and will not be circulated or distributed to the public in India or any other jurisdiction and will not constitute a public offer in India or any other jurisdiction.

### Bahrain

All marketing and offering of the Equity Shares in the Issue has been made and will be made outside the Kingdom of Bahrain. This Preliminary Placement Document and the Equity Shares that shall be offered pursuant to this Preliminary Placement Document have not been registered, filed, approved or licensed by the Central Bank of Bahrain (“CBB”), the Bahrain Bourse, the Ministry of Industry, Commerce and Tourism (“MOICT”) or any other relevant licensing authorities in the Kingdom of Bahrain.

The CBB, the Bahrain Bourse and the MOICT of the Kingdom of Bahrain takes no responsibility for the accuracy of the statements and information contained in this Preliminary Placement Document, nor shall they have any liability to any person, investor or otherwise for any loss or damage resulting from reliance on any statements or information contained herein. This Preliminary Placement Document is only intended for Accredited Investors as defined by the CBB and the Equity Shares offered by way of private placement may only be offered in minimum subscriptions of USD 100,000 (or equivalent in other currencies). No invitation to the public in the Kingdom of Bahrain to subscribe to the Equity Shares is being made and this Preliminary Placement Document will not be issued to, passed to, or made available to the public generally in the Kingdom of Bahrain. The CBB has not reviewed, nor has it approved this Preliminary Placement Document and any related offering documents or the marketing thereof in the Kingdom of Bahrain. The CBB is not and will not be responsible for the performance of the Equity Shares.

### Cayman Islands

No offer or invitation to subscribe for Equity Shares may be made to the public in the Cayman Islands to subscribe

for any of the Equity Shares but an invitation or offer may be made to sophisticated persons (as defined in the Cayman Islands Securities Investment Business Law (the “SIBL”), high net worth persons (as defined in the SIBL) or otherwise in accordance with the SIBL. This Preliminary Placement Document does not constitute an invitation or offer to the public in the Cayman Islands of the Equity Shares, whether by way of sale or subscription. The Equity Shares are not being offered or sold, and will not be offered or sold, directly or indirectly, to the public in the Cayman Islands.

### **Dubai International Financial Centre**

This Preliminary Placement Document relates to an Exempt Offer in accordance with the Markets Rules Module of the Dubai Financial Services Authority (“DFSA”) Rulebook. This Preliminary Placement Document is intended for distribution only to persons of a type specified in the Markets Rules Module. It must not be delivered to, or relied on by, any other person. The DFSA has no responsibility for reviewing or verifying any documents in connection with Exempt Offers. The DFSA has not approved this Preliminary Placement Document nor taken steps to verify the information set forth herein and has no responsibility for this Preliminary Placement Document. The securities to which this Preliminary Placement Document relates may be illiquid and/or subject to restrictions on their resale. Prospective purchasers of the securities offered should conduct their own due diligence on the securities. If you do not understand the contents of this Preliminary Placement Document you should consult an authorized financial advisor.

In relation to its use in the DIFC, this Preliminary Placement Document is strictly private and confidential and is being distributed to a limited number of investors and must not be provided to any person other than the original recipient, and may not be reproduced or used for any other purpose. The interests in the securities may not be offered or sold directly or indirectly to the public in the DIFC.

### **European Economic Area**

In relation to each Member State of the European Economic Area (each a “**Member State**”), no Equity Shares have been offered or will be offered pursuant to the Issue to the public in that Member State prior to the publication of a prospectus in relation to the Equity Shares which has been approved by the competent authority in that Member State or, where appropriate, approved in another Member State and notified to the competent authority in that Member State, all in accordance with the Prospectus Regulation), except that offers of Equity Shares may be made to the public in that Member State at any time under the following exemptions under the Prospectus Regulation:

- to any legal entity which is a qualified investor as defined under the Prospectus Regulation;
- to fewer than 150 natural or legal persons (other than qualified investors as defined under the Prospectus Regulation), subject to obtaining the prior consent of BRLM for any such offer; or
- in any other circumstances falling within Article 1(4) of the Prospectus Regulation,

provided that no such offer of Equity Shares shall result in a requirement for the publication by the Company or the BRLM of a prospectus pursuant to Article 3 of the Prospectus Regulation or supplement a prospectus pursuant to Article 23 of the Prospectus Regulation.

For the purposes of this section, the expression an “offer of Equity Shares to the public” in relation to any Equity Shares in any Relevant State means a communication to persons in any form and by any means presenting sufficient information on the terms of the offer and the Equity Shares to be offered so as to enable an investor to decide to purchase or subscribe for the Equity Shares.

Except for each person who is not a qualified investor and who has notified the BRLM of such fact in writing and has received the consent of the BRLM in writing to subscribe for or purchase Equity Shares in the Issue, each person in a Relevant State who acquires Equity Shares in the Issue or to whom any offer is made shall be deemed to have represented that it is a “qualified investor” as defined in the Prospectus Regulation.

In the case of any Equity Shares being offered to a financial intermediary, as that term is used in Article 5 of the Prospectus Regulation, such financial intermediary will also be deemed to have represented, acknowledged and agreed that the Equity Shares subscribed for or acquired by it in the Issue have not been subscribed for or acquired on a non-discretionary basis on behalf of, nor have they been subscribed for or acquired with a view to their offer

or resale to persons in circumstances which may give rise to an offer of any Equity Shares to the public other than their offer or resale in a Relevant State to qualified investors (as so defined) or in circumstances in which the prior consent of the BRLM has been obtained to each such proposed offer or resale.

Our Company, the BRLM and their affiliates and others will rely upon the truth and accuracy of the foregoing representations, warranties, acknowledgements and agreements.

### **Hong Kong**

The Equity Shares have not been offered or sold and will not be offered or sold in Hong Kong, by means of any document, other than (a) to “professional investors” as defined in the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) (the “**SFO**”) and any rules made under the SFO; or (b) in other circumstances which do not result in the document being a “prospectus” as defined in the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32) of Hong Kong (the “**C(WUMP)O**”) or which do not constitute an offer to the public within the meaning of the C(WUMP)O.

No advertisement, invitation or document relating to the Equity Shares, which is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to Equity Shares which are or are intended to be disposed of only to persons outside Hong Kong or only to “professional investors” as defined in the SFO and any rules made under the SFO has been or will be issued, whether in Hong Kong or elsewhere.

### **Japan**

The Equity Shares offered hereby have not been and will not be registered under the Financial Instruments and Exchange Act of Japan (Act No. 25 of 1948, as amended, the “**Financial Instruments and Exchange Act**”). The Preliminary Placement Document is not an offer of shares for sale, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan (which term as used in the Preliminary Placement Document means any person resident in Japan, including any corporation or entity organized under the laws of Japan) or to others for reoffer or resale, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan, except pursuant to an exemption from the registration requirements of, and otherwise in compliance with, the Financial Instruments and Exchange Act and other relevant laws and regulations of Japan.

### **Republic of Korea**

The Equity Shares have not been and will not be registered under the Financial Investments Services and Capital Markets Act of Korea and the decrees and regulations thereunder (the “**FSCMA**”), and the Equity Shares have been and will be offered in Korea as a private placement under the FSCMA. None of the Equity Shares may be offered, sold or delivered directly or indirectly, or offered or sold to any person for re-offering or resale, directly or indirectly, in Korea or to any resident of Korea except pursuant to the applicable laws and regulations of Korea, including the FSCMA and the Foreign Exchange Transaction Law of Korea and the decrees and regulations thereunder (the “**FETL**”). Furthermore, the purchaser of the Equity Shares shall comply with all applicable regulatory requirements (including but not limited to requirements under the FETL) in connection with the purchase of the Equity Shares. By the purchase of the Equity Shares, the relevant holder thereof will be deemed to represent and warrant that if it is in Korea or is a resident of Korea, it purchased the Equity Shares pursuant to the applicable laws and regulations of Korea.

### **Kuwait**

This document does not constitute an offer to sell, or the solicitation of an offer to subscribe for or buy, the Equity Shares in the State of Kuwait. The Equity Shares have not been licensed for offering, promotion, marketing, advertisement or sale in the State of Kuwait by the Capital Markets Authority or any other relevant Kuwaiti government agency. The offering, promotion, marketing, advertisement or sale of the Equity Shares in State of Kuwait on the basis of a private placement or public offering is, therefore, prohibited in accordance with Law No. 7 of 2010 and the Executive Bylaws for Law No. 7 of 2010, as amended, which govern the issue, offer, marketing and sale of financial services/products in the State of Kuwait. No private or public offering of the Equity Shares is or will be made in the State of Kuwait, and no agreement relating to the sale of the Equity Shares will be concluded in the State of Kuwait and no marketing or solicitation or inducement activities are being used to offer or market the Equity Shares in the State of Kuwait.

### **Malaysia**

No approval from the Securities Commission of Malaysia has been applied for or will be obtained for the offer or invitation in respect of the Issue under the Capital Markets and Services Act 2007. Neither has a prospectus been nor will be registered with the Securities Commission of Malaysia in connection with the Issue in Malaysia. Accordingly, this Preliminary Placement Document or any amendment or supplement hereto or any other offering document in relation to the Issue may not be distributed in Malaysia directly or indirectly for the purpose of any offer of the Equity Shares. The Equity Shares may not be offered or sold in Malaysia except pursuant to, and to persons prescribed under, Part I of Schedule 6 of the Malaysian Capital Markets and Services Act and no person may offer for subscription or purchase any of the Equity Shares directly or indirectly to anyone in Malaysia.

### **Mauritius**

The public of the republic of Mauritius is not invited to subscribe for the interests offered hereby. This memorandum relates to a private placement and does not constitute an offer to the public in Mauritius to subscribe for the interests offered hereby. The interests are only being offered to a limited number of sophisticated investors meeting the eligibility criteria. No regulatory approval has been sought for the offer in Mauritius and it must be distinctly understood that the Mauritius financial services commission does not accept any responsibility for the financial soundness of or any representations made in connection with the issue. The memorandum is for the use only of the named addressee and should not be given or shown to any other person.

### **Qatar (excluding the Qatar Financial Centre)**

This Preliminary Placement Document did not, and was not intended to, constitute an invitation or an offer of securities in the State of Qatar (including the Qatar Financial Centre) and accordingly should not be construed as such. The Equity Shares have not been, and shall not be, offered, sold or delivered at any time, directly or indirectly, in the State of Qatar. Any offering of the Equity Shares shall not constitute a public offer of securities in the State of Qatar.

By receiving this document, the person or entity to whom it has been provided to understands, acknowledges and agrees that: (a) neither this Preliminary Placement Document nor the Equity Shares have been registered, considered, authorised or approved by the Qatar Central Bank, the Qatar Financial Markets Authority, the Qatar Financial Centre Regulatory Authority or any other authority or agency in the State of Qatar; (b) neither the Company nor the BRLM are authorised or licensed by the Qatar Central Bank, the Qatar Financial Markets Authority, the Qatar Financial Centre Regulatory Authority, or any other authority or agency in the State of Qatar, to market or sell the Equity Shares within the State of Qatar; (c) this Preliminary Placement Document may not be provided to any person other than the original recipient and is not for general circulation in the State of Qatar; and (d) no agreement relating to the sale of the Equity Shares shall be consummated within the State of Qatar.

No marketing of the Equity Shares has been or will be made from within the State of Qatar and no subscription to the Equity Shares may or will be consummated within the State of Qatar. Any applications to invest in the Equity Shares shall be received from outside of Qatar. This Preliminary Placement Document shall not form the basis of, or be relied on in connection with, any contract in Qatar. The persons representing the BRLM are, by distributing this document, not advising individuals resident in the State of Qatar as to the appropriateness of investing in or purchasing or selling securities or other financial products. Nothing contained in this Preliminary Placement Document is intended to constitute investment, legal, tax, accounting or other professional advice in, or in respect of, the State of Qatar.

### **Qatar and Qatar Financial Centre**

Nothing in this Preliminary Placement Document is intended to constitute, shall be treated as constituting or shall be deemed to constitute, any offer or sale of securities in the State of Qatar or in the Qatar Financial Centre or the inward marketing of securities or an attempt to do business, as a bank, an investment company or otherwise in the State of Qatar or in the Qatar Financial Centre other than in compliance with any laws applicable in the State of Qatar or in the Qatar Financial Centre governing the issue, offering and sale of securities under the laws of the State of Qatar and the Qatar Financial Centre.

This Preliminary Placement Document and any underlying instruments or securities have not been and will not be filed with, reviewed or approved by the Qatar Central Bank, the Qatar Financial Markets Authority, the Qatar Exchange or any other relevant Qatar governmental body or securities exchange. The Company has not been authorised or licenced by any Qatari governmental body or regulator to market, offer or sell the Equity Shares in the State of Qatar or in the Qatar Financial Centre.

This Preliminary Placement Document is strictly private and confidential. This Preliminary Placement Document is provided on an exclusive basis to the specifically intended recipient of such document, upon that person's request and initiative, and for the recipient's personal use only. It is being distributed to a limited number of qualified investors and must not be provided to any person other than the original recipient. It is not for general circulation in the State of Qatar or the Qatar Financial Centre and may not be reproduced or used for any other purpose. Any distribution of this document by the recipient to third parties in the State of Qatar or the Qatar Financial Centre is not authorised and shall be at the liability of such recipient.

Recourse against the Company and/or its affiliates may be limited or difficult and may have to be pursued in a jurisdiction outside the State of Qatar and/or the Qatar Financial Centre.

### **Saudi Arabia**

This Preliminary Placement Document may not be distributed in the Kingdom of Saudi Arabia except to such persons as are permitted under the Rules on the Offer of Securities and Continuing Obligations issued by the Capital Market Authority ("CMA"). The CMA does not make any representation as to the accuracy or completeness of this Preliminary Placement Document and expressly disclaims any liability whatsoever for any loss arising from, or incurred in reliance upon, any part of this Preliminary Placement Document. Prospective purchasers of the Equity Shares offered hereby should conduct their own due diligence on the accuracy of the information relating to the Equity Shares. If you do not understand the contents of this Preliminary Placement Document, you should consult an authorised financial adviser.

### **Singapore**

This Preliminary Placement Document has not been registered as a prospectus with the Monetary Authority of Singapore. Accordingly, this Preliminary Placement Document and any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of Equity Shares may not be circulated or distributed, nor may the Equity Shares be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore other than (i) to an institutional investor under Section 274 of the Securities and Futures Act, Chapter 289 of Singapore (the "SFA"), (ii) to a relevant person pursuant to Section 275(1), or any person pursuant to Section 275(1A), and in accordance with the conditions specified in Section 275 of the SFA, or (iii) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

Where the Equity Shares are subscribed or purchased under Section 275 of the SFA by a relevant person which is:

- (i) a corporation (which is not an accredited investor (as defined in Section 4A of the SFA)) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or
- (ii) a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary of the trust is an individual who is an accredited investor,

securities (as defined in Section 239(1) of the SFA) of that corporation or the beneficiaries' rights and interest (howsoever described) in that trust shall not be transferred within six months after that corporation or that trust has acquired the Equity Shares pursuant to an offer made under Section 275 of the SFA except:

- (a) to an institutional investor or to a relevant person defined in Section 275(2) of the SFA, or to any person arising from an offer referred to in Section 275(1A) or Section 276(4)(i)(B) of the SFA;
- (b) where no consideration is or will be given for the transfer;
- (c) where the transfer is by operation of law;
- (d) as specified in Section 276(7) of the SFA; or
- (e) as specified in Regulation 32 of the Securities and Futures (Offers of Investments) (Shares and Debentures) Regulations 2005 of Singapore.



Notification under Sections 309B(1)(a) and 309B(1)(c) of the SFA: We have determined, and hereby notify all relevant persons (as defined in Section 309A of the SFA) that the Equity Shares are: (A) prescribed capital markets products (as defined in the Securities and Futures (Capital Markets Products) Regulations 2018) and (B) Excluded Investment Products (as defined in MAS Notice SFA 04-N12: Notice on the Sale of Investment: Notice on Recommendations on Investment Products).

**Singapore SFA Product Classification:** In connection with Section 309B of the Securities and Futures Act (Chapter 289) of Singapore (the “SFA”) and the Securities and Futures (Capital Markets Products) Regulations 2018 of Singapore (the “CMP Regulations 2018”), the Company has determined, and hereby notifies all relevant persons (as defined in Section 309A(1) of the SFA), that the Equity Shares are ‘prescribed capital markets products’ (as defined in the CMP Regulations 2018) and Excluded Investment Products (as defined in MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products).

### **Sultanate of Oman**

The information contained in this Preliminary Placement Document does not constitute a public offer of securities in Oman as contemplated by the Oman Commercial Companies Law (Sultani Decree 18/2019, as amended) or Article 3 of the Capital Market Authority Law (Sultani Decree 80/98, as amended). This Preliminary Placement Document will only be made available to investors in Oman in accordance with the provisions of Article 139 of the Executive Regulations of the Capital Markets Law (Capital Markets Law Decision No. 1/2009, as amended) (the “Executive Regulations”) by an entity duly licenced by the Capital Market Authority of Oman to market non-Omani securities in Oman.

This Preliminary Placement Document is strictly private and confidential. It is being provided to a limited number of sophisticated investors solely to enable them to decide whether or not to invest in the Equity Shares outside of Oman, upon the terms and subject to the restrictions set out herein and may not be reproduced or used for any other purpose or provided to any person other than the original recipient. Additionally, this Preliminary Placement Document is not intended to lead to the making of any contract within the territory or under the laws of Oman.

This Preliminary Placement Document has not been (and will not be) filed with the Capital Market Authority of Oman (except in accordance with Article 139 of the Executive Regulations) or any other regulatory authority in Oman and the Capital Market Authority of Oman neither assumes responsibility for the accuracy and adequacy of the statements and information contained in this Preliminary Placement Document nor shall have any liability to any person for damage or loss resulting from reliance on any statements or information contained herein.

### **Switzerland**

The Equity Shares may not be publicly offered, directly or indirectly, in Switzerland within the meaning of the Swiss Financial Services Act (“FinSA”) and no application has or will be made to admit the Equity Shares to trading on any trading venue (exchange or multilateral trading facility) in Switzerland. Neither this Preliminary Placement Document nor any other offering or marketing material relating to the Equity Shares constitutes a prospectus pursuant to the FinSA, and neither this Preliminary Placement Document nor any other offering or marketing material relating to the Equity Shares may be publicly distributed or otherwise made publicly available in Switzerland.

The Equity Shares may, however, be offered in Switzerland to professional clients within the meaning of the FinSA, without any public offer and only to investors who do not purchase the Equity Shares with the intention to distribute them to the public. The investors will be individually approached from time to time. This Preliminary Placement Document may only be used by those investors to whom it has been handed out in connection with the Offer described herein and may neither directly nor indirectly be distributed or made available to other persons without our express consent.

### **United Arab Emirates (excluding the Dubai International Financial Centre)**

This Preliminary Placement Document does not constitute or contain an offer of securities to the general public in the UAE. No offering, marketing, promotion, advertising or distribution (together, “Promotion”) of this document or the Equity Shares may be made to the general public in the United Arab Emirates (the “UAE”) unless: (a) such Promotion has been approved by the UAE Securities and Commodities Authority (the “SCA”)

and is made in accordance with the laws and regulations of the UAE, including SCA Board of Directors' Chairman Decision no. (3/R.M.) of 2017 (the "**Promotion and Introduction Regulations**"), and is made by an entity duly licensed to conduct such Promotion activities in the UAE; or (b) such Promotion is conducted by way of private placement made: (i) only to "Qualified Investors" (excluding "**High Net Worth Individuals**") (as such terms are defined in the Promotion and Introduction Regulations); or (ii) otherwise in accordance with the laws and regulations of the UAE; or (c) such Promotion is carried out by way of reverse solicitation only upon an initiative made in writing by an investor in the UAE. None of the SCA, the UAE Central Bank, the UAE Ministry of Economy or any other regulatory authority in the UAE has reviewed or approved the contents of this document nor does any such entity accept any liability for the contents of this document.

### **United Kingdom**

No Shares have been offered or will be offered pursuant to the Offering to the public in the United Kingdom prior to the publication of a prospectus in relation to the Shares which is to be treated as if it had been approved by the Financial Conduct Authority in accordance with the transitional provisions in Article 74 (transitional provisions) of the Prospectus Amendment etc (EU Exit) Regulations 2019/1234, except that it may make an offer to the public in the United Kingdom of any Shares at any time:

- (a) to any legal entity which is a qualified investor as defined under Article 2 of the UK Prospectus Regulation;
- (b) to fewer than 150 natural or legal persons (other than qualified investors as defined under Article 2 of the UK Prospectus Regulation), subject to obtaining the prior consent of the BRLM for any such offer; or
- (c) in any other circumstances falling within Article 1(4) of the UK Prospectus Regulation,

provided that no such offer of the Shares shall require the Company or any BRLM to publish a prospectus pursuant to Article 3 of the UK Prospectus Regulation or supplement a prospectus pursuant to Article 23 of the UK Prospectus Regulation. For the purposes of this provision, the expression an "offer to the public" in relation to the Shares in the United Kingdom means the communication in any form and by any means of sufficient information on the terms of the offer and any Shares to be offered so as to enable an investor to decide to purchase or subscribe for any Shares and the expression "UK Prospectus Regulation" means Regulation (EU) 2017/1129 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018.

The Preliminary Placement Document may not be distributed or circulated to any person in the United Kingdom other than to (i) persons who have professional experience in matters relating to investments falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended (the "Financial Promotion Order"); and (ii) high net worth entities falling within Article 49(2)(a) to (d) of the Financial Promotion Order (all such persons together being referred to as "relevant persons"). The Preliminary Placement Document is directed only at relevant persons. Other persons should not act on the Preliminary Placement Document or any of its contents. The Preliminary Placement Document is confidential and is being supplied to you solely for your information and may not be reproduced, redistributed or passed on to any other person or published, in whole or in part, for any other purpose.

### **United States of America**

The Equity Shares have not been and will not be registered under the U.S. Securities Act, or the securities laws of any state of the United States and, unless so registered, may not be offered or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable U.S. state securities laws. Accordingly, the Equity Shares are being offered and sold only outside the United States in '*offshore transactions*', as defined in and in reliance on Regulations S and the applicable laws of the jurisdiction where such offers and sales are made. For further information, see "*Transfer Restrictions and Purchaser Representations*" on page 203.

### **Other Jurisdictions**

The distribution of this Preliminary Placement Document and the offer and sale of the Equity Shares may be restricted by law in certain jurisdictions. Persons into whose possession this Preliminary Placement Document comes are required to inform themselves about, and to observe, any such restrictions to the extent applicable.

## TRANSFER RESTRICTIONS AND PURCHASER REPRESENTATIONS

*Due to the following restrictions, investors are advised to consult legal counsel prior to purchasing Equity Shares or making any resale, pledge or transfer of Equity Shares.*

Purchasers are not permitted to sell the Equity Shares Allotted pursuant to the Issue, for a period of one year from the date of Allotment, except on the Stock Exchanges. Allotments made to Eligible QIBs in the Issue (including to FPIs) are subject to the rules and regulations that are applicable to them, including in relation to lock-in requirements. Additional transfer restrictions applicable to the Equity Shares are listed below.

### **Transfer Restrictions and Purchaser Representations**

The Equity Shares have not been and will not be registered under the U.S. Securities Act and may not be offered or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable U.S. state securities laws.

By accepting delivery of this Preliminary Placement Document, submitting a bid to purchase Equity Shares and/or accepting delivery of any Equity Shares, you will be deemed to have represented and agreed as follows:

- It is authorised to consummate the purchase of the Equity Shares in compliance with all applicable laws and regulations.
- It acknowledges (or if it is a broker-dealer acting on behalf of a customer, its customer has confirmed to it that such customer acknowledges) that the Equity Shares are being issued in reliance upon Regulation S and such Equity Shares have not been and will not be registered under the U.S. Securities Act.
- It certifies that either (A) it is, or at the time the Equity Shares are purchased will be, the beneficial owner of the Equity Shares, is located outside the United States (within the meaning of Regulation S), and it has not purchased the Equity Shares for the account or benefit of any person in the United States or entered into any arrangement for the transfer of the Equity Shares or an economic interest therein to any person in the United States, or (B) it is a broker-dealer acting on behalf of its customer and its customer has confirmed to it that (i) such customer is, or at the time the Equity Shares are purchased will be, the beneficial owner of the Equity Shares, and (ii) such customer is located outside the United States (within the meaning of Regulation S), and such customer has not purchased the Equity Shares for the account or benefit of any person in the United States or entered into any arrangement for the transfer of the Equity Shares or an economic interest therein to any person in the United States.
- It is aware of the restrictions of the offer, sale and resale of the Equity Shares pursuant to Regulation S.
- It agrees (or it is a broker-deal acting on behalf of a customer that has confirmed to it that such customer agrees) that neither it, nor any of its affiliates, nor any person acting on its behalf, will make any “directed selling efforts” as defined in Regulation S. It acknowledges and agrees that it is not purchasing any Equity Shares as a result of any “directed selling efforts” as defined in Regulation S.
- It understands that the Equity Shares are being offered in a transaction not involving any public offering in the United States within the meaning of the U.S. Securities Act, that the Equity Shares have not been and will not be registered under the U.S. Securities Act and that if in the future it decides to offer, resell, pledge or otherwise transfer any of the Equity Shares, such Equity Shares may be offered, resold, pledged or otherwise transferred only outside the United States in a transaction complying with the provisions of Rule 903 or Rule 904 of Regulation S or in a transaction otherwise exempt from the registration requirements of the U.S. Securities Act and other applicable U.S. state securities laws.
- It is a sophisticated investor and has such knowledge and experience in financial, business and investments as to be capable of evaluating the merits and risks of the investment in the Equity Shares. It is experienced in investing in private placement transactions of securities of companies in a similar stage of development and in similar jurisdictions. It and any accounts for which it is subscribing to the Equity Shares (i) are each able to bear the economic risk of the investment in the Equity Shares, (ii) will not look to the Company or any of the BRLM for all or part of any such loss or losses that may be suffered, (iii) are able to sustain a complete loss on the investment in the Equity Shares, (iv) is seeking to subscribe

to the Equity Shares in this Issue for investment purposes and not with a view to resell or distribute them and it has no reason to anticipate any change in its circumstances, financial or otherwise, which may cause or require any sale or distribution by it of all or any part of the Equity Shares, (v) have no need for liquidity with respect to the investment in the Equity Shares, and (vi) have no reason to anticipate any change in its or their circumstances, financial or otherwise, which may cause or require any sale or distribution by it or them of all or any part of the Equity Shares. It acknowledges that an investment in the Equity Shares involves a high degree of risk and that the Equity Shares are, therefore, a speculative investment.

- It has been provided access to this Preliminary Placement Document and will be provided access to the Placement Document which it has read in its entirety.
- It agrees to indemnify and hold the Company and each of the BRLM harmless from any and all costs, claims, liabilities and expenses (including legal fees and expenses) arising out of or in connection with any breach of these representations and warranties. It will not hold any of the Company or the BRLM liable with respect to its investment in the Equity Shares. It agrees that the indemnity set forth in this paragraph shall survive the resale of the Equity Shares.
- Where it is subscribing to the Equity Shares for one or more managed accounts, it represents and warrants that it is authorised in writing, by each such managed account to subscribe to the Equity Shares for each managed account and to make (and it hereby makes) the acknowledgements and agreements herein for and on behalf of each such account, reading the reference to “it” to include such accounts.
- It agrees that any resale or other transfer, or attempted resale or other transfer, of the Equity Shares made other than in compliance with the above-stated restrictions shall not be recognised by the Company.
- It acknowledges that the Company and the BRLM and their affiliates and others will rely upon the truth and accuracy of the foregoing acknowledgements, representations and agreements and agrees that, if any of such acknowledgements, representations or agreements is no longer accurate, it will promptly notify the Company and the BRLM. It agrees that the terms and provisions of the foregoing acknowledgements, representations and agreements shall inure to the benefit of and any document incorporating such acknowledgements, representations and agreements shall be enforceable by the Company, its successors and its permitted assigns, and the terms and provisions hereof shall be binding on its permitted successors in title, permitted assigns and permitted transferees. It understands that these acknowledgments, representations and undertakings are required in connection with United States securities laws and irrevocably authorizes the Company to produce these acknowledgments, representations and undertakings (or any document incorporating them) to any interested party in any administrative or legal proceedings or official enquiry with respect to the matters covered herein.

## THE SECURITIES MARKET OF INDIA

*The information in this section has been extracted from documents available on the respective websites of SEBI and the Stock Exchanges and has not been prepared or independently verified by our Company or the BRLM or any of its respective affiliates or advisors.*

### **The Indian Securities Market**

India has a long history of organized securities trading. In 1875, the first stock exchange was established in Mumbai. BSE and NSE are the significant stock exchanges in India in terms of the number of listed companies, market capitalisation and trading activity.

### **Indian Stock Exchanges**

Indian stock exchanges are regulated primarily by SEBI, as well as by the Government acting through the Ministry of Finance, Capital Markets Division, under the SCRA and the SCRR. On October 3, 2018, SEBI, in exercise of its powers under the SCRA and the SEBI Act, notified the Securities Contracts (Regulation) (Stock Exchanges and Clearing Corporations) Regulations, 2018 (the “**SCR (SECC) Regulations**”), which regulate *inter alia* the recognition, ownership and governance of stock exchanges and clearing corporations in India together with providing for minimum net-worth requirements for stock exchanges. The SCRA, the SCRR and the SCR (SECC) Regulations along with various rules, bye-laws and regulations of the respective stock exchanges, regulate the recognition of stock exchanges, the qualifications for membership thereof and the manner, in which contracts are entered into, settled and enforced between members of the stock exchanges.

The SEBI Act empowers SEBI to regulate the Indian securities markets, including stock exchanges and intermediaries in the capital markets, promote and monitor self-regulatory organisations and prohibit fraudulent and unfair trade practices. Regulations and guidelines concerning minimum disclosure requirements by listed companies, rules and regulations concerning investor protection, insider trading, substantial acquisitions of shares and takeover of companies, buy-backs of securities, employee stock option schemes, stockbrokers, merchant bankers, underwriters, mutual funds, foreign portfolio investors, credit rating agencies and other capital market participants have been notified by the relevant regulatory authority.

### **BSE**

Established in 1875, it is the oldest stock exchange in India. In 1956, it became the first stock exchange in India to obtain permanent recognition from the Government under the SCRA. Pursuant to the BSE (Corporatization and Demutualization) Scheme 2005 of SEBI, with effect from August 19, 2005, BSE was incorporated as a company under the Companies Act, 1956. BSE was listed on NSE with effect from February 3, 2017.

### **NSE**

NSE was established by financial institutions and banks to provide nationwide online, satellite-linked, screen-based trading facilities with market-makers and electronic clearing and settlement for securities including government securities, debentures, public sector bonds and units. NSE was recognised as a stock exchange under the SCRA in April 1993 and commenced operations in the wholesale debt market segment in June 1994. The capital market (equities) segment commenced operations in November 1994 and operations in the derivatives segment commenced in June 2000.

### **Listing and delisting of Securities**

The listing of securities on a recognised Indian stock exchange is regulated by the applicable Indian laws including the Companies Act, 2013 the SCRA, the SCRR, the SEBI Act and various guidelines and regulations issued by SEBI including the SEBI ICDR Regulations and the SEBI Listing Regulations, as well as pursuant to the listing agreements entered into by our Company with the Stock Exchanges. The SCRA empowers the governing body of each recognised stock exchange to suspend trading of or withdraw admission to dealings in a listed security for breach of or non-compliance with any conditions or breach of company’s obligations under the SEBI Listing Regulations or for any reason, subject to the issuer receiving prior written notice of the intent of the exchange and upon granting of a hearing in the matter. SEBI also has the power to amend the SEBI Listing Regulations and bye-laws of the stock exchanges in India, to overrule a stock exchange’s governing body and withdraw recognition of a recognized stock exchange.

Delisting of equity shares from the stock exchanges, whether by way of a compulsory or a voluntary delisting, is governed by the provisions of the Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021, as amended (the “**Delisting Regulations**”). Following a compulsory delisting of equity shares, a company, its whole-time directors, its promoters, person(s) responsible for ensuring compliance with the securities laws and the companies promoted by any of them cannot directly or indirectly access the securities market or seek listing of any equity shares for a period of 10 years from the date of such delisting. In addition, certain amendments to the SCRR have also been notified in relation to delisting.

### **Minimum Level of Public Shareholding**

All listed companies (except exempted public sector undertakings) are required to maintain a minimum public shareholding of 25%. Where the public shareholding in a listed company falls below 25% at any time, such company shall bring the public shareholding to 25% within a maximum period of 12 months from the date of such the public shareholding having fallen below the 25% threshold. Consequently, a listed company may be delisted from the Stock Exchanges for not complying with the above-mentioned requirements. Our Company is in compliance with this minimum public shareholding requirement.

### **Disclosures under the Companies Act and securities regulations.**

Under the Companies Act, a public offering of securities in India must be made by means of a prospectus, which must contain information specified in the Companies Act, 2013, the Companies (Prospectus and Allotment of Securities) Rules, 2014 and the SEBI ICDR Regulations. The prospectus must be filed with the relevant registrar of companies having jurisdiction over the place where a company’s registered office is situated. A company’s directors and promoters shall be subject to civil and criminal liability for misrepresentation in a prospectus. The Companies Act also sets forth procedures for the acceptance of subscriptions and payment of commission rates for the sale of securities. Pursuant to the provisions of the SEBI Act, SEBI has issued detailed guidelines concerning disclosures by public companies and to further investor protection. The SEBI ICDR Regulations permit companies to price their domestic issues of securities in consultation with the lead merchant banker or through the book building process.

Public limited companies are required under the Companies Act, and other applicable guidelines to prepare, file with the RoC and circulate to their shareholders audited annual accounts which comply with the Companies Act’s disclosure requirements and regulations governing their manner of presentation and which include sections pertaining to corporate governance, related party transactions and the management’s discussion and analysis as required under the SEBI Listing Regulations. In addition, a listed company is subject to continuing disclosure requirements pursuant to the terms of the SEBI Listing Regulations. Accordingly, companies are required to publish unaudited financial statements (subject to a limited review by the company’s auditors) on a quarterly basis and are required to inform stock exchanges immediately regarding any unpublished price sensitive information.

### **Insider Trading Regulations**

The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended (the “**Insider Trading Regulations**”) have been notified by SEBI to amongst other things, prohibit and penalize insider trading in India and prohibit dealing in the securities of a listed company when in possession of unpublished price sensitive information (“**UPSI**”).

The Insider Trading Regulations also impose certain restrictions on the communication of UPSI relating to a company or securities listed or proposed to be listed. In terms of the Insider Trading Regulations, (i) no insider shall communicate, provide or allow access to any UPSI relating to such companies and securities to any person including other insiders; and (ii) no person shall procure or cause the communication by any insider of UPSI relating to such companies and securities, except in furtherance of legitimate purposes, performance of duties or discharge of legal obligations. It also provides disclosure obligations for promoters, employees and directors, with regard to their shareholding in the company, and the changes therein. However, UPSI may be communicated, provided or allowed access to or procured, under certain circumstances specified in the Insider Trading Regulations.

The Insider Trading Regulations define the term “unpublished price sensitive information” to mean any information, relating to a company or its securities, directly or indirectly, that is not generally available which upon becoming generally available, is likely to materially affect the price of its securities and ordinarily includes but not restricted to information relating to the following: (a) financial results; (b) dividends; (c) change in capital

structure; (d) mergers, de-mergers, acquisitions, de-listings, disposals and expansion of business and such other transactions; and (e) changes in key managerial personnel. Further, in terms of the Insider Trading Regulations, “generally available information” is defined as information that is accessible to the public on a non-discriminatory basis and shall not include unverified event or information reported in print or electronic media. An “insider” means any person who is i) a connected person; or ii) in possession of or having access to unpublished price sensitive information. The term “connected person” means any person who is or has during the six months prior to the concerned act been associated with a company, directly or indirectly, in any capacity, including by reason of frequent communication with its officers or by being in any contractual, fiduciary or employment relationship or by being a director, officer or an employee of the company or holding any position, including a professional or business relationship between himself and the company, whether temporary or permanent, that allows such person, directly or indirectly, to have access to unpublished price sensitive information or is reasonably expected to allow such access.

The Insider Trading Regulations make it compulsory for listed companies and certain other entities (including fiduciaries and intermediaries) that are required to handle UPSI in the course of business operations to establish (i) an internal code of practices and procedures for fair disclosure of UPSI; (ii) an internal code to regulate, monitor and report trading by designated persons and immediate relatives of designated persons; and (iii) a policy for procedures to be adopted by a company in case of any leak of UPSI. There are also initial and continuing shareholding disclosure obligations under the Insider Trading Regulations.

### **Index-Based Market-Wide Circuit Breaker System**

In order to restrict abnormal price volatility in any particular stock, SEBI has instructed stock exchanges to apply daily circuit breakers which do not allow transactions beyond a certain level of price volatility. The index-based market-wide circuit breaker system (equity and equity derivatives) applies at three stages of the index movement, at 10%, 15% and 20%. These circuit breakers, when triggered, bring about a coordinated trading halt in all equity and equity derivative markets nationwide. The market-wide circuit breakers are triggered by movement of either the SENSEX of BSE or the NIFTY 50 of NSE, whichever is breached earlier.

In addition to the market-wide index-based circuit breakers, there are currently in place individual scrip-wise price bands of 20% movements either up or down, for all scrips in the compulsory rolling settlement. However, no price bands are applicable on scrips on which derivative products are available or scrips included in indices on which derivative products are available.

The stock exchanges in India can also exercise the power to suspend trading during periods of market volatility. Margin requirements are imposed by stock exchanges that are required to be paid by the stockbrokers.

### **Settlement**

The stock exchanges in India operate on a trading day plus two, or T+2 rolling settlement system. At the end of the T+2 period, obligations are settled with buyers of securities paying for and receiving securities, while sellers transfer and receive payment for securities. For example, trades executed on a Monday would typically be settled on a Wednesday.

Further, in accordance with the circular dated September 7, 2021, issued by SEBI, at any time on or after January 1, 2022, a Stock Exchanges may choose to offer T+1 settlement cycle after giving an advance notice of at least one month.

### **Trading Hours**

Trading on both BSE and NSE normally occurs from Monday through Friday between 9:15 a.m. IST and 3:30 p.m. IST (excluding the 15 minutes pre-open session from 9.00 a.m. IST to 9.15 a.m. IST that has been introduced). BSE and NSE are closed on public holidays. The recognised stock exchanges have been permitted to set their own trading hours (in the cash and derivatives segments) subject to the condition that (i) the trading hours are between 9.00 a.m. and 5.00 p.m.; and (ii) the stock exchange has in place a risk management system and infrastructure commensurate to the trading hours.

### **Internet-Based Securities Trading and Security Trading using Wireless Technology Services**

Internet trading takes place through order routing systems, which route client orders to exchange trading systems

for execution. This permits clients throughout the country to trade using brokers' internet trading systems. Stock brokers interested in providing this service are required to apply for permission to the relevant stock exchange and also have to comply with certain minimum conditions stipulated under applicable law. NSE became the first exchange to grant approval to its members for providing internet-based trading services. Internet trading is possible on both the "equities" as well as the "derivatives" segments of NSE.

### **Trading Procedure**

In order to facilitate smooth transactions, BSE replaced its open outcry system with BSE online trading facility in 1995. This 100% automated screen-based trading in securities was put into practice nationwide. This has enhanced transparency in dealings and has assisted considerably in smoothening settlement cycles and improving efficiency in back-office work. In the year 2014, BSE introduced its new generation trading platform BOLT Plus. NSE has a fully automated trading system called NEAT, which operates on strict time/price priority besides enabling efficient trade.

### **Depositories**

The Depositories Act, 1996 provides a legal framework for the establishment of depositories to record ownership details and effect transfers in electronic book-entry form. Further, SEBI has framed the Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018 in relation to, among other things, the formation and registration of such depositories, the registration of participants as well as the rights and obligations of the depositories, participants, companies and beneficial owners.

### **SEBI Listing Regulations**

Public listed companies are required under the SEBI Listing Regulations to prepare and circulate to their shareholders audited annual accounts which comply with the disclosure requirements and regulations governing their manner of presentation and which include sections relating to corporate governance, related party transactions and management's discussion and analysis as required under the SEBI Listing Regulations. In addition, a listed company is subject to continuing disclosure requirements pursuant to the terms of the SEBI Listing Regulations.

### **Takeover Regulations**

Disclosure and mandatory bid obligations for listed Indian companies under Indian law are governed by the specific regulations in relation to substantial acquisition of shares and takeover. After listing on the stock exchanges, the provisions of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 (the "**Takeover Regulations**") will apply to our Company, which provide specific regulations in relation to substantial acquisition of shares and takeovers. Once the equity shares of a company are listed on a stock exchange in India, the provisions of the Takeover Regulations will apply to any acquisition of the company's shares/voting rights/control. The Takeover Regulations prescribes certain thresholds or trigger points in the shareholding that a person or entity (along with persons acting in concert with such person or entity) has in the listed Indian company, which give rise to certain obligations on the part of the acquirer. Acquisition of shares or voting rights up to a certain threshold prescribed under the Takeover Regulations mandate specific disclosure requirements, while acquisitions (direct or indirect, along with persons acting in concert with such acquirer) crossing particular thresholds may result in the acquirer having to make an open offer for the shares of the target company.

### **Buy-back**

A company may buy-back its shares subject to compliance with the requirements of Section 68 of the Companies Act, 2013, as amended and the SEBI (Buy-back of Securities) Regulations 2018, as amended. Under Section 68 of the Companies Act, 2013, as amended, a company may buy-back its shares out of its free reserves or securities premium account or the proceeds of the issue of any shares or other specified securities, other than proceeds of an earlier issue of the same kind of shares or same kind of other specified securities.

### **Derivatives (Futures and Options)**

Trading in derivatives is governed by the SCRA, the SCRR and the SEBI Act. The SCRA was amended in February 2000 and derivatives contracts were included within the term "securities", as defined by the SCRA.



Trading in derivatives in India takes place either on separate and independent derivatives exchanges or on a separate segment of an existing stock exchange. The derivatives exchange or derivatives segment of a stock exchange functions as a self-regulatory organisation under the supervision of the SEBI.

## DESCRIPTION OF THE EQUITY SHARES

*The following is the information relating to the Equity Shares including a brief summary of the Memorandum of Association and Articles of Association. The prospective investors are urged to read the Memorandum of Association and Articles of Association carefully, and consult with their advisers, as the Memorandum of Association and Articles of Association and applicable Indian law, and not this summary, govern the rights attached to the Equity Shares.*

### Share Capital

The authorised share capital of the Company is ₹ 5,500 lakhs divided into 2,700 lakhs Equity Shares of ₹ 1 each and 280 lakhs preference shares of ₹10 each. As on the date of this Preliminary Placement Document, the issued, subscribed and paid-up capital of the Company is ₹ 1,145.82 lakhs comprising of 114,582,095 Equity Shares of face value of ₹ 1 each. The Equity Shares are listed on BSE and NSE.

### Main objects of our Company

1. To do business as manufactures and importers of, and wholesale dealers in, and retailers or dealers of, scientific and laboratory glasswares, pharmaceutical glassware, industrial glassware, pressed glassware, Oven glasswares, HPLC vials, Liquid Handling Systems, Bench Top Equipment of all varieties and description, and any material or product which can or may be used as a substitute for glass and of all varieties and descriptions of products, materials, instruments, apparatuses made from borosilicate glasses and/or other varieties of glass or any material and product which can or may be used as a substitute for glass, and all products of which glass forms a part.
2. To carry on in India or elsewhere the business to manufacture, buy, sell, repair alter, improve, exchange, let out on hire, import, export and deal in all microwavable and flameproof kitchenware, glass tumblers, storage, tableware and kitchen appliances, earthenware, terracotta, bottles, flasks, utensils, other appliances, non-stick cookware with teflon coating , hard anodized and die cast, pressure cookers both aluminium and stainless steel, and stainless steel pots and pans, articles and things capable of being used in household, opal glass tableware, stainless steel server, ceramic tableware, brass & wooden accessories, ceramic refractory, sanitary wares, garden wares, kitchen wares, crockeries, potteries, insulators, terracotta, porcelainware, bathroom, accessories, pipes, wall tiles, floor tiles, roofing tiles, porcelain tiles.

### Dividends

Under Indian law, a company pays dividends upon a recommendation by its board of directors and approval by a majority of its shareholders at the annual general meeting of its shareholders. The Company has the right to decrease but not increase the dividend amount recommended by the board of directors. Dividends are generally declared as a percentage of par value (on per share basis) and distributed and paid to shareholders. If the amount is paid or credited on a share in advance of calls it shall not be treated as paid on the share. The Companies Act provides that shares of the same class of a company must receive equal dividend treatment.

These distributions and payments are required to be paid to or claimed by shareholders within 30 days of the date of declaration of dividend. The Companies Act states that any dividends that remain unpaid or unclaimed after that period are to be transferred to a special bank account within seven days from the date of expiry of the period of 30 days. Any dividend amount that remains unclaimed for seven years from the date of such transfer is to be transferred by our Company to a fund, called the Investor Education and Protection Fund, created by the Government of India.

The Articles authorize the Board to declare such interim dividends if in their judgement the position of our Company justifies. Under the Companies Act dividends payable can be paid only in cash to the registered shareholder, to his order or to the order of his banker. However, any dividend payable in cash may be paid by cheque or warrant or in any electronic mode to the shareholder entitled to the payment of the dividend.

No dividend shall be payable except out of the profits of the year or out of the profits for any previous financial year(s) arrived at after providing for depreciation, or otherwise than in accordance with the provisions of the Companies Act and no dividend shall carry interest as against the Company.

### Pre-Emptive Rights and Alteration of Share Capital

Subject to the provisions of the Companies Act, our Company may increase its share capital by issuing new shares on such terms and with such rights as it, by action of its shareholders in a general meeting may determine. According to Section 62(1)(a) of the Companies Act such new shares shall be offered to existing Shareholders in proportion to the amount paid up on those shares at that date. The offer shall be made by notice specifying the number of shares offered and the date (being not less than 15 days and not exceeding 30 days from the date of the offer) within which the offer, if not accepted, will be deemed to have been declined. After such date the board may dispose of the shares offered in respect of which no acceptance has been received which shall not be disadvantageous to the Shareholders. The offer is deemed to include a right exercisable by the person concerned to renounce the shares offered to him in favour of any other person.

Under the provisions of Section 62(1)(c) of the Companies Act, new shares may be offered to any persons whether or not those persons include existing shareholders, either for cash or for a consideration other than cash, if the price of such shares is determined by the valuation report of a registered valuer subject to such conditions as may be prescribed, if a special resolution to that effect is passed by our shareholders in a general meeting.

Pursuant to the terms of our Articles of Association, our Company may, from time to time: (a) increase its share capital by such amount as it thinks expedient by issuing new shares; (b) consolidate and divide all or any of its share capital into shares of larger amount than its existing shares; Provided that any consolidation in the voting percentage of members shall require applicable approvals under the Companies Act (c) convert all or any of its fully paid-up shares into stock, and reconvert that stock into fully paid-up shares of any denomination; (d) subdivide its existing shares or any of them into shares of smaller amount than is fixed by the memorandum subject to the provisions of the Companies Act; and (e) cancel any shares which, at the date of the passing of the resolution, have not been taken or agreed to be taken by any person. Further, our Company may, by special resolution subject to confirmation by the Tribunal, reduce in any manner and with, and subject to, the applicable provisions of the Companies Act, (a) its share capital; (b) any capital redemption reserve account; or (c) any share premium account.

### **General meetings of shareholders**

There are two types of general meetings of shareholders: (i) AGM; and (ii) EGM. Our Company must hold its AGM within six months after the expiry of each Fiscal provided that not more than 15 months shall elapse between the AGM and next one, unless extended by the RoC at its request for any special reason for a period not exceeding three months. Our Board may convene an EGM whenever the Board thinks fit. Written notice or notice via electronic mode means setting out the business to be transacted at the meeting must be given at least 21 days prior to the date set for the general meeting to the Shareholders. Shorter notice is permitted if consent is received from 95% of the Shareholders entitled to vote at such meeting. Thirty Shareholders or such other number of Shareholders as required under the Companies Act or applicable law personally present shall constitute quorum for a general meeting.

### **Voting rights**

At a general meeting, every member holding shares is entitled to vote through e-voting process. Upon a poll, the voting rights of each member entitled to vote and present in person or by proxy is in the same proportion as the capital paid up on each share held by such holder bears to our Company's total paid up capital. The Chairman of the meeting has a casting vote or second vote.

Ordinary resolutions may be passed by simple majority of those present and voting. Special resolutions require that the votes cast in favour of the resolution must be at least three times the votes cast against the resolution. A shareholder may exercise his voting rights by proxy to be given in the form prescribed. The instrument appointing a proxy is required to be lodged with our Company at least 48 hours before the time of the meeting. A proxy may not vote except on a poll and does not have a right to speak at meetings.

Pursuant to the terms of our Articles of Association, and subject to any rights or restrictions for the time being attached to any class or classes of shares, (a) on a show of hands, every member holding equity shares present in person shall have one vote; and (b) on a poll or voting through electronic means.

### **Transfer and transmission of shares**

Shares held through depositories are transferred in the form of book entries or in electronic form in accordance with the regulations laid down by SEBI. These regulations provide the regime for the functioning of the depositories and the participants and set out the manner in which the records are to be kept and maintained and

the safeguards to be followed in this system. Transfers of beneficial ownership of shares through a stock exchange and held through a depository are subject to securities transaction tax (levied on and collected by the stock exchanges on which such equity shares are sold), however, are exempt from stamp duty. Our Company has entered into an agreement for such depository services with the Depositories. SEBI requires that the shares for trading and settlement purposes be in book-entry form for all investors, except for transactions that are not made on a stock exchange and transactions that are not required to be reported to the stock exchange. Our Company shall keep a book in which every transfer or transmission of shares will be entered.

Pursuant to the SEBI Listing Regulations, except in case of transmission or transposition of Equity Shares, requests for effecting transfer of Equity Shares shall not be processed unless the Equity Shares are held in dematerialized form with a depository.

The Equity Shares shall be freely transferable, subject to applicable laws.

### **Buy-back**

Our Company may buy back its own Equity Shares or other specified securities subject to the provisions of the Companies Act and any related SEBI guidelines issued in connection therewith.

### **Directors**

Our Articles of Association provide that the number of Directors on the Board shall not be less than 3 and not more than 15, unless otherwise determined by the Company in a General Meeting.

### **Winding up**

Our Articles of Association provide that on winding up, the liquidator may, with the sanction of a special resolution and any other sanction required under the Companies Act, 2013, divide amongst the members, in specie or kind, the whole or any part of the assets of our Company. The liquidator may, with the like sanction, vest the whole or any part of such assets in trustees upon such trusts for the benefit of the contributories if he considers necessary, but so that no member shall be compelled to accept any shares or other securities whereon there is any liability.

## TAXATION

To,

**The Board of Directors**

**Borosil Limited**

1101, 11<sup>th</sup> Floor, Crescenzo, G-Block, 11th Floor  
Opposite MCA Club, Bandra Kurla Complex,  
Bandra East, Mumbai – 400051  
Maharashtra

**(Referred as the “Company”)**

**ICICI Securities Limited**

ICICI Venture House  
Appasaheb Marathe Marg  
Prabhadevi, Mumbai 400 025  
Maharashtra, India

**(Referred as the “Book Running Lead Manager” or “BRLM”)**

Dear Sirs/Madams,

**Sub: Qualified institutions placement of equity shares of face value of ₹1 each (“Equity Shares”) under Chapter VI of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (“SEBI ICDR Regulations”) and applicable provisions of the Companies Act, 2013, and the rules framed thereunder, each as amended (the “Companies Act”) by Borosil Limited (the “Company”, and such qualified institutions placement, the “Issue”)**

1. This certificate is issued in accordance with the terms of our arrangement letter dated June 24, 2024 executed between us, the Company and the BRLM for the purpose of the proposed issue.
2. We, the current statutory auditors of the Company, namely, Chaturvedi & Shah LLP, Chartered Accountants, have been requested by the Company to provide confirmation for possible special tax benefits to the Company and its shareholders in context of the Issue of Equity Shares in accordance with the SEBI ICDR Regulations
3. The accompanying statement in **Annexure – 1 (“the Statement”)** contains the summary of possible special tax benefits available to the Company and its shareholders under the direct tax and indirect tax laws presently in force in India, as amended ("**Indian Taxation Laws**") and the rules, regulations, circulars and notifications issued in connection with the Indian Taxation Laws, each as amended by the Finance Act, 2024 and as applicable to the assessment year 2025-26 relevant to the financial year 2024-25. There is no material subsidiary of the Company, as identified as per the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended. Several of these benefits are dependent on the Company and its shareholders, as the case may be, fulfilling the conditions prescribed under the relevant provisions of the Indian Taxation Laws. Hence, the ability of the Company and its shareholders to derive the possible special tax benefits is dependent upon their fulfilling such conditions, if any, which are based on business imperatives the Company, its shareholders, and/or the face in the future, the Company and its shareholders may or may not choose to fulfil such conditions for availing possible special tax benefits.
4. This certificate of possible special tax benefits is required as per Schedule VII (18) of the SEBI ICDR Regulations. While the term 'tax benefits' has not been defined under the SEBI ICDR Regulations, it is assumed that with respect to tax benefits available to the Company and its shareholders, the same would include those benefits as enumerated in Annexure - 1. Any benefits under the Indian Taxation Laws other than those specified in the Annexure - 1 are considered to be general tax benefits available to the Company and its shareholders, and therefore not covered within the ambit of the Statement. Further, any benefits available under any other Laws within or outside India, except for those specifically mentioned in the Annexure - 1, have not been examined and covered by the Statement.

## **Management's Responsibility for the Statement**

5. The Management of the Company is responsible for preparation and maintenance of the Statement and other records supporting its contents, to give complete and correct information regarding possible special tax benefits available to the Company and to its shareholders under the provisions of the applicable direct and indirect tax laws, as amended, applicable for financial year 2024-2025. This responsibility includes designing, implementing and maintaining internal control relevant to the preparation and presentation of the Statement, and applying an appropriate basis of preparation; and making estimates that are reasonable in the circumstances.
6. The Management is responsible for identifying and ensuring that the Company complies with the law and regulations applicable to its activities and details provided for verification are correct.
7. The Management is also responsible for ensuring that the Company complies with the requirements of the SEBI ICDR Regulations, the Companies Act, 2013 and other applicable guidelines.

## **Auditor's Responsibility**

8. It is our responsibility to report whether the Statement prepared by the Company, presents, in all material respects, the possible special tax benefits available to the Company and to its shareholder as of date, in accordance with the respective tax laws as at the date of our report.
9. We conducted our examination of the Statement in accordance with the Guidance Note on Reports or Certificates for Special Purposes issued by the Institute of Chartered Accountants of India. The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India.
10. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and other Assurance and Related Services Engagements.

## **Opinion**

11. According to the information and explanations provided to us and based on the representation obtained from the Company, we are of the view that as on date of this certificate, the possible special tax benefits available to the Company and the shareholders of the Company under the applicable tax laws in India are given in the Statement, applicable for the financial year 2024-25 and relevant to the assessment year 2025-26, presently in force in India
12. The Statement is only intended to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences and the changing tax laws, each investor is advised to consult his or her own tax consultant with respect to the specific tax implications arising out of their participation in the Issue. Further, we shall in no way be liable or responsible to any shareholder or subscriber for placing reliance upon the contents of the Statement. Also, any tax information included in this written communication was not intended or written to be used, and it cannot be used by the Company or the investor, for the purpose of avoiding any penalties that may be imposed by any regulatory, governmental taxing authority or agency. Neither we are suggesting nor advising the investors to invest money based on the statement. Our views are based on the existing provisions of law and its interpretation, which are subject to change from time to time. We do not assume responsibility to update the views consequent to such changes. Further we also do not assume responsibility towards the investors and third parties who may or may not invest relying on the Statement
13. We do not express any opinion or provide any assurance on whether:
  - The Company and its shareholders will continue to obtain these benefits in the future;
  - The conditions prescribed for availing the benefits have been/would be met; and
  - The revenue authorities/courts will concur with the views expressed herein.

14. The contents of the enclosed Statement are based on information, explanations and representations obtained from the Company and on the basis of our understanding of the business activities and operations of the Company. We have relied upon the information and documents of the Company being true, correct, and complete and have not audited or tested them. Our view, under no circumstances, is to be considered as an audit opinion under any regulation or law. No assurance is given that the revenue authorities/ courts will concur with the views expressed herein. Our Firm or any of our partners or affiliates, shall not be responsible for any loss, penalties, surcharges, interest or additional tax or any tax or non-tax, monetary or non-monetary, effects or liabilities (consequential, indirect, punitive or incidental) before any authority / otherwise within or outside India arising from the supply of incorrect or incomplete information of the company.

#### **Restriction on Use**

15. We consent to the inclusion of the above information or any extract thereof in the Placement Documents to be filed by the Company with the BSE Limited and the National Stock Exchange of India Limited (“**Stock Exchanges**”), or any other authority and such other documents as may be prepared in connection with the Issue.
16. This certificate has been issued as per the term of arrangement letter as referred above in the connection with the Issue and may be relied upon by the BRLM appointed in connection with the Issue and may be submitted to the Stock Exchanges and any other regulatory or statutory authority in respect of the Issue. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this certificate is shown or into whose hands it may come without our prior consent in writing.
17. We also authorise BRLM to deliver this letter to Securities and Exchange Board of India, the Stock Exchanges or any other governmental or regulatory authority as may be required or in seeking to establish a defence in connection with, or to avoid, any actual, potential or threatened legal, arbitral or regulatory proceeding or investigation.
18. Terms capitalized and not defined herein shall have the same meaning as ascribed to them in the Placement Documents, as applicable

#### **For Chaturvedi & Shah LLP**

Chartered Accountants

Firm Registration Number: 101720W / W100355

#### **Anuj Bhatia**

Partner

Membership Number: 122179

UDIN: 24122179BKFBHF7300

Place: Mumbai

Date: June 24, 2024

## ANNEXURE – 1

### STATEMENT OF POSSIBLE SPECIAL TAX BENEFITS AVAILABLE TO THE COMPANY, ITS SHAREHOLDERS AND ITS SUBSIDIARY UNDER THE APPLICABLE TAX LAWS IN INDIA

The information provided below sets out the possible Special Tax Benefits available to the Company and its shareholders in a summary manner only and is not a complete analysis or listing of all potential tax consequences of the subscription, ownership and disposal of equity shares of the Company, under the current Taxation Laws presently in force in India.

Several of these benefits are dependent on the Company / shareholders fulfilling the conditions prescribed under the relevant Taxation Laws. Hence, the ability of the Company / shareholders to derive the tax benefits is dependent upon fulfilling such conditions, which, based on business / commercial imperatives, the Company/ shareholders may or may not choose to fulfil.

The information provided below sets out the possible Special Tax Benefits available to the Company and its shareholders under the Income Tax Act 1961 applicable for the Financial year 2024-25 and relevant to the assessment year 2025-2026, presently in force in India (the “IT Act”).

#### 1. Possible Special Tax Benefits available to the Company

##### (i) Direct Taxes:

##### Lower corporate tax rate under section 115BAA of the Income-tax Act, 1961 (‘the Act’)

As per section 115BAA of the Act as inserted vide the Taxation Laws (Amendment) Act, 2019 with effect from FY 2019-20 relevant to AY 2020-21, a domestic Company has an option to pay income tax in respect of its total income at a concessional tax rate of 22% (plus surcharge of 10% and cess) provided the Company does not avail of specified exemptions/ incentives/ deductions or set-off of losses/ unabsorbed depreciation etc., claims depreciation in the prescribed manner and complies with the other conditions specified in section 115BAA of the Act..

In case a Company opts for section 115BAA of the Act, the provisions of Minimum Alternate Tax (“MAT”) under section 115JB of the Act would not be applicable and MAT credit of the earlier year(s) will not be available for set-off

The option needs to be exercised in the prescribed manner in a particular AY on or before the due date of filing the income-tax return for such AY. The option once exercised shall apply to subsequent AYs and cannot be subsequently withdrawn for the same or any other AY. Further, if the conditions mentioned in section 115BAA of the Act are not satisfied in any AY, the option exercised shall become invalid in respect of such AY and subsequent AYs, and the other provisions of the Act shall apply as if the option under section 115BAA had not been exercised

The Company has opted to apply section 115BAA of the Act from the Financial Year 2021-2022 (Assessment Year 2022-2023).

##### (ii) Indirect Taxes:

There are no special indirect tax benefits available to the Company.

#### 2. Possible Special Tax benefits available to Shareholders

##### (i) Direct Taxes

There are no special Direct Tax Benefits available to the shareholders for investing in the shares of the Company.

##### (ii) Indirect Taxes:

There are no special indirect tax benefits available to the Shareholders



Notes:

1. This Statement does not discuss any tax benefits in the country outside India of an investment in the Equity Shares. The subscribers of the Equity Shares in the country other than India are urged to consult their own professional advisers regarding possible special tax benefits and consequences that apply to them.
2. In respect of non-residents, the tax rates and the consequent taxation mentioned above shall be further subject to any benefits available under the applicable Double Taxation Avoidance Agreement, if any, between India and the country in which the non-resident has fiscal domicile.
3. All the above benefits are as per the current IT Act. Accordingly, any change or amendment in the laws /regulations, which when implemented would impact the same.
4. This Statement is intended only to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of tax consequences, each investor is advised to consult his/her own tax advisor.
5. No assurance is provided that the revenue authorities/courts will concur with the views expressed herein. Our views are based on the existing provisions of law and its interpretation, which are subject to changes from time to time. We do not assume responsibility to update the views consequent to such changes.

**For Borosil Limited**

**Rajesh Kumar Chaudhary**  
**Whole-time Director**  
**DIN:-07425111**

**Place:** Mumbai  
**Date:** June 24, 2024

## LEGAL PROCEEDINGS

*Our Company is involved in various legal proceedings from time to time, mostly arising in the ordinary course of business. These legal proceedings are primarily in the nature of civil proceedings, criminal proceedings, actions taken by regulatory and statutory authorities and tax disputes amongst others, which are pending before various adjudicating forums.*

*As on the date of this Preliminary Placement Document, except as disclosed below, there are no outstanding legal proceeding which have been considered material in accordance with our Company's policy in relation to disclosure of material events framed in accordance with Regulation 30 of the SEBI Listing Regulations and adopted by the Board pursuant to its resolution dated August 14, 2023*

*Additionally, solely for the purpose of the Issue, the following outstanding legal proceedings have been disclosed in this section involving our Company, its Directors, our Subsidiary and our Promoters (as applicable):*

- *outstanding criminal proceedings involving our Company, our Subsidiary, our Directors and our Promoters;*
- *outstanding actions (including any notices received) by statutory or regulatory authorities against our Company and our Subsidiary;*
- *outstanding civil proceedings involving our Company and our Subsidiary, where the amount involved in such proceeding exceeds ₹65.87 lakhs i.e., 1% of the profit after tax of our Company on a consolidated basis for the Financial Year 2024 (“Materiality Threshold”);*
- *outstanding direct and indirect tax matters (including show cause notices) involving our Company and our Subsidiary which will be disclosed in a consolidated manner;*
- *other outstanding litigation involving our Company and our Subsidiary, wherein the amount involved cannot be determined or is below the Materiality Threshold, but an adverse outcome of which could, individually or in the aggregate, materially and adversely affect the reputation, operations or financial position of our Company on a consolidated basis; and*
- *other outstanding litigation involving our Promoters and our Directors wherein an adverse outcome could materially and adversely affect the reputation, prospects, operations or financial position of our Company, on a consolidated basis.*

*The Materiality Threshold was adopted by the Management Committee solely for the purpose of the Issue pursuant to its resolution dated June 24, 2024. Please note that the Materiality Threshold shall apply for outstanding proceedings initiated under section 138 of the Negotiable Instruments Act, 1881, however, a consolidated disclosure would be made for section 138 cases falling below the Materiality Threshold.*

*Further, except as disclosed in this section, there are no:*

- *inquiries, inspections or investigations initiated or conducted (for which notices have been issued) under the Companies Act, 2013 in the last three years preceding the year of circulation of this Preliminary Placement Document, involving our Company and our Subsidiary, and nor are there any prosecutions filed (whether pending or not), fines imposed, compounding of offences in the last three years immediately preceding the year of this Preliminary Placement Document, involving our Company and our Subsidiary;*
- *material frauds committed against our Company in the last three years;*
- *significant and material order passed by the regulators, courts and tribunals impacting the going concern status of our Company on a consolidated basis or its future operations;*
- *default by our Company, including therein the amount involved, duration of default and present status, in repayment of: (a) statutory dues; (b) debentures and interest thereon; (c) deposits and interest thereon; or (d) loan from any bank or financial institution and interest thereon;*

- *defaults in annual filings of our Company under the Companies Act, 2013;*
- *litigation or legal actions, pending or taken, by any ministry or department of the government or a statutory authority against the Promoter of our Company during the last three years immediately preceding the year of this Preliminary Placement Document, and any direction issued by such ministry or department or statutory authority upon conclusion of such litigation or legal action, if any; and*
- *Disclosure on status of promoters or directors of our Company as fugitive economic offenders, and disclosure on the wilful defaulter status of our Company, Subsidiary, the Promoters or Directors.*

*It is clarified that for the purposes of the above, pre-litigation notices received by our Company, our Subsidiary, our Directors and our Promoters, from third parties (excluding statutory / regulatory / governmental authorities or notices threatening criminal action) shall, not be considered as litigation proceedings till such time that our Company, our Subsidiary, our Directors and our Promoters, are impleaded as parties in any such litigation proceedings before any court, tribunal or governmental authority, or is notified by any governmental, statutory or regulatory authority of any such proceeding that may be commenced. Capitalised terms used herein shall, unless otherwise specified, have the meanings ascribed to such terms in this section.*

## **Litigation involving our Company**

### ***Litigation against our Company***

#### *Criminal proceedings*

As on the date of this Preliminary Placement Document, there are no outstanding criminal proceedings initiated against our Company except as stated below:

Nil

#### *Actions taken by regulatory and statutory authorities*

As on the date of this Preliminary Placement Document, there are no pending actions by statutory or regulatory authorities against our Company except as stated below:

1. Our Company has received a notice dated November 29, 2019 (“**Notice**”) from the office of Assessing Authority cum Regional Joint Labour Commissioner, Jaipur (the “**Authority**”) in relation to the construction of a warehouse completed by our Company at Jaipur during the period 2018-2019. The Notice stated that our Company is liable to pay cess under the Building and Other Construction Workers Welfare Cess Act, 1996 (“**Cess Act**”) in relation to aforesaid construction and directed our Company to submit supporting documents. Our Company has filed a response dated December 19, 2019, to the Notice claiming that having already been registered as a factory under the provisions of the Factories Act, 1948 and having continued its manufacturing activities during the relevant period, it was not covered under the scope of the Cess Act read with rules made thereunder and hence not liable to pay the cess under the Cess Act. Subsequently, our Company received an order dated August 4, 2021, (the “**Order**”) passed by the Authority whereby our Company was directed to pay cess amounting to ₹ 5.49 lakhs which relates to the period of purported construction of warehouse by our Company at Jaipur during the period 2018-19. Our Company preferred an appeal dated November 15, 2021 (“**Appeal**”) before the Appellate Authority under the Building and Other Construction Workers Welfare Cess Act, 1996/Rules 1998, Jaipur, (the “**Authority**”) under section 11 of the Cess Act read with Rule 14 of the Building and Other Construction Workers Welfare Cess Rules, 1998 challenging the Order. Our Company prayed *inter alia*, (i) that the Order be set aside, (ii) pending the hearing and disposal of the Appeal, to stay the operation of the Order, (iii) not to take any coercive steps for the implementation of the Order. The matter is currently pending.
2. Our Company has received a notice dated November 29, 2019 (“**Notice**”) from the office of Assessing Authority cum Regional Joint Labour Commissioner, Jaipur (the “**Authority**”) in relation to the construction of factory by our Company at Jaipur during the period 2013-14. The Notice stated that our Company is liable to pay cess under the Building and Other Construction Workers Welfare Cess Act, 1996 (“**Cess Act**”) in relation to the aforesaid construction and directed our Company to submit

supporting documents. In the response to the Notice, our Company has claimed that having already been registered as a factory under the provisions of the Factories Act, 1948 and having continued its manufacturing activities during the relevant period it was not covered under the purview and scope of the Cess Act read with rules made thereunder. Subsequently, our Company received an order dated August 4, 2021 (the “**Order**”) passed by the Authority whereby our Company was directed to pay cess amounting to ₹ 9.71 lakhs which relates to the period of purported construction by our Company at Jaipur for the period of 2013-14. Our Company preferred an appeal dated November 15, 2021 (the “**Appeal**”) before the Appellate Authority under the Building and Other Construction Workers Welfare Cess Act, 1996/Rules 1998, Jaipur (the “**Authority**”), under section 11 of the Cess Act read with Rule 14 of the Building and Other Construction Workers Welfare Cess Rules, 1988, challenging the Order. Our Company prayed *inter alia*, (i) that the Order be set aside, (ii) pending the hearing and disposal of the Appeal, to stay the operation of the Order (iii) not to take any coercive steps for the implementation of the Order. The matter is currently pending.

3. The Senior Inspector of Legal Metrology, Prayagraj, Uttar Pradesh (the “**Inspector**”) issued a show cause notice dated December 13, 2023, (the “**Notice**”) under the Legal Metrology Act, 2009 (the “**Act**”) and Legal Metrology (Packaged Commodities) Rules, 2011 (the “**Rules**”). The Notice stated that the font size of the maximum retail price declarations of one of our Company’s products ‘5N Mini PD/set Assorted (LFS)’ was not in compliance with the Rules. Our Company has responded to the Notice by way of a letter dated January 16, 2024, submitting that our Company is compliant with the provisions of the Act and the Rules, and that despite the justification if the Inspector concludes that our Company is in non-compliance, our Company is willing to compound the alleged non-compliance. Our Company has not received any further communication from the Inspector.
4. The Senior Inspector of Legal Metrology, Mathura, Uttar Pradesh (the “**Inspector**”) issued a show cause notice dated June 5, 2024 (the “**Notice**”) under the Legal Metrology Act, 2009 ( the “**Act**”) and Legal Metrology (Packaged Commodities ) Rules, 2011 ( the “**Rules**”). The Notice stated that the declarations on the packages of one of our Company’s products, “Borosil Vision Glass Medium” was not in compliance with the Act and the Rules as it omitted the phrase ‘inclusive of all taxes’ with the maximum retail price mentioned on the package. Our Company is in the process of responding to the Notice.

#### *Civil proceedings above the Materiality Threshold*

As on the date of this Preliminary Placement Document, there are no outstanding material civil litigation against our Company except as stated below:

1. Krishnankutty Pillai, Usha Kumar, and Renjini Krishnan (“**Petitioners**”), the immediate family of Mr. Ratheesh Kumar (the “**Deceased**”), filed an application of compensation dated February 4, 2022, (“**Application**”), before the Motor Accidents Claims Tribunal at Thiruvananthapuram under section 166 of the Motor Vehicles Act 1988, against, *inter alia*, our Company and Royal Sundaram General Insurance Co & Ltd. The Petitioners alleged that the Deceased, while riding his motorcycle, had been hit by a vehicle registered in the name of our Company and driven by a driver on contract, and that the vehicle was being driven in a rash and negligent manner which resulted in fatal head injury being sustained by the Deceased. The Petitioners have claimed ₹ 200.00 lakhs as compensation from our Company and Royal Sundaram General Insurance Co & Ltd (being the insurer agency who had insured the vehicle registered in the name of our Company) and prayed that our Company and Royal Sundaram General Insurance Co & Ltd are jointly and severally liable to pay the same. In response to the Application, our Company filed a written statement dated August 30, 2022. The matter is currently pending.
2. Viresh Babulal Ghatlia and Shailesh Babulal Ghatlia (the “**Plaintiffs**”) have filed a suit (“**Suit**”) dated April 9, 2014, before the High Court of Judicature, Bombay (the “**Court**”) against, *inter alia*, our erstwhile holding company (Borosil Glass Works Limited) (“**Erstwhile HC**”) and Neepa Real Estate Private Limited (“**Neepa**”), (collectively the “**Defendants**”) claiming the ownership and possession of a parcel of land (“**Suit Property**”). The Plaintiffs claimed that the Suit Property was exchanged between the predecessor-in-title of the Plaintiffs and our Erstwhile HC by the deed of exchange dated April 9, 1974. The Plaintiffs further claimed that the title of the Suit Property was purportedly then transferred to the Plaintiffs. On October 9, 2013, Neepa’s representatives allegedly entered into the Suit Property and subsequently initiated construction activities. Neepa claimed that they have acquired the title to the Suit Property from our Erstwhile HC by an indenture of conveyance dated August 27, 2010. The Plaintiffs filed the Suit contesting such acquisition and claimed absolute ownership and possession of the Suit

Property. The Plaintiffs *inter alia* prayed that in the event the Court holds that the Plaintiffs are entitled to the ownership and possessory rights of the Suit Property, but if the same cannot be granted to them, then the Defendants be jointly and severally ordered and decreed to pay ₹ 6,000.00 lakhs to the Plaintiffs. The Court accepted and recorded the statement of the counsel of Neepa vide an order dated July 8, 2014 that *inter alia*, (i) Neepa will not construct on the Suit Property, (ii) use any FSI relatable thereto or (iii) create any third party rights with respect thereto without giving eight weeks notice to the Plaintiffs. No further orders were passed. Pursuant to a scheme of amalgamation and arrangement approved by NCLT vide its order dated January 15, 2020, the matter has been transferred from our Erstwhile HC to our Company. The matter is currently pending.

### ***Litigation by our Company***

#### ***Criminal proceedings***

As on the date of this Preliminary Placement Document, there are no outstanding criminal proceedings initiated by our Company except as stated below:

1. There are two cases filed by our Company pending before various fora for alleged violation of section 138 of Negotiable Instruments Act, 1881, for recovery of amounts due to our Company for which cheques issued in favour of our Company by our clients/debtors which were dishonoured. The total pecuniary value involved in all these matters is ₹ 16.32 lakhs. These matters are currently pending.

#### ***Civil proceedings above the Materiality Threshold***

As on the date of this Preliminary Placement Document, there are no outstanding material civil litigation initiated by our Company except as stated below:

1. Our Company entered into an agreement dated November 25, 2016 with JSJ Jodeit GmbH, whereby the latter was required to design, manufacture and supply certain parts of an opal glass furnace (“**Furnace**”) for our Company. To protect its interests, our Company also obtained Industrial All Risk Policy (the “**Policy**”) from Bharti Axa, the predecessor of ICICI Lombard General Insurance Company Limited (“**ICICI**”). On August 23, 2019, a leakage occurred in the Furnace resulting in breakdown of production at our Company’s factory at Jaipur. The Furnace suffered substantial damage, and ICICI was intimated of the same, and whereby ICICI appointed a surveyor to assess the extent of damages and quantify the losses. On November 5, 2020, our Company claimed ₹ 2,249.21 lakhs on account of material damage loss and business interruption loss from ICICI under the Policy. Based on the assessment by the surveyor, ICICI denied the claim stating it was excluded under the Policy. The claim for damages that resulted due to the leakage was upheld and the overall loss was assessed to the tune of ₹ 40.24 lakhs by the surveyor. However, since our Company was disallowed part of its claim, our Company instituted arbitration proceedings under Order XI Rules 12 and 14 of The Civil Procedure Code, 1908 read with Section 27 of the Arbitration and Conciliation Act, 1996 against ICICI before the sole arbitrator, Sudipto Sarkar (“**Arbitrator**”) in relation to the disallowed portion of the claim. Vide the arbitral award (“**Arbitral Award**”) dated November 4, 2023, the Arbitrator rejected our Company’s claim. Thereafter, our Company filed a petition dated November 4, 2023, under section 34 of The Arbitration and Conciliation Act, 1996 before the Commercial Division of the High Court of Judicature, Bombay, praying *inter alia* (i) to set aside the impugned Arbitral Award and (ii) to stay the Arbitral Award till the final disposal of the aforesaid petition. The matter is currently pending.
2. A A Estate Private Limited commenced construction of a multi storeyed, multi winged project (the “**Project**”) in Santa Cruz, Mumbai and subsequently registered it under Maharashtra Real Estate Regulatory Authority, (the “**Authority**”), on September 9, 2021. While the Project was under construction, our Company entered into two Articles of Agreements (“**Agreements**”) dated August 7, 2012, with A A Estate Private Limited and Anubhav A Agarwal, the authorised signatory of A A Estate Private Limited (collectively, the “**Respondents**”) for the purchase of two flats (“**Flats**”) in the Project. Our Company paid a consideration of ₹ 286.81 lakhs (“**Consideration Amount**”) at the time of execution of the Agreements. Further, the Respondents issued demand letters between March 8, 2018, and March 2, 2019, allegedly soliciting additional payment along with interest, from our Company. Our Company responded to these demand letters vide letters sent between May 9, 2018, and March 11, 2019, stating the willingness to pay the additional amount subject to receipt of updates on the completion of the Project. However, the Respondents allegedly did not update the status of the Project despite frequent

follow ups from our Company. Subsequently, our Company filed a complaint dated July 2, 2022, under Section 31 of the Real Estate (Regulation and Development), Act, 2016 read with Section 71 of the Real Estate (Regulation and Development), Act, 2016 (“**RERA Act**”), before the Authority. Our Company *inter alia* prayed that the Respondents (i) be directed to hand over the possession of the Flats (ii) be held liable to pay interest at the rate of 9.25% from the date of promised possession of the Flats till the actual date of possession on the Consideration Amount on the grounds of delayed handover of possession under section 18 of the RERA Act. The matter is currently pending.

3. The Deputy Collector (Land Acquisition No 4) of Mumbai Suburban District 4 (the “**Respondent 1**”), acquired a parcel of land (the “**Acquired Land**”) owned by our Company located at Andheri, under the provisions of (i) Land Acquisition Act, 1894, and(ii) Maharashtra Regional and Town Planning Act, 1966. Subsequently, an order dated December 7, 2016, was passed by the Respondent 1 under section 11 of the Land Acquisition Act, 1894 awarding a compensation of ₹ 9,444.24 lakhs to the Company. Challenging the compensation, our Company filed an application for reference under section 64 of the Right to Fair Compensation and Transparency in Land Acquisition Rehabilitation and Resettlement Act, 2013(the “**RFCTLARR**”) on December 30, 2016, with Respondent 1. Further, Respondent 1 filed the reference under RFCTLARR (the “**Reference**”) with the Maharashtra Land Acquisition, Rehabilitation and Settlement authority (the “**RFCTLARR Authority**”) at Nagpur, in October 2020. Subsequently our Company filed the statement of claim on March 9, 2021, before the RFCTLARR Authority. In the Reference, our Company claimed additional compensation to the tune of ₹ 15,416.64 lakhs in respect of the acquisition of the Acquired Land. Subsequently, the matter was transferred from RFCTLAAR Authority at Nagpur to RFCTLAAR Authority at Aurangabad. The matter is currently pending.

### **Litigation involving our Subsidiary**

#### ***Litigation against our Subsidiary***

##### *Criminal proceedings*

As on the date of this Preliminary Placement Document, there are no outstanding criminal litigation initiated against our Subsidiary except as stated below:

Nil

##### *Actions taken by regulatory and statutory authorities*

As on the date of this Preliminary Placement Document, there are no pending actions by statutory or regulatory authorities against our Subsidiary except as stated below:

Nil

##### *Civil proceedings above the Materiality Threshold*

As on the date of this Preliminary Placement Document, there are no outstanding civil litigation initiated against our Subsidiary except as stated below:

Nil

#### ***Litigation by our Subsidiary***

##### *Criminal proceedings*

As on the date of this Preliminary Placement Document, there are no outstanding criminal litigation initiated by our Subsidiary except as stated below:

Nil

##### *Civil proceedings above the Materiality Threshold and Other Matters*

As on the date of this Preliminary Placement Document, there are no outstanding civil litigation initiated by our Subsidiary except as stated below:

Nil

**Other outstanding litigation involving our Company and our Subsidiary, wherein the amount involved cannot be determined or is below the Materiality Threshold, but an adverse outcome of which could, individually or in the aggregate, materially and adversely affect the reputation, operations or financial position of our Company on a consolidated basis**

#### **Litigation involving our Directors**

##### *Criminal proceedings against our Directors*

As on the date of this Preliminary Placement Document, there are no outstanding criminal proceedings initiated against our Directors except as stated below:

Nil

##### *Criminal proceedings initiated by our Directors*

As on the date of this Preliminary Placement Document, there are no outstanding criminal proceedings initiated by our Directors except as stated below:

Nil

##### *Pending action by statutory or regulatory authorities against our Directors*

As on the date of this Preliminary Placement Document, there are no pending actions by statutory or regulatory authorities against our Directors except as stated below:

Nil

#### **Litigation involving our Promoters**

##### *Criminal proceedings against our Promoters*

As on the date of this Preliminary Placement Document, there are no outstanding criminal proceedings initiated against our Promoters except as stated below:

Nil

##### *Criminal proceedings initiated by our Promoters*

As on the date of this Preliminary Placement Document, there are no outstanding criminal proceedings initiated by our Promoters except as stated below:

Nil

##### *Pending action by statutory or regulatory authorities against our Promoter*

As on the date of this Preliminary Placement Document, there are no pending actions by statutory or regulatory authorities against our Promoters except as stated below:

Nil

**Other outstanding litigation involving our Promoters and our Directors wherein an adverse outcome could materially and adversely affect the reputation, operations or financial position of our Company, on a consolidated basis**

Nil

**Inquiries, inspections or investigations initiated or conducted (for which notices have been issued) under the Companies Act, 2013 in the last three years preceding the year of the Issue Documents, involving our Company and our Subsidiary, and any prosecutions filed (whether pending or not), fines imposed, compounding of offences under the Companies Act, 2013 in the last three years immediately preceding the year of the Issue Documents, involving our Company and our Subsidiary**

Nil

**Material frauds committed against our Company in the last three years, and if so, the action taken by our Company**

Nil

**Significant and material order passed by the regulators, courts and tribunals impacting the going concern status of our Company on a consolidated basis**

Nil

**Default by our Company, including therein the amount involved, duration of default and present status, in repayment of statutory dues, debentures and interest thereon, deposits and interest thereon and loan from any bank or financial institution and interest thereon.**

Nil

**Default in annual filings of our Company under the Companies Act, 2013**

Nil

**Litigation or legal actions, pending or taken, by any ministry or department of the government or a statutory authority against the Promoter of our Company during the last three years immediately preceding the year of the Issue Documents, and any direction issued by such ministry or department or statutory authority upon conclusion of such litigation or legal action, if any.**

Nil

**Disclosure on status of promoters or directors of our Company as fugitive economic offenders. And disclosure, if any, on the wilful defaulter status of our Company, our Subsidiary, the Promoters or Directors, if any shall be included in the litigation section.**

Nil

#### **Tax litigation**

As on the date of this Preliminary Placement Document, except as disclosed below, there are no outstanding tax litigations, involving our Company and our Subsidiary:

<b>Nature of case</b>	<b>Number of cases</b>	<b>Amount involved (in ₹ lakhs*)</b>
<b><i>Tax litigation involving our Company</i></b>		
Direct tax	1	48.20
Indirect tax	3	19.46
Total	4	67.66
<b><i>Tax litigation involving our Subsidiary</i></b>		
Direct tax	Nil	Nil
Indirect tax	Nil	Nil
Total	Nil	Nil

*\*To the extent quantifiable, including interest and penalty thereon.*



## **STATUTORY AUDITORS**

In term of the provisions of Section 139 of the Companies Act, 2013, our Statutory Auditors Chaturvedi & Shah LLP, Chartered Accountants, were appointed as our Company's Statutory Auditors pursuant to a resolution adopted by our Shareholders at the AGM held on August 26, 2021 for a period of 5 years.

Financial Year 2022 Audited Consolidated Financial Statements, the Financial Year 2023 Audited Consolidated Financial Statements and Financial Year 2024 Audited Consolidated Financial Statements have been audited by our Statutory Auditors.

The peer review certificate of our current Statutory Auditors is valid as of the date of this Preliminary Placement Document.

## FINANCIAL INFORMATION

<b>Financial Statements</b>	<b>Page Nos.</b>
Financial Year 2024 Audited Consolidated Financial Statements	F-1 to F-64
Financial Year 2023 Audited Consolidated Financial Statements	F-65 to F-134
Financial Year 2022 Audited Consolidated Financial Statements	F-135 to F-204

## **INDEPENDENT AUDITOR'S REPORT**

### **TO THE MEMBERS OF BOROSIL LIMITED**

#### **Report on the Audit of Consolidated Financial Statements**

##### **Opinion**

We have audited the accompanying Consolidated Financial Statements of **BOROSIL LIMITED** (hereinafter referred to as the 'Holding Company/Parent') and its subsidiary (Holding Company and its subsidiary together referred to as "the Group"), which comprise the consolidated Balance Sheet as at 31<sup>st</sup> March, 2024, the consolidated statement of Profit and Loss including other comprehensive income, the consolidated statement of changes in equity and the consolidated cash flows Statement for the year then ended, and notes to the Consolidated Financial Statements, including a summary of material accounting policies (hereinafter referred to as "the Consolidated Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of report of other auditor on separate financial statements and on the other financial information of subsidiary, the aforesaid Consolidated Financial Statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at 31<sup>st</sup> March, 2024, of consolidated profit including other comprehensive income, consolidated statement of changes in equity and its consolidated cash flows for the year then ended.

##### **Basis for Opinion**

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the Group in accordance with the Code of Ethics issued by Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the financial statements under the provision of the act and rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and ICAI Code of Ethics. We believe that the audit evidence obtained by us and other auditor in terms of their report referred to in "Other Matter" paragraph below is sufficient and appropriate to provide a basis for our opinion on the Consolidated Financial Statements.

##### **Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Consolidated Financial Statements for the year ended 31<sup>st</sup> March, 2024. These matters were addressed in the context of our audit of the Consolidated Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For the matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matter described below to be the key audit matter to be communicated in our report. We have fulfilled the responsibilities described in the Auditors' responsibilities for the audit of the Consolidated Financial Statements section of our report, including in relation to that matter. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the Consolidated Financial Statements. The results of our audit procedures, including the procedures performed to address the matter below, provide the basis for our audit opinion on the accompanying Consolidated Financial Statements

Key Audit Matter	How our audit addressed the key audit matter
<b>(i) Revenue</b>	
<p>Revenue is recognized net of discounts &amp; rebates earned by the customers on the Holding Company's sales. The discounts &amp; rebates recognized based on sales made during the year.</p> <p>Revenue is recognized when control of the underlying products have been transferred along with satisfaction of performance obligation. The terms of sales arrangements, including the timing of transfer of control, the nature of discount and rebates arrangements and delivery specifications, create complexity and judgment in determining sales revenues.</p> <p>Further customer's rebate/discounts represent a reduction in sales and process for calculating and recording the above involves significant manual process.</p> <p>Risk exists that revenue is recognised without substantial transfer of control and is not in accordance with IND AS115 'Revenue from contracts with customers', resulting into recognition of revenue in incorrect period.</p>	<p>We assessed the Holding Company's processes and controls for recognizing revenue as part of our audit. Our audit procedures included the following:</p> <ul style="list-style-type: none"> <li>• Assessing the environment of the IT systems related to invoicing and measurement as well as other relevant systems supporting the accounting of revenue.</li> <li>• Performed sample tests of individual sales transaction and traced to sales invoices, sales orders shipping documents and other related documents. In respect of the samples selected, tested that the revenue has been recognized as per the sales orders;</li> <li>• We performed procedures to identify any significant transactions recorded manually and obtained evidence to support the recognition and timing of rebate/discount amounts based on the documents.</li> <li>• Verifying the completeness of disclosure in the Consolidated Financial Statements as per Ind AS 115.</li> </ul>
<b>(ii) Scheme of Arrangement</b>	
<p>Accounting for Scheme of Arrangement as set out in note 50 to the Consolidated Financial Statements. The Holding Company completed its Scheme of Arrangement which provide for the Composite Scheme of Arrangement amongst Holding Company ("BL"), Klass Pack Ltd ("KPL"), a subsidiary of BL, and Borosil Technologies Ltd ("BTL") ("Transferor Company"), a wholly owned subsidiary of BL. The above Scheme of Arrangement has been approved by National Company Law Tribunal, Mumbai Bench (NCLT) (the appropriate authority) vide its order pronounced on 2<sup>nd</sup> November, 2023, which inter alia provides for: (a) reduction and reorganization of share capital of KPL; (b) demerger of Scientific and Industrial Product Business ("Demerged Undertaking") from BL into KPL and consequent issue of shares by KPL; and (c) amalgamation of BTL with KPL and (d) renaming of Klass Pack Limited to Borosil Scientific Limited. The Appointed Date for the Scheme was 1<sup>st</sup> April 2022 The Scheme of Arrangement became effective from 2<sup>nd</sup> December, 2023. The Holding Company has</p>	<p>Our audit procedures include the followings:</p> <ul style="list-style-type: none"> <li>• Evaluating the Scheme of Arrangement approved by the National Company Law Tribunal (NCLT);</li> <li>• Evaluating the accounting treatment of the Scheme in the books of account and to ensure the same has been applied as per the treatment given in the Scheme as approved by the NCLT.</li> <li>• Assessing of appropriateness of disclosures provided in the Consolidated Financial Statements.</li> </ul>

<p>accounted for the arrangement as per accounting treatment approved by the NCLT read with the applicable accounting standards prescribed under section 133 of the Act.</p>	
<p><b>(iii) Capitalization of Property Plant and Equipment</b></p>	
<p>During the year ended 31<sup>st</sup> March, 2024, the Group has incurred significant capital expenditure. Further, out of the total additions to property, plant and equipment of Rs. 21,035.12 lakhs in the current year, significant part of the capitalization pertains to the furnace of 25 TPD for production of borosilicate glass.</p> <p>Significant level of judgement is involved to ensure that the aforesaid capital expenditure/additions meet the recognition criteria of Ind AS 16 - Property, Plant and Equipment, specifically in relation to determination of trial run period and costs associated with trial runs for it to be ready for intended use. As a result, the aforesaid matter was determined to be a key audit matter.</p>	<p>Our audit procedures included and were not limited to the following:</p> <ul style="list-style-type: none"> <li>• Performing walk-through of the capitalisation process and testing the design and operating effectiveness of the controls in the process.</li> <li>• Assessing the nature of the additions made to property, plant and equipment and capital work-in-progress on a test check basis to test that they meet the recognition criteria as set out in Ind AS 16, including any such costs incurred specifically for trial run.</li> <li>• Assessing that the borrowing cost capitalised is in accordance with the accounting policy of the Company.</li> <li>• Reviewing the project completion certificate provided by the management to determine whether the asset is in the location and condition necessary for it to be capable of operating in the manner intended by the management.</li> </ul>

**Information Other than the Consolidated Financial Statements and Auditor’s Report Thereon**

The Holding Company’s Board of Directors is responsible for the other information. The other information comprises the information included in the Annual Report but does not include the Consolidated Financial Statements and our auditor’s report thereon.

Our opinion on the Consolidated Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Consolidated Financial Statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the Consolidated Financial Statements, or our knowledge obtained in the audit or otherwise appears to be materially misstated. Other information so far as it relates to the subsidiary company not audited by us, is traced from their financial statements audited by the other auditor.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to communicate the matter to those charged with governance. We have nothing to report in this regard.

**Responsibilities of Management for the Consolidated Financial Statements**

The Holding Company’s Board of Directors is responsible for the preparation and presentation of these Consolidated Financial Statements in term of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated statement of changes in equity and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Indian

Accounting Standards specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate implementation and maintenance of accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Consolidated Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the Consolidated Financial Statements by the Directors of the Holding Company, as aforesaid.

In preparing the Consolidated Financial Statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate their respective entities or to cease operations, or has no realistic alternative but to do so.

Those respective Boards of Directors of the companies included in the Group are responsible for overseeing the financial reporting process of the Group.

#### **Auditor's Responsibilities for the Audit of the Consolidated Financial Statements**

Our objectives are to obtain reasonable assurance about whether the Consolidated Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Consolidated Financial Statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Consolidated Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the Holding Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Consolidated Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence

obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the Consolidated Financial Statements, including the disclosures, and whether the Consolidated Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group of which we are the independent auditors and whose financial information we have audited, to express an opinion on the Consolidated Financial Statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the Consolidated Financial Statements of which we are the independent auditors. For the other entity included in the Consolidated Financial Statements, which have been audited by other auditor, such other auditor remains responsible for the direction, supervision and performance of the audit carried out by him. We remain solely responsible for our audit opinion.

Materiality is the magnitude of misstatements in the Consolidated Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Consolidated Financial Statements may be influenced.

We communicate with those charged with governance of the Holding Company and such other entities included in the Consolidated Financial Statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Consolidated Financial Statements for the year ended 31<sup>st</sup> March, 2024 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

## **Other Matters**

- (i) We did not audit the financial statements/financial information of 1 subsidiary, whose financial statements/financial information reflect total assets of Rs. 1.61 lakhs as at 31<sup>st</sup> March, 2024, total revenues of Rs. NIL lakhs and net cash outflows amounting to Rs. 0.49 lakhs for the year ended on that date, as considered in the Consolidated Financial Statements. This financial statements/financial information has not been audited by us. This financial statements/financial information have been audited by other auditor whose report have been furnished to us by the Management and our opinion on the Consolidated Financial Statements, in so far as it relates to the amounts and disclosures included in respect of above subsidiary, and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiary is based solely on the report of the other auditor.

Our opinion on the Consolidated Financial Statements as above and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matter with respect to our reliance on the work done and the reports of the other auditor.

- (ii) We draw attention to the Note No. 50 to the accompanying Consolidated Financial Statements regarding accounting of the Scheme from the appointed date 1<sup>st</sup> April 2022 as approved by the National Company Law Tribunal, Mumbai Bench, though the Scheme has become effective on 2<sup>nd</sup> December, 2023 and the restatement of comparatives for the previous year by the management of the Company. Our opinion is not modified in respect of the above matter.

### **Report on Other Legal and Regulatory Requirements**

As required by Section 143(3) of the Act, based on our audit and on the consideration of the report of the other auditor on the separate financial statements, referred in the Other Matters paragraph above we report, to the extent applicable, that:

- (a) We/the other auditor whose report we have relied upon, have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid Consolidated Financial Statements.
- (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid Consolidated Financial Statements have been kept so far as it appears from our examination of those books and the reports of other auditor.
- (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Cash Flow Statement and Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the Consolidated Financial Statements.
- (d) In our opinion, the aforesaid Consolidated Financial Statements comply with the Indian Accounting Standards prescribed under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015.
- (e) On the basis of the written representations received from the directors of the Parent as on 31<sup>st</sup> March, 2024 and taken on record by the Board of Directors of the Parent and the report of the statutory auditor of its subsidiary company incorporated in India, none of the directors of the Group, incorporated in India, is disqualified as on 31<sup>st</sup> March, 2024 from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) With respect to the adequacy of the internal financial controls with reference to financial statements and the operating effectiveness of such controls, refer to our separate Report in "ANNEXURE A", which is based on the auditor's reports of the Parent and subsidiary, companies incorporated in India to whom internal financial controls with reference to financial statements is applicable.
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other statutory auditor of the subsidiary incorporated in India, the managerial remuneration for the year ended 31<sup>st</sup> March, 2024 has been paid or provided by the Holding Company to their directors in accordance with the provisions of section 197 read with Schedule V to the Act. Subsidiary Company has not paid any remuneration to its directors.



- (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Consolidated Financial Statements disclose the impact of pending litigations on the consolidated financial position of the Group. Refer Note 39 to the Consolidated Financial Statements.
  - ii. The Group did not have any material foreseeable losses on long-term contracts including derivative contracts.
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Group.
  - iv. a) The respective Managements of the Company and its subsidiary, which are incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditor of such subsidiary that, to the best of their knowledge and belief, as disclosed in the notes to the Consolidated Financial Statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company or its subsidiary to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company or any of such subsidiary ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;  
  
b) The respective Managements of the Company and its subsidiary, which are incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditor of such subsidiary that, to the best of their knowledge and belief, as disclosed in the Consolidated Financial Statements no funds have been received by the Company or its subsidiary from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company or any of such subsidiary shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;  
  
c) Based on the audit procedures that has been considered reasonable and appropriate in the circumstances performed by us and those performed by the auditor of the subsidiary company incorporated in India whose financial statements have been audited under the Act, nothing has come to our or other auditor's notice that have caused us or the other auditors to believe that the representations under paragraph (2) (h) (iv) (a) and (b) above, contain any material misstatement.
  - (v) The Parent Company and its subsidiary incorporated in India has not declared or paid any dividend during the year.
  - (vi) With respect to the matters specified in paragraphs 3(xxi) and 4 of the Companies (Auditor's Report) Order, 2020 ("the Order" or "CARO") issued by the Central Government in terms of Section 143(11) of the Act, to be included in the Auditor's report, according to the information and explanations given to us, and based on the CARO reports issued by us and the auditor of subsidiary company included in the Consolidated Financial Statements of the Company, to which reporting under CARO is applicable, provided to us by the Management of the Company, we report that there are no qualification or adverse

remarks by the respective auditors in the CARO report of the said companies included in the Consolidated Financial Statements.

- (vii) Based on our examination which included test checks and that performed by the auditor of the subsidiary company and based on audit report of other auditor, the Parent Company and its subsidiary incorporated in India have used accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software except that, audit trail feature is not enabled for direct changes to data in certain database tables. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with in respect of accounting software.
  
- (viii) As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from 1<sup>st</sup> April, 2023, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable for the financial year ended 31<sup>st</sup> March, 2024

**For Chaturvedi & Shah LLP**

Chartered Accountants

(Firm's Registration No. 101720W/W100355)

**Anuj Bhatia**

Partner

(Membership No.122179)

UDIN: - 24122179BKFBGF6455

Place: Mumbai

Date: 24<sup>th</sup> May, 2024

## **“ANNEXURE A” TO THE INDEPENDENT AUDITOR’S REPORT**

**(Referred to in paragraph (f) under ‘Report on Other Legal and Regulatory Requirements’ section of our report of even date to the members of Borosil Limited on the Consolidated Financial Statements for the year ended 31<sup>st</sup> March, 2024)**

**Report on the Internal Financial Controls with reference to Consolidated Financial Statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)**

In conjunction with our audit of the Consolidated Financial Statements of the Company as of and for the year ended 31<sup>st</sup> March, 2024, we have audited the internal financial controls with reference to the Consolidated Financial Statements of **BOROSIL LIMITED** (hereinafter referred to as “the Holding Company” / “Parent”) and its subsidiary company, which are incorporated in India, as of that date.

### **Management’s Responsibility for Internal Financial Controls**

The respective Board of Directors of the Parent and its subsidiary company, which are incorporated in India, are responsible for establishing and maintaining internal financial controls with reference to Consolidated Financial Statements based on the internal control criteria established by the respective companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

### **Auditor’s Responsibility**

Our responsibility is to express an opinion on the internal financial controls with reference to Consolidated Financial Statements of the Parent and its subsidiary company, which are incorporated in India, based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to Consolidated Financial Statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to Consolidated Financial Statements and their operating effectiveness. Our audit of internal financial controls with reference to Consolidated Financial Statements included obtaining an understanding of internal financial controls with reference to Consolidated Financial Statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgement, including the assessment of the risks of material misstatement of the Consolidated Financial Statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditor of the subsidiary company, which are incorporated in India, in terms of his report referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to the Consolidated Financial Statements.

### **Meaning of Internal Financial Controls With reference to Financial Statements**

A company's internal financial control with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

### **Inherent Limitations of Internal Financial Controls With reference to Financial Statements**

Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial control with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

### **Opinion**

In our opinion to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditor referred to in the Other Matters paragraph below, the Parent and its subsidiary company which are incorporated in India, have, in all material respects, an adequate internal financial controls with reference to Consolidated Financial Statements and such internal financial controls were operating effectively as at 31<sup>st</sup> March, 2024, based on the criteria for internal financial control with reference to Consolidated Financial Statements established by the respective companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

### **Other Matters**

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to Consolidated Financial Statements in so far as it relates to 1 subsidiary company, which is incorporated in India, is based solely on the report of the auditor of such company incorporated in India. Our opinion is not modified in respect of the above matters.

For **Chaturvedi & Shah LLP**

Chartered Accountants

(Firm's Registration No. 101720W/W100355)

**Anuj Bhatia**

Partner

(Membership No.122179)

UDIN: - 24122179BKFBGF6455

Place: Mumbai

Date: 24<sup>th</sup> May, 2024

Particulars	Note No.	As at	
		31st March, 2024	31st March, 2023
<b>I. ASSETS</b>			
<b>1 Non-current Assets</b>			
(a) Property, Plant and Equipment	6	54,525.66	35,199.88
(b) Capital Work-in-Progress	6	2,546.81	3,957.06
(c) Investment Property	7	65.58	105.32
(d) Other Intangible Assets	8	169.12	17.08
(e) Intangible assets under Development	7	4.71	131.67
(f) Financial Assets			
(i) Investments	9	2,782.29	3,670.77
(ii) Loans	10	34.12	15.97
(iii) Other Financial Assets	11	173.60	165.03
(g) Non-current Tax Assets (net)		21.00	645.56
(h) Other Non-current Assets	12	2,132.85	3,036.78
		<b>62,455.74</b>	<b>46,945.12</b>
<b>2 Current Assets</b>			
(a) Inventories	13	25,281.40	14,439.84
(b) Financial Assets			
(i) Investments	14	5,756.30	10,966.25
(ii) Trade Receivables	15	9,140.45	5,133.07
(iii) Cash and Cash Equivalents	16	539.50	815.08
(iv) Bank Balances other than (iii) above	17	148.31	136.23
(v) Loans	18	60.35	28.48
(vi) Other Financial Assets	19	284.20	207.77
(c) Other Current Assets	20	4,294.01	2,644.42
		<b>45,504.52</b>	<b>34,371.14</b>
(d) Assets held for Sale	48	-	3,649.76
		<b>45,504.52</b>	<b>38,020.90</b>
<b>TOTAL ASSETS</b>		<b>1,07,960.26</b>	<b>84,966.02</b>
<b>II. EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
(a) Equity Share Capital	21	1,145.82	1,144.14
(b) Other Equity	22	56,854.29	49,853.79
		<b>58,000.11</b>	<b>50,997.93</b>
<b>LIABILITIES</b>			
<b>1 Non-Current Liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings	23	9,294.23	5,318.33
(ii) Lease Liabilities	49	912.39	532.07
(b) Deferred Tax Liabilities (net)	24	1,288.39	836.73
		<b>11,495.01</b>	<b>6,687.13</b>
<b>2 Current Liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings	25	6,094.30	3,510.30
(ii) Lease Liabilities	49	183.99	90.23
(iii) Trade Payables	26		
A) Due to Micro and Small Enterprises		1,613.04	1,033.38
B) Due to Other than Micro and Small Enterprises		7,231.20	3,063.73
		<b>8,844.24</b>	<b>4,097.11</b>
(iv) Other Financial Liabilities	27	21,554.68	17,430.97
(b) Other Current Liabilities	28	825.51	807.60
(c) Provisions	29	962.42	724.53
(d) Current Tax Liabilities (net)		-	620.22
		<b>38,465.14</b>	<b>27,280.96</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>1,07,960.26</b>	<b>84,966.02</b>
Material Accounting Policies and Notes to Consolidated Financial Statements	1 to 55		

As per our Report of even date

For and on behalf of Board of Directors

For Chaturvedi &amp; Shah LLP

Chartered Accountants

(Firm Registration No. 101720W/W100355)

Rajesh Kumar Chaudhary

Whole-time Director

(DIN 07425111)

Shreevar Kheruka

Managing Director &amp; CEO

(DIN 01802416)

Anuj Bhatia

Partner

Membership No. 122179

Anand Sultania

Chief Financial Officer

F-11

Anshu Agarwal

Company Secretary

(Membership No. FCS-9921)

Date: 24th May, 2024

## CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2024

Particulars	Note No.	(Rs. in lakhs)	
		For the Year Ended 31st March, 2024	For the Year Ended 31st March, 2023
<b>I. Income</b>			
Revenue from Operations	30	94,225.18	74,157.55
Other Income	31	1,780.80	2,004.27
<b>Total Income (I)</b>		<b>96,005.98</b>	<b>76,161.82</b>
<b>II. Expenses:</b>			
Cost of Materials Consumed		6,092.81	6,551.74
Purchases of Stock-in-Trade		41,578.33	30,424.82
Changes in Inventories of Work-in-Progress, Finished Goods and Stock-in-Trade	32	(9,674.83)	(2,667.92)
Employee Benefits Expense	33	8,660.30	6,409.18
Finance Costs	34	876.66	251.34
Depreciation and Amortisation Expense	35	5,391.27	2,756.13
Other Expenses	36	34,298.02	26,769.19
<b>Total Expenses (II)</b>		<b>87,222.56</b>	<b>70,494.48</b>
<b>III. Profit Before Share in Profit of Associate, Exceptional Items and Tax (I - II)</b>		<b>8,783.42</b>	<b>5,667.34</b>
IV. Share in Profit of Associates		-	-
<b>V. Profit Before Exceptional Items and Tax (III + IV)</b>		<b>8,783.42</b>	<b>5,667.34</b>
VI. Exceptional Items	37	-	(933.33)
<b>VII. Profit Before Tax (V - VI)</b>		<b>8,783.42</b>	<b>6,600.67</b>
<b>VIII. Tax Expense:</b>	23		
(1) Current Tax		1,729.83	1,454.58
(2) Deferred Tax		466.93	(41.20)
<b>Total Tax Expenses</b>		<b>2,196.76</b>	<b>1,413.38</b>
<b>IX. Profit for the Year (VII-VIII)</b>		<b>6,586.66</b>	<b>5,187.29</b>
<b>X. Other Comprehensive Income (OCI)</b>			
<b>Items that will not be reclassified to profit or loss:</b>			
Re-measurement gains / (losses) on Defined Benefit Plans		(60.69)	(11.89)
Income Tax effect on above		15.27	2.99
<b>Total Other Comprehensive Income</b>		<b>(45.42)</b>	<b>(8.90)</b>
<b>XI. Total Comprehensive Income for the Year (IX + X)</b>		<b>6,541.24</b>	<b>5,178.39</b>
<b>XII. Profit attributable to</b>			
Owners of the Company		6,586.66	5,187.29
Non-controlling Interest		-	-
		<b>6,586.66</b>	<b>5,187.29</b>
<b>XIII. Other Comprehensive Income attributable to</b>			
Owners of the Company		(45.42)	(8.90)
Non-controlling Interest		-	-
		<b>(45.42)</b>	<b>(8.90)</b>
<b>XIV. Total Comprehensive Income attributable to</b>			
Owners of the Company		6,541.24	5,178.39
Non-controlling Interest		-	-
		<b>6,541.24</b>	<b>5,178.39</b>
<b>XV. Earnings per Equity Share of Re.1/- each (in Rs.)</b>	38		
- Basic		5.75	4.54
- Diluted		5.75	4.54
Material Accounting Policies and Notes to Consolidated Financial Statements	1 to 55		

As per our Report of even date

For and on behalf of Board of Directors

For **Chaturvedi & Shah LLP**

Chartered Accountants

(Firm Registration No. 101720W/W100355)

**Rajesh Kumar Chaudhary**  
Whole-time Director  
(DIN 07425111)

**Shreevar Kheruka**  
Managing Director & CEO  
(DIN 01802416)

**Anuj Bhatia**

Partner

Membership No. 122179

**Anand Sultania**  
Chief Financial Officer

**Anshu Agarwal**  
Company Secretary  
(Membership No. FCS-9921)

Date: 24th May, 2024

**BOROSIL LIMITED**

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH, 2024**

<b>A. Equity Share Capital</b>		(Rs. in lakhs)						
Particulars	As at 1st April, 2022	Changes during 2022-23	As at 31st March, 2023	Changes during 2023-24	As at 31st March, 2024			
Equity Share Capital (Refer Note 21.2)	1,141.63	2.51	1,144.14	1.68	1,145.82			
<b>B. Other Equity</b>		(Rs. in lakhs)						
Particulars	Reserves and Surplus					Items of Other Comprehensive Income	Total Other Equity	
	Capital Reserve	Capital Reserve on Amalgamation	General Reserve	Share Based Payment Reserve	Securities Premium	Retained Earnings		Remeasurements of Defined Benefit Plans
<b>Balance as at 1st April, 2022</b>	<b>15.00</b>	<b>8,880.97</b>	<b>500.00</b>	<b>427.86</b>	<b>202.21</b>	<b>65,706.68</b>	<b>(125.44)</b>	<b>75,607.28</b>
On Account of Scheme of Arrangement (Refer Note 50)	-	-	-	-	-	(31,586.58)	-	(31,586.58)
Total Comprehensive Income	-	-	-	-	-	5,187.29	(8.90)	5,178.39
Forfeiture of Employee Stock Option	-	-	-	(9.61)	-	7.46	-	(2.15)
Share based payment (Refer Note 41)	-	-	-	269.90	-	-	-	269.90
Exercise of Employee Stock option (Refer Note 21.2)	-	-	-	(194.91)	581.86	-	-	386.95
<b>Balance as at 31st March, 2023</b>	<b>15.00</b>	<b>8,880.97</b>	<b>500.00</b>	<b>493.24</b>	<b>784.07</b>	<b>39,314.85</b>	<b>(134.34)</b>	<b>49,853.79</b>
<b>Balance as at 1st April, 2023</b>	<b>15.00</b>	<b>8,880.97</b>	<b>500.00</b>	<b>493.24</b>	<b>784.07</b>	<b>39,314.85</b>	<b>(134.34)</b>	<b>49,853.79</b>
Total Comprehensive Income	-	-	-	-	-	6,586.66	(45.42)	6,541.24
Forfeiture of Employee Stock Option	-	-	-	(36.58)	-	15.51	-	(21.07)
Share based payment (Refer Note 41)	-	-	-	167.29	-	-	-	167.29
Exercise of Employee Stock option (Refer Note 21.2)	-	-	-	(130.72)	443.76	-	-	313.04
<b>Balance as at 31st March, 2024</b>	<b>15.00</b>	<b>8,880.97</b>	<b>500.00</b>	<b>493.23</b>	<b>1,227.83</b>	<b>45,917.02</b>	<b>(179.76)</b>	<b>56,854.29</b>

As per our Report of even date

For and on behalf of Board of Directors

**For Chaturvedi & Shah LLP**

Chartered Accountants

(Firm Registration No. 101720W/W100355)

**Rajesh Kumar Chaudhary**

Whole-time Director

(DIN 07425111)

**Shreevar Kheruka**

Managing Director & CEO

(DIN 01802416)

**Anuj Bhatia**

Partner

Membership No. 122179

**Anand Sultania**

Chief Financial Officer

**Anshu Agarwal**

Company Secretary

(Membership No. FCS-9921)

Date: 24th May, 2024

## CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31ST MARCH, 2024

Particulars	(Rs. in lakhs)	
	For the Year Ended 31st March, 2024	For the Year Ended 31st March, 2023
<b>A. Cash Flow from Operating Activities</b>		
<b>Profit Before Tax as per Statement of Profit and Loss</b>	<b>8,783.42</b>	<b>6,600.67</b>
<b>Adjusted for :</b>		
Depreciation and Amortisation Expense	5,391.27	2,756.13
Loss / (Gain) on Foreign Currency Transactions (net)	(18.19)	0.78
Loss / (Gain) on Financial Instruments measured at fair value through profit or loss (net)	181.83	(33.96)
Loss / (Gain) on Sale of Investments (net)	(724.06)	(106.39)
Interest Income	(133.37)	(117.86)
Loss / (Gain) on Sale / discarding of Property, Plant and Equipment (net)	(18.82)	(1,574.39)
Investment Advisory Charges	5.97	2.84
Share Based Payment Expense	114.04	178.61
Finance Costs	876.66	251.34
Sundry Balances / Excess Provision Written Back (net)	(1.17)	(65.87)
Insurance Claim Received (related to Property, Plant and Equipments)	-	(933.33)
Bad Debts	281.32	39.85
Provision / (Reversal) for Credit Impaired / Doubtful Advances (net)	(287.92)	(208.22)
	<b>5,667.56</b>	<b>189.53</b>
<b>Operating Profit before Working Capital Changes</b>	<b>14,450.98</b>	<b>6,790.20</b>
<b>Adjusted for :</b>		
Trade and Other Receivables	(6,211.61)	(2,251.34)
Inventories	(10,841.56)	(3,541.70)
Trade and Other Payables *	9,077.47	12,447.04
	<b>(7,975.70)</b>	<b>6,654.00</b>
<b>Cash generated from Operations</b>	<b>6,475.28</b>	<b>13,444.20</b>
Direct Taxes Paid (net)	(1,672.03)	(1,387.23)
<b>Net Cash From / (Used in) Operating Activities</b>	<b>4,803.25</b>	<b>12,056.97</b>
<b>B. Cash Flow from Investing Activities</b>		
Purchase of Property, Plant and Equipment and Intangible Assets	(17,515.87)	(24,015.87)
Sale of Property, Plant and Equipment (net)	121.41	4,272.81
Purchase of Investments	(1,469.38)	(14,916.10)
Sale of Investments	8,110.88	9,204.34
Movement in Loans (net)	-	1,500.00
Income / Interest on Investment/Loans	144.95	230.32
Insurance Claim Received	-	933.33
<b>Net Cash From / (Used in) Investing Activities</b>	<b>(10,608.01)</b>	<b>(22,791.17)</b>
<b>C. Cash Flow from Financing Activities</b>		
Proceeds from Issue of Share Capital	314.72	389.46
Proceeds of Non-current Borrowings	7,467.51	6,647.91
Repayment of Non-current Borrowings	(2,098.52)	-
Movement in Current Borrowings (net)	1,190.91	2,180.72
Lease Payments	(231.19)	(74.61)
Margin Money (net)	77.33	310.04
Interest Paid	(1,191.58)	(112.51)
<b>Net Cash From / (Used in) Financing Activities</b>	<b>5,529.18</b>	<b>9,341.01</b>
<b>Net Increase/ (Decrease) in Cash and Cash Equivalents (A+B+C)</b>	<b>(275.58)</b>	<b>(1,393.19)</b>
<b>Opening Balance of Cash and Cash Equivalents</b>	<b>815.08</b>	<b>2,238.21</b>
On Account of Scheme of Arrangement (Refer Note 50)	-	(30.00)
Unrealised Gain/(loss) on Foreign Currency Transactions (net)	-	(0.06)
<b>Opening Balance of Cash and Cash Equivalents</b>	<b>815.08</b>	<b>2,208.27</b>
<b>Closing Balance of Cash and Cash Equivalents</b>	<b>539.50</b>	<b>815.08</b>

\* Includes amount payable on account of Scheme of Arrangement (Refer Note 50).



**BOROSIL LIMITED**  
**CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31ST MARCH, 2024**

**Notes :**

**1 Changes in liabilities arising from financing activities on account of Borrowings:**

Particulars	(Rs. In Lakhs)	
	For the Year Ended 31st March, 2024	For the Year Ended 31st March, 2023
Opening balance of liabilities arising from financing activities	8,828.63	-
Add: Changes from financing cash flows	6,559.90	8,828.63
Closing balance of liabilities arising from financing activities	15,388.53	8,828.63

**2** Bracket indicates cash outflow.

**3** Previous Year figures have been regrouped, reclassified and restated wherever necessary by the management pursuant to the Scheme of Arrangement(Refer Note 50)

**4** The above statement of cash flow has been prepared under the "Indirect Method" as set out in Ind AS 7 "Statement of Cash Flow".

As per our Report of even date

For and on behalf of the Board of Directors

**For Chaturvedi & Shah LLP**

Chartered Accountants

(Firm Registration No. 101720W/W100355)

**Rajesh Kumar Chaudhary**

Whole-time Director  
(DIN 07425111)

**Shreevar Kheruka**

Managing Director & CEO  
(DIN 01802416)

**Anuj Bhatia**

Partner

Membership No. 122179

**Anand Sultania**  
Chief Financial Officer

**Anshu Agarwal**  
Company Secretary  
(Membership No. FCS-9921)

Date: 24th May, 2024

**Note 1 CORPORATE INFORMATION:**

The Consolidated Financial Statements comprises of Borosil Limited (CIN: L36100MH2010PLC292722) ("the Company") and its subsidiary Company namely, Acalypha Realty Limited ("ARL") (collectively, "the Group") for the year ended 31st March, 2024. The Company is a public limited company domiciled and incorporated in India. Its shares are publicly traded on the BSE Limited and National Stock Exchange of India Limited in India. The registered office of the Company is situated at 1101, 11th Floor, Crescenzo, G-Block, Opp. MCA Club, Bandra Kurla Complex, Bandra (East), Mumbai - 400051.

Group is engaged in the business of manufacturing and trading of Consumer Products (CP). CP consist of microwavable and flameproof kitchenware, glass tumblers, hydra bottles, tableware and dinnerware, appliances, storage products and steel serve fresh.

This Consolidated Financial Statements of the Group for the year ended 31st March, 2024 were approved and adopted by the Board of Directors in their meeting held on 24th May, 2024.

**Note 2 BASIS OF PREPARATION:**

**2.1** The Consolidated Financial Statements have been prepared and presented on going concern basis and at historical cost basis, except for the following assets and liabilities, which have been measured as indicated below:

- Certain financial assets and liabilities at fair value (refer accounting policy regarding financial instruments).
- Assets held for disposal is measured at the lower of its carrying amount and fair value less cost to sell.
- Employee's Defined Benefit Plans measured as per actuarial valuation.
- Employee Stock Option Plans measured at fair value.

The financial statements are presented in Indian Rupees (Rs.), which is the Group's functional and presentation currency and all values are rounded to the nearest lakhs, except when otherwise indicated.

**Note 3 BASIS OF CONSOLIDATION:**

The Consolidated Financial Statements comprise the financial statements of the Company and its subsidiary for the year ended 31st March, 2024. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.

Generally, there is a presumption that a majority of voting rights result in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including the contractual arrangement with the other vote holders of the investee, rights arising from other contractual arrangements, the Group's voting rights and potential voting rights and the size of the Group's holding of voting rights relative to the size and dispersion of the holdings of the other voting rights holders.

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired during the year are included in the Consolidated Financial Statements from the date the Group obtains control and assets, liabilities, income and expenses of a subsidiary disposed off during the year are included in the Consolidated Financial Statements till the date the Group ceases to control the subsidiary.

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee, but has no control or joint control over those policies.

**Consolidation procedure:**

- a) Combine like items of assets, liabilities, equity, income, expenses and cash flows of the parent with those of its subsidiary.
  
- b) Offset (eliminate) the carrying amount of the parent's investment in each subsidiary and the parent's portion of equity of each subsidiary. The difference between the cost of investment in the subsidiaries and the Parent's share of net assets at the time of acquisition of control in the subsidiary is recognised in the consolidated Financial Statements as goodwill. However, resultant gain (bargain purchase) is recognized in other comprehensive income on the acquisition date and accumulated to capital reserve in equity.
  
- c) Intra-Group balances and transactions, and any unrealized income and expenses arising from intra Group transactions, are eliminated in preparing the consolidated financial statements.

d) Consolidated statement of profit and loss and each component of OCI are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance.

e) For the acquisitions of additional interests in subsidiary, where there is no change in the control, the Group recognises a reduction to the non-controlling interest of the respective subsidiary with the difference between this figure and the cash paid, inclusive of transaction fees, being recognised in equity. In addition, upon dilution of controlling interests, the difference between the cash received from sale or listing of the subsidiary shares and the increase to non-controlling interest is also recognised in equity. If the Group loses control over a subsidiary, it derecognises the related assets (including goodwill), liabilities, non-controlling interest and other components of equity, while any resultant gain or loss is recognised in consolidated statement of profit and loss. Any investment retained is recognised at fair value. The results of subsidiary acquired or disposed off during the year are included in the consolidated statement of Profit and Loss from the effective date of acquisition or up to the effective date of disposal, as appropriate.

f) Interest in associates are consolidated using equity method as per Ind AS 28 – ‘Investment in Associates and Joint Ventures’. The investment in associates is initially recognised at cost. Subsequently, under the equity method, post-acquisition attributable profit/losses and other comprehensive income are adjusted in the carrying value of investment to the extent of the Group's investment in the associates. Goodwill relating to the associate is included in the carrying amount of the investment and is not tested for impairment individually.

g) Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If an entity of the group uses accounting policies other than those adopted in the consolidated financial statements for like transactions and events in similar circumstances, appropriate adjustments are made to that Group member's financial statements in preparing the consolidated financial statements to ensure conformity with the Group's accounting policies.

h) Consolidated financial statements of all entities used for the purpose of consolidation are drawn up to same reporting date as that of the parent company. When the end of the reporting period of the parent is different from that of a subsidiary, if any, the subsidiary prepares, for consolidation purposes, additional financial information as of the same date as the consolidated financial statements of the parent to enable the parent to consolidate the financial information of the subsidiary, unless it is impracticable to do so.

#### **Note 4 MATERIAL ACCOUNTING POLICIES**

##### **4.1 Business Combination and Goodwill/Capital Reserve:**

The Group uses the pooling of interest method of accounting to account for common control business combination and acquisition method of accounting to account for other business combinations.

The acquisition date is the date on which control is transferred to the acquirer. Judgement is applied in determining the acquisition date and determining whether control is transferred from one party to another. Control exists when the Group is exposed to, or has rights to variable returns from its involvement with the entity and has the ability to affect those returns through power over the entity. In assessing control, potential voting rights are considered only if the rights are substantive.

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests, and any previous interest held, over the net identifiable assets acquired and liabilities assumed. If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Group re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognised at the acquisition date. If the re-assessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognised in Other Comprehensive Income (OCI) and accumulated in other equity as capital reserve. However, if there is no clear evidence of bargain purchase, the entity recognises the gain directly in other equity as capital reserve, without routing the same through OCI.

Consideration transferred includes the fair values of the assets transferred, liabilities incurred by the Group to the previous owners of the acquiree, and equity interests issued by the Group. Consideration transferred also includes the fair value of any contingent consideration. Consideration transferred does not include amounts related to the settlement of pre-existing relationships. Any goodwill that arises on account of such business combination is tested annually for impairment.

Any contingent consideration is measured at fair value at the date of acquisition. If an obligation to pay contingent consideration that meets the definition of a financial instrument is classified as equity, then it is not re-measured and the settlement is accounted for within other equity. Otherwise, other contingent consideration is re-measured at fair value at each reporting date and subsequent changes in the fair value of the contingent consideration are recorded in the Consolidated Statement of Profit and Loss.

A contingent liability of the acquiree is assumed in a business combination only if such a liability represents a present obligation and arises from a past event, and its fair value can be measured reliably. On an acquisition-by-acquisition basis, the Group recognises any non-controlling interest in the acquiree either at fair value or at the non-controlling interest's proportionate share of the acquiree's identifiable net assets.

In case of Pooling of interest method of accounting, the assets and liabilities of the combining entities recognises at their carrying amounts. No adjustment is made to reflect the fair value or recognise any new assets and liabilities. The financial information in the consolidated financial statements in respect of prior periods restates as if the business combination had occurred from the beginning of the preceding period. The difference, if any, between the amount recorded as share capital issued plus any additional consideration in the form of cash or other assets and the amount of share capital of the transferor is transferred to capital reserve and presented separately from other capital reserves.

Transaction costs that the Group incurs in connection with a business combination such as finders' fees, legal fees, due diligence fees, and other professional and consulting fees are expensed as incurred.

#### 4.2 Property, Plant and Equipment:

Property, plant and equipment are carried at cost, net of recoverable taxes, trade discount and rebates less accumulated depreciation, amortisation and impairment losses, if any. Cost includes purchase price, borrowing cost and any cost directly attributable to bring the assets to its working condition for its intended use. In case of Property, Plant and Equipment, the Group has availed the carrying value as deemed cost on the date of transition i.e. 1st April, 2015.

Depreciation on the property, plant and equipment is provided using straight line method over the useful life of assets as specified in schedule II to the Companies Act, 2013, except in case of Property, Plant and Equipments as described below:

Particulars		Useful life considered for depreciation
Furnace	:-	2-4 Years
Moulds	:-	3-5 Years
Plastic Pallet	:-	3 Years

Depreciation on property, plant and equipment which are added / disposed off during the year is provided on pro-rata basis with reference to the date of addition / deletion. Freehold land is not depreciated.

The assets' residual values, useful lives and method of depreciation are reviewed at each financial year end and are adjusted prospectively, if appropriate.

Capital work-in-progress includes cost of property, plant and equipment under installation / under development as at the balance sheet date.

Property, plant and equipment are eliminated from consolidated financial statement, either on disposal or when retired from active use. Profits / losses arising in the case of retirement / disposal of property, plant and equipment are recognised in the consolidated statement of profit and loss in the year of occurrence.

Leasehold land is amortised over the period of lease. Buildings constructed on leasehold land are depreciated based on the useful life specified in schedule II to the Companies Act, 2013, where the lease period of land is beyond the life of the building. In other cases, buildings constructed on leasehold lands is amortised over the primary lease period of the land.

#### 4.3 Investment Properties:

Investment properties are measured initially at cost, including transaction costs and net of recoverable taxes, trade discounts and rebates. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and impairment losses, if any. In case of Investment properties, the Group has availed the carrying value as deemed cost on the date of transition i.e. 1st April, 2015.

Depreciation on investment properties is provided using straight line method over the estimated useful lives as specified in Schedule II to the Companies Act, 2013. Residual values, useful lives and method of depreciation of investment properties are reviewed at each financial year end and are adjusted prospectively, if appropriate. The effects of any revision are included in the consolidated statement of profit and loss when the changes arises.

Though the Group measures investment properties using cost based measurement, the fair value of investment property is disclosed in the notes.

Investment properties are derecognised either when they have been disposed of or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in consolidated statement of profit and loss in the period of derecognition.

**4.4 Intangible Assets:**

Intangible assets are carried at cost, net of recoverable taxes, trade discount and rebates less accumulated amortisation and impairment losses, if any. Cost includes expenditure that is directly attributable to the acquisition of the intangible assets. In case of Intangible Assets, the Group has availed the carrying value as deemed cost on the date of transition i.e. 1st April, 2015.

Identifiable intangible assets are recognised when it is probable that future economic benefits attributed to the asset will flow to the Group and the cost of the asset can be reliably measured.

Computer softwares are capitalised at the amounts paid to acquire the respective license for use and for Development and the same is amortised over the period of useful lives or period of three years, whichever is less. The assets' useful lives and method of amortisation are reviewed at each financial year end and adjusted prospectively, if appropriate.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the consolidated statement of profit and loss when the asset is derecognised.

**4.5 Inventories:**

Inventories are valued at the lower of cost and net realizable value except scrap (cullet), which is valued at raw material cost, where it is re-usable, otherwise at net realisable value. Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale. The cost of inventories comprises of cost of purchase, cost of conversion and other costs incurred in bringing the inventories to their respective present location and condition. Cost of raw materials, packing materials and stores, spares and consumables are computed on the weighted average basis. Cost of work in progress, finished goods and Stock-in-trade is determined on absorption costing method.

**4.6 Cash and cash equivalents:**

Cash and cash equivalent in the balance sheet comprise cash at banks, cash on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Group's cash management.

**4.7 Impairment of non-financial assets - property, plant and equipment and intangible assets:**

The Group assesses at each reporting date as to whether there is any indication that any property, plant and equipment and intangible assets or group of assets, called cash generating units (CGU) may be impaired. If any such indication exists the recoverable amount of an asset or CGU is estimated to determine the extent of impairment, if any. When it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the CGU to which the asset belongs.

An impairment loss is recognised in the consolidated Statement of Profit and Loss to the extent, asset's carrying amount exceeds its recoverable amount. The recoverable amount is higher of an asset's fair value less cost of disposal and value in use. Value in use is based on the estimated future cash flows, discounted to their present value using pre-tax discount rate that reflects current market assessments of the time value of money and risk specific to the assets.

The impairment loss recognised in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

**4.8 Non-current assets (or disposal groups) held for sale:**

Non-current assets are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. This condition is regarded as met only when a sale is highly probable from the date of classification, management are committed to the sale and the asset is available for immediate sale in its present condition. Non-current assets are classified as held for sale from the date these conditions are met and are measured at the lower of carrying amount and fair value less cost to sell. Any resulting impairment loss is recognised in the Consolidated Statements of Profit and Loss as a separate line item. On classification as held for sale, the assets are no longer depreciated. Assets and liabilities classified as held for sale are presented separately as current items in the balance sheet.

**4.9 Financial instruments – initial recognition, subsequent measurement and impairment:**

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

**I) Financial assets -Initial recognition and measurement:**

All financial assets are initially recognized at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets, which are not at fair value through profit or loss, are adjusted to the fair value on initial recognition. Financial assets are classified, at initial recognition, as financial assets measured at fair value or as financial assets measured at amortised cost. However, trade receivables that do not contain a significant financing component are measured at transaction price.

**Financial assets - Subsequent measurement:**

For the purpose of subsequent measurement, financial assets are classified in two broad categories:-

- a) Financial assets at fair value
- b) Financial assets at amortised cost

Where assets are measured at fair value, gains and losses are either recognised entirely in the consolidated statement of profit and loss (i.e. fair value through profit or loss), or recognised in other comprehensive income (i.e. fair value through other comprehensive income).

A financial asset that meets the following two conditions is measured at **amortised cost** (net of any write down for impairment) unless the asset is designated at fair value through profit or loss under the fair value option.

**a) Business model test:** The objective of the Group's business model is to hold the financial asset to collect the contractual cash flow.

**b) Cash flow characteristics test:** The contractual terms of the financial asset give rise on specified dates to cash flow that are solely payments of principal and interest on the principal amount outstanding.

A financial asset that meets the following two conditions is measured at **fair value through other comprehensive income** unless the asset is designated at fair value through profit or loss under the fair value option.

**a) Business model test:** The financial asset is held within a business model whose objective is achieved by both collecting contractual cash flow and selling financial assets.

**b) Cash flow characteristics test:** The contractual terms of the financial asset give rise on specified dates to cash flow that are solely payments of principal and interest on the principal amount outstanding.

All other financial asset is measured at fair value through profit or loss.

**Financial assets - Derecognition:**

A financial assets (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the Group's consolidated statement of financial position) when:

- a) The rights to receive cash flows from the asset have expired, or
- b) The Group has transferred its rights to receive cash flow from the asset.

**Impairment of financial assets**

In accordance with Ind AS 109, the Group uses 'Expected Credit Loss' (ECL) model, for evaluating impairment of financial assets other than those measured at fair value through profit and loss (FVTPL).

Expected credit losses are measured through a loss allowance at an amount equal to:

- a) The 12-months expected credit losses (expected credit losses that result from those default events on the financial instrument that are possible within 12 months after the reporting date); or
- b) Full lifetime expected credit losses (expected credit losses that result from all possible default events over the life of the financial instrument).

For trade receivables Group applies 'simplified approach' which requires expected lifetime losses to be recognised from initial recognition of the receivables. The Group uses historical default rates to determine impairment loss on the portfolio of trade receivables. At every reporting date these historical default rates are reviewed and changes in the forward looking estimates are analysed.

For other assets, the Group uses 12 month ECL to provide for impairment loss where there is no significant increase in credit risk. If there is significant increase in credit risk full lifetime ECL is used.

**II) Financial liabilities - Initial recognition and measurement:**

The financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

**Financial liabilities - Subsequent measurement:**

Financial liabilities are subsequently carried at amortized cost using the effective interest method. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate at their fair value due to the short maturity of these instruments.

**Financial Liabilities - Financial guarantee contracts:**

Financial guarantee contracts issued by the Group are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined and the amount recognised less cumulative amortisation.

**Financial Liabilities - Derecognition:**

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another, from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the consolidated statement of profit and loss.

**III) Derivative Instruments**

The Group holds derivative financial instruments such as foreign exchange forward contract to mitigate the risk of changes in exchange rates on foreign currency exposures. The counter party for such contracts is generally a bank.

**a). Financial Assets or Liabilities ,carried at fair value through profit or loss**

This category includes derivative financial assets or liabilities which are not designated as hedges.

Although the group believes that these derivatives constitute hedges from an economic perspective , they may not qualify for hedge accounting under Ind AS 109 ,Financial Instruments. Any derivative that is either not designated as hedge , or is so designated but is ineffective as per Ind As 109 , is categorised as a financial asset or financial liability , at fair value through profit or loss

Derivatives not designated as hedges are recognised initially at fair value and attributable transaction costs are recognised in net profit in the statement of profit and loss when incurred. Subsequent to initial recognition , this derivatives are measured at fair value through profit or loss and resulting gains or losses are included in other income. Assets/ Liabilities in this category are presented as Current Assets/ Current Liabilities if they are either held for trading or are expected to be realised within 12 months after the Balance sheet date.

**b). Cash flow hedge**

The Group designates certain foreign exchange forward contracts as cash flow hedges to mitigate the risk of foreign exchange exposure on highly probable forecast cash transactions.

When a derivative is designated as a cash flow hedge instrument the effective portion of changes in the fair value of the derivative is recognized in other comprehensive income and accumulated in the cash flow hedge reserve. Any ineffective portion of changes in the fair value of the derivative is recognized immediately in the net profit in the Statement of Profit and Loss. If the hedging instrument no longer meets the criteria for hedge accounting, then hedge accounting is discontinued prospectively. If the hedging instrument expires or is sold, terminated or exercised, the cumulative gain or loss on the hedging instrument recognized in cash flow hedge reserve till the period the hedge was effective remains in cash flow hedge reserve until the forecasted transaction occurs. The cumulative gain or loss previously recognized in the cash flow hedge reserve is transferred to the net profit in the condensed Statement of Profit and Loss upon the occurrence of the related forecasted transaction. If the forecasted transaction is no longer expected to occur, then the amount accumulated in cash flow hedge reserve is reclassified to net profit in the Statement of Profit and Loss.

**4.10 Provisions, Contingent Liabilities, Contingent assets and Commitments:**

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. If the effect of the time value of money is material, provisions are discounted using equivalent period government securities interest rate. Unwinding of the discount is recognised in the consolidated statement of profit and Loss as a finance cost. Provisions are reviewed at each balance sheet date and are adjusted to reflect the current best estimate.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made. Information on contingent liability is disclosed in the Notes to the consolidated financial statements. Contingent assets are not recognised. However, when the realisation of income is virtually certain, then the related asset is no longer a contingent asset, but it is recognised as an asset.

**4.11 Revenue recognition and other income:****Sale of goods and Services:**

The Group derives revenues primarily from sale of products comprising Consumer ware Products (CP).

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration entitled in exchange for those goods or services. Generally, control is transferred upon shipment of goods to the customer or when the goods is made available to the customer, provided transfer of title to the customer occurs and the Group has not retained any significant risks of ownership or future obligations with respect to the goods shipped.

Revenue from rendering of services is recognised over the time by measuring the progress towards complete satisfaction of performance obligations at the reporting period.

Revenue is measured at the amount of consideration which the Group expects to be entitled to in exchange for transferring distinct goods or services to a customer as specified in the contract, excluding amounts collected on behalf of third parties (for example taxes and duties collected on behalf of the government). Consideration is generally due upon satisfaction of performance obligations and a receivable is recognized when it becomes unconditional.

The Group does not have any contracts where the period between the transfer of the promised goods or services to the customer and payment by the customer exceeds one year. As a consequence, it does not adjust any of the transaction prices for the time value of money.

Revenue is measured based on the transaction price, which is the consideration, adjusted for volume discounts, scheme discount and price concessions , if any, as specified in the contract with the customer. Revenue also excludes taxes collected from customers.

**Contract balances:****Trade receivables:**

A receivable represents the Group's right to an amount of consideration that is unconditional.

**Contract liabilities:**

A contract liability is the obligation to transfer goods or services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Group transfers goods or services to the customer, a contract liability is recognised when the payment is made. Contract liabilities are recognised as revenue when the Group performs under the contract.

**Other Income:**

Incentives on exports and other Government incentives related to operations are recognised in the consolidated statement of profit and loss after due consideration of certainty of utilization/receipt of such incentives.

**Interest Income:**

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Group and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

**Dividend Income:**

Dividend Income is recognised when the right to receive the payment is established.

**Rental income:**

Rental income arising from operating leases is accounted for on a straight-line basis over the lease terms and is included as other income in the consolidated statement of profit or loss.

**4.12 Foreign currency reinstatement and translation:**

Transactions in foreign currencies are recorded at the exchange rate prevailing on the date of transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency closing rates of exchange at the reporting date.

Exchange differences arising on settlement or translation of monetary items are recognised in consolidated statement of profit and loss.

All other finance gains / losses are presented in the consolidated statement of profit and loss on a net basis.

In case of an asset, expense or income where a non-monetary advance is paid/received, the date of transaction is the date on which the advance was initially recognized. If there were multiple payments or receipts in advance, multiple dates of transactions are determined for each payment or receipt of advance consideration.



**4.13 Employee Benefits:**

Short term employee benefits are recognized as an expense in the consolidated statement of profit and loss of the year in which the related services are rendered.

Leave encashment is accounted as Short-term employee benefits and is determined based on projected unit credit method, on the basis of actuarial valuations carried out by third party actuaries at each Balance Sheet date.

Contribution to Provident Fund, a defined contribution plan, is made in accordance with the statute, and is recognised as an expense in the year in which employees have rendered services.

Contribution to Superannuation fund, a defined contribution plan, is made in accordance with the respective Company's policy, and is recognised as an expense in the year in which employees have rendered services.

The cost of providing gratuity, a defined benefit plans, is determined using the Projected Unit Credit Method, on the basis of actuarial valuations carried out by third party actuaries at each Balance Sheet date. Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to other comprehensive income in the period in which they arise. Other costs are accounted in consolidated statement of profit and loss.

Remeasurements of defined benefit plan in respect of post employment and other long term benefits are charged to the other comprehensive income in the year in which they occur. Remeasurements are not reclassified to consolidated statement of profit and loss in subsequent periods.

**4.14 Share-based payments:**

The cost of equity-settled transactions with employees is measured at fair value at the date at which they are granted. The fair value of share awards are determined with the assistance of an external valuer and the fair value at the grant date is expensed on a proportionate basis over the vesting period based on the Group's estimate of shares that will eventually vest. The estimate of the number of stock options likely to vest is reviewed at each balance sheet date up to the vesting date at which point the estimate is adjusted to reflect the current expectations.

**4.15 Taxes on Income:**

Income tax expense represents the sum of current tax (including income tax for earlier years) and deferred tax. Tax is recognised in the consolidated statement of profit and loss, except to the extent that it relates to items recognised directly in equity or other comprehensive income, in such cases the tax is also recognised directly in equity or in other comprehensive income. Any subsequent change in direct tax on items initially recognised in equity or other comprehensive income is also recognised in equity or other comprehensive income.

Current tax provision is computed for Income calculated after considering allowances and exemptions under the provisions of the applicable Income Tax Laws. Current tax assets and current tax liabilities are off set, and presented as net.

Deferred tax is recognised on differences between the carrying amounts of assets and liabilities in the Balance sheet and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences, and deferred tax assets are generally recognised for all deductible temporary differences, carry forward tax losses, unutilised tax credits and allowances to the extent that it is probable that future taxable profits will be available against which those deductible temporary differences, carry forward tax losses, unutilised tax credits and allowances can be utilised. Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates that have been enacted or substantively enacted by the end of the reporting period. The carrying amount of Deferred tax liabilities and assets are reviewed at the end of each reporting period.

**4.16 Borrowing Costs:**

Borrowing costs specifically relating to the acquisition or construction of qualifying assets that necessarily takes a substantial period of time to get ready for its intended use are capitalized (net of income on temporarily deployment of funds) as part of the cost of such assets. Borrowing costs consist of interest and other costs that the Group incurs in connection with the borrowing of funds. For general borrowing used for the purpose of obtaining a qualifying asset, the amount of borrowing costs eligible for capitalization is determined by applying a capitalization rate to the expenditures on that asset. The capitalization rate is the weighted average of the borrowing costs applicable to the borrowings of the respective Company that are outstanding during the period, other than borrowings made specifically for the purpose of obtaining a qualifying asset. The amount of borrowing costs capitalized during a period does not exceed the amount of borrowing cost incurred during that period. All other borrowing costs are expensed in the period in which they occur.

**4.17 Current and non-current classification:**

The Group presents assets and liabilities in statement of financial position based on current/non-current classification.

The Group has presented non-current assets and current assets before equity, non-current liabilities and current liabilities in accordance with Schedule III, Division II of Companies Act, 2013 notified by MCA.

**An asset is classified as current when it is:**

- a) Expected to be realised or intended to be sold or consumed in normal operating cycle,
- b) Held primarily for the purpose of trading,
- c) Expected to be realised within twelve months after the reporting period, or
- d) Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

**A liability is classified as current when it is:**

- a) Expected to be settled in normal operating cycle,
- b) Held primarily for the purpose of trading,
- c) Due to be settled within twelve months after the reporting period, or
- d) There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents. Deferred tax assets / liabilities are classified as non-current assets / liabilities. The Group has identified twelve months as its normal operating cycle.

**4.18 Fair value measurement:**

The Group measures financial instruments at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- a) In the principal market for the asset or liability, or
- b) In the absence of a principal market, in the most advantageous market for the asset or liability

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the consolidated financial statements are categorised within the fair value hierarchy.

**4.19 Off-setting financial Instrument:**

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable rights to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable rights must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the respective Company or counterparty.

**Note 5 SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS:**

The preparation of the Consolidated Financial Statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets, liabilities, the accompanying disclosures and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods. The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Group based its assumptions and estimates on parameters available when the consolidated financial statements were prepared. However, existing circumstances and assumptions about future developments may change due to market changes or circumstances arising that are beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

**5.1 Property, Plant and Equipment, Investment Properties and Other Intangible Assets:**

Management reviews the estimated useful lives and residual values of the assets annually in order to determine the amount of depreciation to be recorded during any reporting period. The useful lives and residual values as per schedule II of the Companies Act, 2013 or are based on the Group's historical experience with similar assets and taking into account anticipated technological changes, whichever is more appropriate.

**5.2 Income Tax:**

Group reviews at each balance sheet date the carrying amount of deferred tax assets. The factors used in estimates may differ from actual outcome which could lead to an adjustment to the amounts reported in the financial statements. Deferred tax assets are recognised only to the extent that it is probable that taxable profit will be available against which the unused tax losses or tax credits can be utilised. This involves an assessment of when those assets are likely to reverse, and a judgement as to whether or not there will be sufficient taxable profits available to offset the assets. This requires assumptions regarding future profitability, which is inherently uncertain. To the extent assumptions regarding future profitability change, there can be an increase or decrease in the amounts recognised in respect of deferred tax assets and consequential impact in the consolidated statement of profit and loss.

**5.3 Contingencies:**

Management has estimated the possible outflow of resources at the end of each annual reporting financial year, if any, in respect of contingencies/claim/litigations against the Group as it is not possible to predict the outcome of pending matters with accuracy.

**5.4 Impairment of financial assets:**

The impairment provisions for financial assets are based on assumptions about risk of default and expected cash loss. The Group uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on Group's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

**5.5 Impairment of non-financial assets:**

The Group assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or Cash Generating Units (CGU) fair value less costs of disposal and its value in use. It is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent to those from other assets or groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less cost of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples or other available fair value indicators.

**5.6 Defined benefits plans:**

The Cost of the defined benefit plan and other post-employment benefits and the present value of such obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, mortality rates and attrition rate. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

**5.7 Revenue Recognition:**

The Group's contracts with customers could include promises to transfer multiple products and services to a customer. The Group assesses the products / services promised in a contract and identify distinct performance obligations in the contract. Identification of distinct performance obligation involves judgement to determine the deliverables and the ability of the customer to benefit independently from such deliverables.

Judgement is also required to determine the transaction price for the contract. The transaction price could be either a fixed amount of customer consideration or variable consideration with elements such as volume discounts, price concessions and incentives. Any consideration payable to the customer is adjusted to the transaction price, unless it is a payment for a distinct product or service from the customer. The estimated amount of variable consideration is adjusted in the transaction price only to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur and is reassessed at the end of each reporting period. The Group allocates the elements of variable considerations to all the performance obligations of the contract unless there is observable evidence that they pertain to one or more distinct performance obligations.

**5.8 Provisions:**

Provisions and liabilities are recognized in the period when it becomes probable that there will be a future outflow of funds resulting from past operations or events and the amount of cash outflow can be reliably estimated. The timing of recognition and quantification of the liability require the application of judgement to existing facts and circumstances, which can be subject to change. Since the cash outflows can take place many years in the future, the carrying amounts of provisions and liabilities are reviewed regularly and adjusted to take account of changing facts and circumstances.

**5.7 Fair value measurement of financial instruments:**

When the fair value of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the Discounted Cash Flow (DCF) model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

**5.8 Classification of Leases:**

The Group evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116. Identification of a lease requires significant judgement. The Group uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate. The Group determines the lease term as the non-cancellable period of a lease, together with both periods covered by an options to extend the lease if the Group is reasonably certain to exercise that options; and periods covered by an option to terminate the lease if the Group is reasonably certain not to exercise that options. In assessing whether the Group is reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a lease, it considers all relevant facts and circumstances that create an economic incentive for the Group to exercise the option to extend the lease, or not to exercise the option to terminate the lease. The Group revises the lease term if there is a change in the non-cancellable period of a lease. The discount rate is generally based on the incremental borrowing rate specific to the lease being evaluated or for a portfolio of leases with similar characteristics.

**Borosil Limited**  
**Notes to the Consolidated Financial Statements for the year ended 31st March, 2024**

**Note 6 - Property, Plant and Equipment and Capital Work-in-Progress**

(Rs. in lakhs)

Particulars	Leasehold Improvements	Right of Use - Building	Leasehold Land	Freehold Land	Buildings	Plant and Equipment	Furniture and Fixtures	Vehicles	Office Equipments	Total	Capital Work in Progress
<b>GROSS BLOCK:</b>											
<b>As at 1st April, 2022</b>	<b>391.21</b>	<b>124.92</b>	-	<b>2,418.22</b>	<b>4,706.33</b>	<b>15,755.74</b>	<b>845.76</b>	<b>822.40</b>	<b>1,017.60</b>	<b>26,082.18</b>	
On account of Scheme of Arrangement (Refer Note 50)	(391.21)	-	-	-	-	(2,733.09)	(162.41)	(162.77)	(229.95)	(3,679.43)	
Additions	82.90	570.91	-	15.86	7,004.50	15,825.99	715.24	332.39	455.81	25,003.60	
Disposals / Adjustments	-	-	-	-	-	1,336.34	114.87	216.75	343.62	2,011.58	
<b>As at 31st March, 2023</b>	<b>82.90</b>	<b>695.83</b>	-	<b>2,434.08</b>	<b>11,710.83</b>	<b>27,512.30</b>	<b>1,283.72</b>	<b>775.27</b>	<b>899.84</b>	<b>45,394.77</b>	
Additions	29.15	640.88	-	-	1,615.01	18,324.72	65.56	160.87	198.93	21,035.12	
Transfer from Assets held for Sale	-	-	-	-	4,060.61	-	-	-	-	4,060.61	
Disposals / Adjustments	-	-	-	-	-	0.74	-	24.76	10.69	36.19	
<b>As at 31st March, 2024</b>	<b>112.05</b>	<b>1,336.71</b>	-	<b>2,434.08</b>	<b>17,386.45</b>	<b>45,836.28</b>	<b>1,349.28</b>	<b>911.38</b>	<b>1,088.08</b>	<b>70,454.31</b>	
<b>DEPRECIATION AND AMORTISATION:</b>											
<b>As at 1st April, 2022</b>	<b>351.33</b>	<b>8.33</b>	-	-	<b>642.42</b>	<b>8,605.99</b>	<b>572.19</b>	<b>371.85</b>	<b>732.77</b>	<b>11,284.88</b>	
On account of Scheme of Arrangement (Refer Note 50)	(351.33)	-	-	-	-	(1,415.96)	(90.35)	(26.55)	(153.16)	(2,037.35)	
Depreciation / Amortisation	0.01	63.83	-	-	223.39	2,170.05	98.27	81.18	111.54	2,748.27	
Disposals / Adjustments	-	-	-	-	-	1,267.47	105.77	96.56	331.11	1,800.91	
<b>As at 31st March, 2023</b>	<b>0.01</b>	<b>72.16</b>	-	-	<b>865.81</b>	<b>8,092.61</b>	<b>474.34</b>	<b>329.92</b>	<b>360.04</b>	<b>10,194.89</b>	
Depreciation / Amortisation	4.91	205.07	-	-	400.17	4,291.04	118.84	87.61	196.90	5,304.54	
Transfer from Assets held for Sale	-	-	-	-	445.85	-	-	-	-	445.85	
Disposals / Adjustments	-	-	-	-	-	0.70	-	6.09	9.84	16.63	
<b>As at 31st March, 2024</b>	<b>4.92</b>	<b>277.23</b>	-	-	<b>1,711.83</b>	<b>12,382.95</b>	<b>593.18</b>	<b>411.44</b>	<b>547.10</b>	<b>15,928.65</b>	
<b>NET BLOCK:</b>											
<b>As at 31st March, 2023</b>	<b>82.89</b>	<b>623.67</b>	-	<b>2,434.08</b>	<b>10,845.02</b>	<b>19,419.69</b>	<b>809.38</b>	<b>445.35</b>	<b>539.80</b>	<b>35,199.88</b>	<b>3,957.06</b>
<b>As at 31st March, 2024</b>	<b>107.13</b>	<b>1,059.48</b>	-	<b>2,434.08</b>	<b>15,674.62</b>	<b>33,453.33</b>	<b>756.10</b>	<b>499.94</b>	<b>540.98</b>	<b>54,525.66</b>	<b>2,546.81</b>

**BOROSIL LIMITED****Notes to the Consolidated Financial Statements for the year ended 31st March, 2024****6.1. Title deeds of Immovable Properties not held in name of the Company as at 31st March, 2024 and 31st March, 2023****A) Title deeds of Immovable Properties not held in name of the Company as at 31st March, 2024**

Relevant line item in the Balance sheet	Description of item of property	Gross carrying value (Rs. in lakhs)	Title deeds held in the name of	Whether title deed holder is a promoter, director or relative of promoter/director or employee of promoter/director	Property held since which date	Reason for not being held in the name of the company
Investment Properties (Refer Note 7)	Freehold Land at Roorkee, Dist - Haridwar	119.03 *	Borosil Renewables Ltd (Formerly known as Borosil Glass Works Ltd)	No	12.02.2020	The said transfer was pursuant to the Composite Scheme of Amalgamation and Arrangement as approved by the Hon'ble National Company Law Tribunal Vide its order dated 15th January, 2020, which became effective from 12th February, 2020 and it is under process.

\* Provision for Impairment Loss of Rs. 61.77 lakhs has been provided.

**B) Title deeds of Immovable Properties not held in name of the Company as at 31st March, 2023**

Relevant line item in the Balance sheet	Description of item of property	Gross carrying value (Rs. in lakhs)	Title deeds held in the name of	Whether title deed holder is a promoter, director or relative of promoter/director or employee of promoter/director	Property held since which date	Reason for not being held in the name of the company
Property, Plant and Equipments	Freehold Land at Govindgarh, Dist - Jaipur	1,555.26	Borosil Renewables Ltd (Formerly known as Borosil Glass Works Ltd)	No	12.02.2020	The said transfer was pursuant to the Composite Scheme of Amalgamation and Arrangement as approved by the Hon'ble National Company Law Tribunal Vide its order dated 15th January, 2020, which became effective from 12th February, 2020. Subsequent to the year end, the Company has completed the adjudication process and received the order.
Investment Properties (Refer Note 7)	Freehold Land at Roorkee, Dist - Haridwar	110.86*	Borosil Renewables Ltd (Formerly known as Borosil Glass Works Ltd)	No	12.02.2020	The said transfer was pursuant to the Composite Scheme of Amalgamation and Arrangement as approved by the Hon'ble National Company Law Tribunal Vide its order dated 15th January, 2020, which became effective from 12th February, 2020 and it is under process.

\* Provision for Impairment Loss of Rs. 61.77 lakhs has been provided

**Borosil Limited**  
**Notes to the Consolidated Financial Statements for the year ended 31st March, 2024**

**6.2** Details of pre-operative expenditure included in capital work in progress and its capitalisation during the year:

Particulars	(Rs. in lakhs)	
	31st March 2024	31st March 2023
<b>Pre-operative Expenditure carried forward from previous year</b>	<b>72.61</b>	<b>104.18</b>
Raw Material Consumption	162.31	75.17
Employee Benefits Expenses	155.55	362.03
Gratuity	2.39	3.53
Consumption of Stores and Spares	23.86	25.75
Power & Fuel	445.29	419.80
Rent	49.07	40.11
Rates and Taxes	-	22.23
Insurance	3.38	27.48
Travelling	45.44	50.19
Finance Cost	569.11	146.49
Miscellaneous Expenses	56.10	175.18
<b>Total Pre-operative expenses for the year</b>	<b>1,512.50</b>	<b>1,347.96</b>
<b>Total Pre-operative expenses</b>	<b>1,585.11</b>	<b>1,452.14</b>
Less:- Trial run products for captive consumption	736.49	366.83
Less: Allocated to Property, Plant and Equipment during the year	846.16	1,012.70
<b>Balance pre-operative expenses included in Capital work in Progress</b>	<b>2.46</b>	<b>72.61</b>

**6.3** There are no proceedings initiated or pending against the group for holding any Benami Property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and the rules made thereunder.

**6.4** The Group does not have any capital work in progress whose completion is overdue or has exceeded its cost compared to original plan.

**6.5** Certain property, plant and equipment were pledged as collateral against borrowings, the details related to which have been described in note 23.

**6.6** Refer note 39 for disclosure of contractual commitments for the acquisition of Property, plant and Equipment.

Note 7 - Investment Property

Particulars	(Rs. in lakhs) Investment Properties
<b>GROSS BLOCK:</b>	
<b>As at 1st April, 2022</b>	<b>167.63</b>
Additions	-
Disposals	-
<b>As at 31st March, 2023</b>	<b>167.63</b>
Additions	8.17
Disposals	47.66
<b>As at 31st March, 2024</b>	<b>128.14</b>
<b>DEPRECIATION AND AMORTISATION:</b>	
<b>As at 1st April, 2022</b>	<b>0.27</b>
Depreciation	0.27
Disposals	-
<b>As at 31st March, 2023</b>	<b>0.54</b>
Depreciation	0.25
Disposals	-
<b>As at 31st March, 2024</b>	<b>0.79</b>
<b>IMPAIRMENT:</b>	
<b>As at 1st April, 2022</b>	<b>61.77</b>
Addition	-
Reversal	-
<b>As at 31st March, 2023</b>	<b>61.77</b>
Addition	-
Reversal	-
<b>As at 31st March, 2024</b>	<b>61.77</b>
<b>NET BLOCK:</b>	
<b>As at 31st March, 2023</b>	<b>105.32</b>
<b>As at 31st March, 2024</b>	<b>65.58</b>

**7.1 Information regarding income and expenditure of investment properties.**

There is no Income derived / Expenses incurred by the Group from investment properties.

**7.2** The Group's investment properties as at 31st March, 2024 consists of land and building held for undetermined future use.

**7.3** The fair values of the properties are Rs. 657.73 lakhs (Previous Year Rs. 747.51 lakhs). These valuations are based on valuations performed by an accredited independent valuer, who is a specialist in valuing these types of properties. The fair value of the assets is determined using Comparison Method under the Market Approach. The fair value measurement is categorised in Level 3 fair value hierarchy. For the purpose of the valuation under comparison method, a comparison is made with similar properties that have recently been sold in the market. The significant unobservable inputs are (i) monthly market rent, taking into account the difference in location and individual factors, such as frontage and size between the comparable and the properties. (ii) Capitalisation rate, taking into account the capitalisation of rental income potential, nature of property and the prevailing market condition.

**7.4** The fair values of the properties as at 31st March, 2024 are performed by an accredited independent registered valuer as defined under rule 2 of the Companies (Registered Valuers and Valuation) Rules, 2017 who is a specialist in valuing these types of properties.

**7.5** There are no restrictions on the realisability of investment properties of the Group and also there is no contractual obligations to purchase, construct or develop investment properties or for repairs, maintenance and enhancements.



Note 8 - Other Intangible Assets

Particulars	(Rs. in lakhs)	
	Other Intangible assets	Intangible assets under development
<b>GROSS BLOCK:</b>		
<b>As at 1st April, 2022</b>	<b>395.71</b>	
On account of Scheme of Arrangement (Refer Note 50)	(57.14)	
Additions	21.68	
Disposals	-	
<b>As at 31st March, 2023</b>	<b>360.25</b>	
Additions	238.52	
Disposals	-	
<b>As at 31st March, 2024</b>	<b>598.77</b>	
<b>AMORTISATION:</b>		
<b>As at 1st April, 2022</b>	<b>373.46</b>	
On account of Scheme of Arrangement (Refer Note 50)	(37.88)	
Amortisation	7.59	
Disposals	-	
<b>As at 31st March, 2023</b>	<b>343.17</b>	
Amortisation	86.48	
Disposals	-	
<b>As at 31st March, 2024</b>	<b>429.65</b>	
<b>NET BLOCK:</b>		
<b>As at 31st March, 2023</b>	<b>17.08</b>	<b>131.67</b>
<b>As at 31st March, 2024</b>	<b>169.12</b>	<b>4.71</b>

8.1 Other intangible assets represents Computer Softwares other than self generated.

8.2 The Group does not have any Intangible assets under development whose completion is overdue or has exceeded its cost compared to original plan.

8.3 Refer note 39 for disclosure of contractual commitments for the acquisition of Intangible Assets

**Borosil Limited**

Notes to the Consolidated Financial Statements for the year ended 31st March, 2024

**Note 9 - Non-Current Investments**

Particulars	As at 31st March, 2024			As at 31st March, 2023		
	No. of Shares/Units	Face Value (in Rs.)	Rs. in lakhs	No. of Shares/Units	Face Value (in Rs.)	Rs. in lakhs
<b>(a) In Equity Instruments:</b>						
<b>Unquoted Fully Paid-Up</b>						
<b>Others</b>						
<b>Carried at fair value through profit and loss</b>						
Zoroastrian Co-operative Bank Ltd.	4,000	25	2.91	4,000	25	2.77
<b>Total Equity Instruments (a)</b>			<b>2.91</b>			<b>2.77</b>
<b>(b) In Others:</b>						
<b>1. Alternative Investment Fund</b>						
<b>Unquoted Fully Paid-Up</b>						
<b>Carried at fair value through profit and loss</b>						
ASK Real Estate Special Opportunities Fund - II - Class B	825	1,00,000	930.73	1,160	1,00,000	1,648.70
Edelweiss Stressed and Troubled Assets Revival Fund-1	-	-	-	10,000	2,444.32	35.24
Fireside Ventures Investment Fund-1 - Class A	435	1,00,000	1,848.65	445	1,00,000	1,984.06
<b>Total Others (b)</b>			<b>2,779.38</b>			<b>3,668.00</b>
<b>Total Non Current Investments (a) + (b)</b>			<b>2,782.29</b>			<b>3,670.77</b>

**9.1 Aggregate amount of Investments and Market value thereof**

Particulars	As at 31st March, 2024		As at 31st March, 2023	
	Book Value	Market Value	Book Value	Market Value
Unquoted Investments	2,782.29	-	3,670.77	-
<b>Total</b>	<b>2,782.29</b>		<b>3,670.77</b>	

**9.2 Category-wise Non-current Investment**

Particulars	As at 31st March, 2024		As at 31st March, 2023	
	Book Value	Market Value	Book Value	Market Value
Financial assets measured at cost	-	-	-	-
Financial assets measured at fair value through Profit and Loss	2,782.29	-	3,670.77	-
<b>Total</b>	<b>2,782.29</b>		<b>3,670.77</b>	

**Note 10 - Non-current Financial Assets - Loans**

Particulars	(Rs. in lakhs)	
	As at 31st March, 2024	As at 31st March, 2023
<b>Unsecured, Considered Good :</b>		
Loan to Employees	34.12	15.97
<b>Total</b>	<b>34.12</b>	<b>15.97</b>

**Note 11 - Non-current Financial Assets - Others**

Particulars	(Rs. in lakhs)	
	As at 31st March, 2024	As at 31st March, 2023
<b>Unsecured, Considered Good :</b>		
Fixed deposit with Banks having maturity more than 12 months	10.25	100.00
Security Deposits	163.35	65.03
<b>Total</b>	<b>173.60</b>	<b>165.03</b>

11.1 Fixed Deposit with Banks pledged for Bank Guarantee and Project License.

**Note 12 - Other Non-current Assets**

Particulars	(Rs. in lakhs)	
	As at 31st March, 2024	As at 31st March, 2023
<b>Unsecured, Considered Good :</b>		
Capital Advances	1,183.52	2,391.67
Security Deposits	691.44	393.95
Art Works	233.55	233.55
Others	24.34	17.61
<b>Total</b>	<b>2,132.85</b>	<b>3,036.78</b>

12.1 Others include mainly Prepaid Expenses etc.

**Note 13 - Inventories**

Particulars	(Rs. in lakhs)	
	As at 31st March, 2024	As at 31st March, 2023
<b>Raw Materials:</b>		
Goods-in-Transit	-	-
Others	866.16	795.61
Work-in-Progress	4,956.90	1,991.94
<b>Finished Goods:</b>		
Goods-in-Transit	918.66	623.03
Others	2,623.66	1,795.37
<b>Stock-in-Trade:</b>		
Goods-in-Transit	649.24	2,193.94
Others	13,880.72	6,023.62
Stores, Spares and Consumables	663.15	458.87
Packing Material	661.72	496.73
Scrap(Cullet)	61.19	60.73
<b>Total</b>	<b>25,281.40</b>	<b>14,439.84</b>

13.1 The reversal of write-down of inventories (net) for the year is Rs. 50.11 lakhs (In previous year, write down of Rs. 164.01 lakhs). These are included in Changes in Inventories of Work-in-Progress, Finished Goods and Stock-in-Trade, Packing Materials Consumed and Consumption of Stores and Spares in the statement of profit and loss.

13.2 For mode of valuation of inventories, refer note no. 4.5.

## Note 14 - Current Investments

Particulars	As at 31st March, 2024			As at 31st March, 2023		
	No. of Shares/Units	Face Value (in Rs.)	Rs. in lakhs	No. of Shares/Units	Face Value (in Rs.)	Rs. in lakhs
<b>(a) In Debentures:</b>						
<b>Quoted Fully Paid-Up</b>						
<b>Carried at fair value through profit and loss</b>						
Unsecured Non Convertible Redeemable Debentures of Miraya Realty Pvt. Ltd.-Series II	-	-	-	81	94,336	58.20
Secured Non Convertible Redeemable Debentures of Genie Commercial Ventures Pvt. Ltd.-Tranche I	-	-	-	116	38,473	55.93
0% Secured Redeemable Non Convertible Debentures of HDB Financial Services Ltd. Series 2021 A0(ZC)163	100	10,00,000	1,178.71	100	10,00,000	1,089.12
0% Secured Redeemable Non Convertible Debentures of Aditya Birla Finance Ltd. Series C2	110	10,00,000	1,280.00	110	10,00,000	1,191.90
0% Secured Redeemable Non Convertible Debentures of Tata Capital Housing Finance Ltd. Series C FY. 2021-22	88	10,00,000	847.92	88	10,00,000	784.22
<b>Unquoted Fully Paid Up</b>						
<b>Carried at fair value through profit and loss</b>						
Unsecured Non Convertible Redeemable Debentures of Miraya Realty Pvt. Ltd.-First Debentures	-	-	-	134	94,304	104.50
<b>Total Debentures (a)</b>			<b>3,306.63</b>			<b>3,283.87</b>
<b>(b) Mutual Funds:</b>						
<b>Unquoted Fully Paid-Up</b>						
<b>Carried at fair value through profit and loss</b>						
HDFC Liquid Fund Direct Plan Growth Option	46,658	1,000	2,213.31	47,450	1,000	2,098.80
ICICI Prudential Liquid Fund Direct Plan Growth	66,131	100	236.36	16,75,818	100	5,583.58
<b>Total Mutual Funds (b)</b>			<b>2,449.67</b>			<b>7,682.38</b>
<b>Total Current Investments = (a) + (b)</b>			<b>5,756.30</b>			<b>10,966.25</b>

## 14.1 Aggregate amount of Current Investments and Market value thereof

(Rs. in lakhs)

Particulars	As at 31st March, 2024		As at 31st March, 2023	
	Book Value	Market Value	Book Value	Market Value
Quoted Investments	3,306.63	3,306.63	3,179.37	3,179.37
Unquoted Investments	2,449.67		7,786.88	
<b>Total</b>	<b>5,756.30</b>		<b>10,966.25</b>	

## 14.2 Category-wise Current Investment

(Rs. in lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Financial assets measured at fair value through Profit and Loss	5,756.30	10,966.25
<b>Total</b>	<b>5,756.30</b>	<b>10,966.25</b>

Note 15 - Current Financial Assets - Trade Receivables

Particulars	(Rs. in lakhs)	
	As at 31st March, 2024	As at 31st March, 2023
<b>Unsecured, Considered Good, unless otherwise stated:</b>		
Considered Good	9,140.45	5,133.07
Credit Impaired	88.91	375.74
	<u>9,229.36</u>	<u>5,508.81</u>
Less : Provision for Credit Impaired (Refer Note 42 and 46)	88.91	375.74
	<u>9,140.45</u>	<u>5,133.07</u>
<b>Total</b>	<b><u>9,140.45</u></b>	<b><u>5,133.07</u></b>

15.1 Trade Receivables Ageing Schedule are as below:

Particulars	Not Due	(Rs. in lakhs)					Total
		Outstanding from due date of payment as at 31st March, 2024					
		Upto 6 Months	6 Months - 1 Year	1 - 2 Years	2 - 3 Years	More than 3 years	
Undisputed trade receivables – Considered good	4073.14	4,781.97	285.05	0.29	-	-	9,140.45
Undisputed trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
Undisputed trade receivables – credit impaired	-	-	9.80	29.46	12.91	26.90	79.07
Disputed trade receivables – Considered good	-	-	-	-	-	-	-
Disputed trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed trade receivables – credit impaired	-	-	-	0.18	0.01	9.65	9.84
<b>Sub Total</b>	<b>4,073.14</b>	<b>4,781.97</b>	<b>294.85</b>	<b>29.93</b>	<b>12.92</b>	<b>36.55</b>	<b>9,229.36</b>
Less: Allowance for credit impaired	-	-	9.80	29.64	12.92	36.55	88.91
<b>Total</b>	<b>4,073.14</b>	<b>4,781.97</b>	<b>285.05</b>	<b>0.29</b>	<b>-</b>	<b>-</b>	<b>9,140.45</b>

Particulars	Not Due	(Rs. in lakhs)					Total
		Outstanding from due date of payment as at 31st March, 2023					
		Upto 6 Months	6 Months - 1 Year	1 - 2 Years	2 - 3 Years	More than 3 years	
Undisputed trade receivables – Considered good	2,292.59	2,592.50	200.35	47.63	-	-	5,133.07
Undisputed trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
Undisputed trade receivables – credit impaired	-	-	8.58	50.93	79.90	82.77	222.18
Disputed trade receivables – Considered good	-	-	-	-	-	-	-
Disputed trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed trade receivables – credit impaired	-	-	-	0.01	0.51	153.04	153.56
<b>Sub Total</b>	<b>2,292.59</b>	<b>2,592.50</b>	<b>208.93</b>	<b>98.57</b>	<b>80.41</b>	<b>235.81</b>	<b>5,508.81</b>
Less: Allowance for credit impaired	-	-	8.58	50.94	80.41	235.81	375.74
<b>Total</b>	<b>2,292.59</b>	<b>2,592.50</b>	<b>200.35</b>	<b>47.63</b>	<b>-</b>	<b>-</b>	<b>5,133.07</b>

Note 16 - Cash and Cash Equivalents

Particulars	(Rs. in lakhs)	
	As at 31st March, 2024	As at 31st March, 2023
Balances with Banks in current accounts	529.69	811.80
Cash on Hand	9.81	3.28
<b>Total</b>	<b><u>539.50</u></b>	<b><u>815.08</u></b>

16.1 For the purpose of the statement of cash flow, cash and cash equivalents comprise the followings:

Particulars	(Rs. in lakhs)	
	As at 31st March, 2024	As at 31st March, 2023
Balances with Banks in current accounts	529.69	811.80
Cash on Hand	9.81	3.28
<b>Total</b>	<b><u>539.50</u></b>	<b><u>815.08</u></b>

Note 17 - Bank balances Other than Cash and Cash Equivalents

Particulars	(Rs. in lakhs)	
	As at 31st March, 2024	As at 31st March, 2023
<b>Earmarked Balances with bank :</b>		
Unpaid Dividend Accounts	19.92	20.26
Fixed deposit with Banks - Having maturity less than 12 months	128.39	115.97
<b>Total</b>	<b>148.31</b>	<b>136.23</b>

17.1 Fixed Deposit with Banks pledged for Bank Guarantee and Project License.

Note 18 - Current Financial Assets - Loans

Particulars	(Rs. in lakhs)	
	As at 31st March, 2024	As at 31st March, 2023
<b>Unsecured, Considered Good:</b>		
Loan to Employees	60.35	28.48
<b>Total</b>	<b>60.35</b>	<b>28.48</b>

Note 19 - Current Financial Assets - Others

Particulars	(Rs. in lakhs)	
	As at 31st March, 2024	As at 31st March, 2023
<b>Unsecured, Considered Good, unless otherwise stated:</b>		
Interest Receivables	47.54	82.03
Security Deposits	44.87	35.67
Others	191.79	90.07
<b>Total</b>	<b>284.20</b>	<b>207.77</b>

19.1 Others includes share based payment receivable from Related Party (Refer Note 44), receivable from portfolio managers, other receivables etc.

Note 20 - Other Current Assets

Particulars	(Rs. in lakhs)	
	As at 31st March, 2024	As at 31st March, 2023
<b>Unsecured, Considered Good, unless otherwise stated:</b>		
<b>Advances against supplies</b>		
Considered Good	1,525.25	425.15
Considered Doubtful	3.12	4.20
	<u>1,528.37</u>	<u>429.35</u>
Less : Provision for Doubtful Advances (Refer Note 42)	<u>(3.12)</u>	<u>(4.20)</u>
Export Incentives Receivable	1,525.25	425.15
Balance with Goods and Service Tax Authorities	12.73	17.42
Others	2,132.48	1,857.17
	623.55	344.68
<b>Total</b>	<b>4,294.01</b>	<b>2,644.42</b>

20.1 Others includes prepaid expenses, GST refund receivable, licenses in hands, other receivable etc.

Note 21 - Equity Share Capital

Particulars	(Rs. in lakhs)	
	As at 31st March, 2024	As at 31st March, 2023
<b>Authorised</b>		
<b>Equity Share Capital</b>		
27,00,00,000 (Previous Year 27,00,00,000) Equity Shares of Re. 1/- each	2,700.00	2,700.00
<b>Preference Share Capital</b>		
2,80,00,000 (Previous Year 2,80,00,000) Preference Shares of Rs. 10/- each	2,800.00	2,800.00
<b>Total</b>	<b>5,500.00</b>	<b>5,500.00</b>
<b>Issued, Subscribed &amp; Fully Paid up</b>		
11,45,82,095 (Previous Year 11,44,14,487) Equity Shares of Re. 1/- each	1,145.82	1,144.14
<b>Total</b>	<b>1,145.82</b>	<b>1,144.14</b>

21.1 Reconciliation of number of Equity Shares outstanding at the beginning and at the end of the year :

Particulars	As at 31st March, 2024		As at 31st March, 2023	
	(in Nos.)	(Rs. in lakhs)	(in Nos.)	(Rs. in lakhs)
Shares outstanding at the beginning of the year	11,44,14,487	1,144.14	11,41,62,667	1,141.63
Add : Shares issued on Exercise of Employee Stock Option (Refer Note 21.2 and 41)	1,67,608	1.68	2,51,820	2.51
<b>Shares outstanding at the end of the year</b>	<b>11,45,82,095</b>	<b>1,145.82</b>	<b>11,44,14,487</b>	<b>1,144.14</b>

21.2 During the year, pursuant to exercise of the options under "Borosil Limited Special Purpose Employee Stock Option Plan 2020" and 'Borosil Limited - Employee Stock Option Scheme 2020', the Company has made allotment of 1,67,608 Equity Shares (Previous Year 2,51,820 Equity Shares) of the face value of Re. 1/- each, which has resulted into increase of paid up Equity Share Capital by Rs. 1.68 lakhs (Previous Year Rs. 2.51 lakhs) and Securities Premium by Rs. 443.76 lakhs (Previous Year Rs.581.86 lakhs).

21.3 Terms/Rights attached to Equity Shares :

The Company has only one class of shares referred to as equity shares having a par value of Re.1/- per share. Holders of equity shares are entitled to one vote per share. The dividend proposed by the Board of Directors, if any, is subject to the approval of the shareholders in the annual general meeting, except in case of interim dividend. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive the remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in the same proportion as the capital paid-up on the equity shares held by them bears to the total paid-up equity share capital of the Company.

21.4 Details of Shareholder holding more than 5% of Equity Share Capital :

Name of Shareholder	As at 31st March, 2024		As at 31st March, 2023	
	No. of Shares	% of Holding	No. of Shares	% of Holding
Rekha Kheruka	1,64,31,587	14.34%	1,64,31,587	14.36%
Kiran Kheruka	3,02,70,416	26.42%	3,02,70,416	26.46%
P. K. Kheruka	1,32,33,662	11.55%	1,32,33,662	11.57%
Croton Trading Private Limited	1,30,87,339	11.42%	1,30,87,339	11.44%

**Borosil Limited****Notes to the Standalone Financial Statements for the year ended 31st March, 2024****21.5 Details of shares held by Promoters and Promoter Group in the Company:**

Name of Promoters	As at 31st March, 2024		As at 31st March, 2023		% Change from 31st March, 2023 to 31st March, 2024
	No. of Shares	% of Holding	No. of Shares	% of Holding	
Shreevar Kheruka (Promoter)	19,51,747	1.70%	19,51,747	1.71%	-0.01%
P. K. Kheruka (Promoter)	1,32,33,662	11.55%	1,32,33,662	11.57%	-0.02%
Kiran Kheruka (Promoter Group)	3,02,70,416	26.42%	3,02,70,416	26.46%	-0.04%
Rekha Kheruka (Promoter Group)	1,64,31,587	14.34%	1,64,31,587	14.36%	-0.02%
Croton Trading Private Limited (Promoter Group)	1,30,87,339	11.42%	1,30,87,339	11.44%	-0.02%
Gujarat Fusion Glass LLP (Promoter Group)	31,36,404	2.74%	31,36,404	2.74%	0.00%
Sonargaon Properties LLP (Promoter Group)	18	0.00%	18	0.00%	0.00%
Borosil Holdings LLP (Promoter Group)	9,18,179	0.80%	9,18,179	0.80%	0.00%
Spartan Trade Holdings LLP (Promoter Group)	11,47,313	1.00%	11,47,313	1.00%	0.00%
Associated Fabricators LLP (Promoter Group)	2,34,111	0.20%	2,34,111	0.20%	0.00%
Alaknanda Ruia (Promoter Group)	4,445	0.00%	-	0.00%	0.00%

**21.6** Under Borosil Limited - Special Purpose Employee Stock Option Plan 2020' ("ESOP 2020"), 4,43,388 options were reserved and out of this as at 31st March, 2024, 4,43,388( as at 31st March 2023, 4,43,388) options have been granted (Refer Note 40). Further, under Borosil Limited – Employees Stock Option Scheme, 2020' ("NEW ESOS 2020"), 52,59,590 options are reserved, and out of this, as at 31st March, 2024, 8,78,200 (as at 31st March, 2023, 8,50,200) options have been granted (Refer Note 41).

**21.7 Dividend paid and proposed:-**

No dividend has been proposed for the year ended 31st March, 2024 and for the year ended 31st March, 2023.



**Note 22 - Other Equity**

Particulars	(Rs. in lakhs)	
	As at 31st March, 2024	As at 31st March, 2023
<b>Capital Reserve</b>		
As per Last Balance Sheet	15.00	15.00
<b>Capital Reserve On Scheme of Amalgamation</b>		
As per Last Balance Sheet	8,880.97	8,880.97
<b>General Reserve</b>		
As per Last Balance Sheet	500.00	500.00
<b>Share Based Payment Reserve</b>		
As per Last Balance Sheet	493.24	427.86
Add: Forfeiture of Employee Stock Option	(36.58)	(9.61)
Add: Share based payment (Refer Note 41)	167.29	269.90
Less: Exercise of Employee Stock option	<u>(130.72)</u>	<u>(194.91)</u>
	493.23	493.24
<b>Securities Premium</b>		
As per Last Balance Sheet	784.07	202.21
Add: Exercise of Employee Stock option	<u>443.76</u>	<u>581.86</u>
	1,227.83	784.07
<b>Retained Earnings</b>		
As per Last Balance Sheet	39,314.85	65,706.68
On Account of Scheme of Arrangement (Refer Note 50)	-	(31,586.58)
Add: Profit for the year	6,586.66	5,187.29
Less: Forfeiture of Employee Stock Option	<u>15.51</u>	<u>7.46</u>
	45,917.02	39,314.85
<b>Other Comprehensive Income (OCI)</b>		
As per Last Balance Sheet	(134.34)	(125.44)
Movements in OCI (net) during the year	<u>(45.42)</u>	<u>(8.90)</u>
	(179.76)	(134.34)
<b>Total</b>	<u><u>56,854.29</u></u>	<u><u>49,853.79</u></u>

**22.1 Nature and Purpose of Reserve**

**1. Capital Reserve:**

Capital reserve was created by way of subsidy received from State Industries Promotion Corporation of Tamilnadu. The reserve will be utilised in accordance with the provisions of the Companies Act, 2013.

**2. Capital Reserve On Scheme of Amalgamation:**

Capital Reserve is created on account of Scheme of Amalgamation. The reserve will be utilised in accordance with the provisions of the Companies Act, 2013.

**3. General Reserve:**

General Reserve is created from time to time by way of transfer of profits from retained earnings for appropriation purpose. This reserve is a distributable reserve.

**4. Share Based Payment Reserve:**

Share based payment reserve is created against 'Borosil Limited - Special Purpose Employee Stock Option Plan 2020' ("ESOP 2020") and against 'Borosil Limited - Employee Stock Option Scheme 2020' ("NEW ESOS 2020") and will be utilised against exercise of the option on issuance of the equity shares of the Company.

**5. Securities Premium:**

Securities premium is created when shares issued at premium. The reserve will be utilised in accordance with the provisions of the Companies Act, 2013.

**6. Retained Earnings:**

Retained earnings represents the accumulated profits / (losses) made by the Company over the years.

**7. Other Comprehensive Income (OCI):**

Other Comprehensive Income (OCI) includes remeasurements of defined benefit plans.

**Note 23 - Non-current financial liabilities - Borrowings**

Particulars	(Rs. in lakhs)	
	As at 31st March, 2024	As at 31st March, 2023
<b>Secured Loan</b>		
Term Loans from Banks	9,294.23	5,318.33
<b>Total</b>	<u><u>9,294.23</u></u>	<u><u>5,318.33</u></u>

**23.1 Term Loans (including current maturities of long term borrowings shown under current financial liabilities - others) (Refer Note 25)**

i) Term loans from a bank of Rs. 9,603.55 lakhs (Previous year Rs. 6,647.91 lakhs) carries interest at 8.45% p.a. (linked to Repo rate) and is primarily secured by way of exclusive hypothecation charge on movable fixed assets of the Company (Plant & Machinery) at Jaipur. The said borrowings shall be repaid in 16 equal quarterly instalments of Rs. 600.22 lakhs.

ii) Term loans from a bank of Rs. 2,413.35 lakhs (Previous year Rs. Nil) carries interest at 8.23% p.a. (linked to 3M T-bill) and is primarily secured by way of exclusive charge on movable fixed assets of the Company financed by the bank. The said borrowings shall be repaid in 30 equal quarterly instalments of Rs. 80.44 lakhs starting from May, 2024.

**Note 24 Income Tax**

**24.1 Current Tax**

Particulars	(Rs. in lakhs)	
	For the Year Ended 31st March, 2024	For the Year Ended 31st March, 2023
Current Income Tax	1,719.11	1,493.69
Income Tax of earlier years	10.72	(39.11)
<b>Total</b>	<b>1,729.83</b>	<b>1,454.58</b>

**24.2** The major components of Income Tax Expenses for the year ended 31st March, 2024 and 31st March, 2023 are as follows:

Particulars	(Rs. in lakhs)	
	For the Year Ended 31st March, 2024	For the Year Ended 31st March, 2023
<b>Recognised in Statement of Profit and Loss :</b>		
Current Income Tax (Refer Note 24.1)	1,729.83	1,454.58
Deferred Tax - Relating to origination and reversal of temporary differences	466.93	(41.20)
<b>Total tax Expenses</b>	<b>2,196.76</b>	<b>1,413.38</b>

**24.3** Reconciliation between tax expenses and accounting profit multiplied by tax rate for the year ended 31st March, 2024 and 31st March, 2023:

Particulars	(Rs. in lakhs)	
	For the Year Ended 31st March, 2024	For the Year Ended 31st March, 2023
Accounting Profit before tax	8,783.42	6,600.67
Applicable tax rate	25.17%	25.17%
<b>Computed Tax Expenses</b>	<b>2,210.61</b>	<b>1,661.26</b>
<b>Tax effect on account of:</b>		
Lower tax rate, indexation and fair value changes etc.	(108.69)	(263.47)
Expenses not allowed	51.37	54.77
Allowance of Expenses on payment basis	32.08	(3.15)
Other deductions / allowances	0.67	3.08
Income tax for earlier years	10.72	(39.11)
<b>Income tax expenses recognised in statement of profit and loss</b>	<b>2,196.76</b>	<b>1,413.38</b>

**24.4** Deferred tax Liabilities relates to the following:

Particulars	(Rs. in lakhs)			
	Balance Sheet		Statement of Profit and Loss and Other Comprehensive Income	
	As at 31st March, 2024	As at 31st March, 2023	For the Year Ended 31st March, 2024	For the Year Ended 31st March, 2023
Property, Plant and Equipment and Intangible Assets including assets held for sale	1,823.59	1,217.41	606.18	296.91
Investment Property	(64.59)	(64.73)	0.14	(3.68)
Investments	463.61	492.73	(29.12)	(34.20)
Trade Receivable	(461.56)	(303.92)	(157.64)	(66.12)
Inventories	273.58	96.87	176.71	54.12
Other Assets	(49.62)	(7.98)	(41.64)	14.93
Other Liabilities & Provision	(547.49)	(406.37)	(141.12)	(204.55)
Deduction u/s 35DD of Income Tax Act 1961	(149.12)	(187.28)	38.16	(101.60)
<b>Total</b>	<b>1,288.39</b>	<b>836.73</b>	<b>451.66</b>	<b>(44.19)</b>

**BOROSIL LIMITED****Notes to the Consolidated Financial Statements for the year ended 31st March, 2024****24.5 Reconciliation of deferred tax Liabilities (net):**

<b>Particulars</b>	<b>(Rs. in lakhs)</b>	
	<b>As at 31st March, 2024</b>	<b>As at 31st March, 2023</b>
<b>Opening balance as at 1st April</b>	<b>836.73</b>	<b>2,088.64</b>
On account of Scheme of Arrangement (Refer Note 50)	-	(1,207.72)
Deferred Tax recognised in Statement of Profit and Loss	466.93	(41.20)
Deferred Tax recognised in OCI	(15.27)	(2.99)
<b>Closing balance as at 31st March</b>	<b>1,288.39</b>	<b>836.73</b>

**24.6 Amount and expiry date of unused tax losses for which no deferred tax asset is recognised**

<b>Particulars</b>	<b>(Rs. in lakhs)</b>	
	<b>As at 31st March, 2024</b>	<b>As at 31st March, 2023</b>
Unused tax losses for which no deferred tax assets has been recognised	-	-

**Note 25 - Current Financial Liabilities - Borrowings**

Particulars	(Rs. in lakhs)	
	As at 31st March, 2024	As at 31st March, 2023
<b>Secured</b>		
Working Capital Loan from Banks	3,371.63	2,180.72
Current maturity of long term Borrowings	2,722.67	1,329.58
<b>Total</b>	<b>6,094.30</b>	<b>3,510.30</b>

- 25.1 i) Working capital loan from a bank of Rs. 1,498.47 lakhs(Previous Year Rs. NIL) is secured by first pari passu charge on all existing and future current assets of the Company. The said Working capital loan carries interest in the range of 8.70% p.a. (Linked to Repo rate)
- ii) Working capital loan from a bank of Rs. 1,873.16 lakhs(Previous Year Rs. 2,180.72 lakhs) is secured by first pari passu charge on all existing and future current assets of the Company. The said Working capital loan carries interest of 9.00% p.a. (linked to 6M MCLR)

**Note 26 - Current Financial Liabilities - Trade Payables**

Particulars	(Rs. in lakhs)	
	As at 31st March, 2024	As at 31st March, 2023
Micro, Small and Medium Enterprises	2,059.56	1,236.52
Others	6,784.68	2,860.59
<b>Total</b>	<b>8,844.24</b>	<b>4,097.11</b>

- 26.1 Trade Payables Ageing Schedule are as below :

Particulars	(Rs. in lakhs)					Total
	Outstanding from due date of payment as at 31st March, 2024					
	Not Due	Upto 1 Year	1 - 2 Years	2 - 3 Years	More than 3 years	
Total outstanding dues of micro, small & medium Enterprises	1,824.43	231.22	3.91	-	-	2,059.56
Total outstanding dues of Creditors other than micro, small & medium Enterprises	5,867.16	884.36	33.16	-	-	6,784.68
Disputed dues of micro, small and medium enterprises	-	-	-	-	-	-
Disputed dues of creditors other than micro, small and medium enterprises	-	-	-	-	-	-
<b>Total</b>	<b>7,691.59</b>	<b>1,115.58</b>	<b>37.07</b>	<b>-</b>	<b>-</b>	<b>8,844.24</b>

Particulars	(Rs. in lakhs)					Total
	Outstanding from due date of payment as at 31st March, 2023					
	Not Due	Upto 1 Year	1 - 2 Years	2 - 3 Years	More than 3 years	
Total outstanding dues of micro, small & medium Enterprises	1,109.68	125.83	1.00	-	-	1,236.52
Total outstanding dues of Creditors other than micro, small & medium Enterprises	2,316.11	529.40	15.08	-	-	2,860.59
Disputed dues of micro, small and medium enterprises	-	-	-	-	-	-
Disputed dues of creditors other than micro, small and medium enterprises	-	-	-	-	-	-
<b>Total</b>	<b>3,425.80</b>	<b>655.23</b>	<b>16.08</b>	<b>-</b>	<b>-</b>	<b>4,097.11</b>

**Note 27 - Current Financial Liabilities - Others**

Particulars	(Rs. in lakhs)	
	As at 31st March, 2024	As at 31st March, 2023
Interest accrued but not due on Borrowing	104.21	39.51
Interest accrued but not due on Dealer Deposits	17.55	16.04
Interest accrued but not due on Others	105.21	1.18
Payable to related party on account of Scheme of Arrangement (Refer Note 50)	9,780.91	8,471.10
Dealer Deposits	297.00	254.01
Unclaimed Dividends	19.92	20.26
Creditors for Capital Expenditure	1,251.98	1,440.87
Deposits	109.05	8.75
Derivative Liabilities	50.43	-
Other Payables	9,818.42	7,179.25
	<b>21,554.68</b>	<b>17,430.97</b>

27.1 Unclaimed dividends does not include any amounts, due and outstanding, to be credited to Investor Education and Protection Fund.

27.2 Other Payables includes Retention Money, outstanding liabilities for expenses, Salary, Wages, Bonus, discount, rebates etc.

**Note 28 - Other Current Liabilities**

Particulars	(Rs. in lakhs)	
	As at 31st March, 2024	As at 31st March, 2023
Advance from Customers	465.78	362.65
Statutory liabilities	359.73	444.95
<b>Total</b>	<b>825.51</b>	<b>807.60</b>

**Note 29 - Current Provisions**

Particulars	(Rs. in lakhs)	
	As at 31st March, 2024	As at 31st March, 2023
<b>Provisions for Employee Benefits</b>		
Superannuation (Funded)	5.06	7.24
Gratuity (Funded) (Refer Note 40)	191.04	133.54
Leave Encashment (Unfunded)	766.32	583.75
<b>Total</b>	<b>962.42</b>	<b>724.53</b>

Note 30 - Revenue from Operations

Particulars	(Rs. in lakhs)	
	For the Year Ended 31st March, 2024	For the Year Ended 31st March, 2023
Sale of Products	94,225.18	74,157.55
<b>Revenue from Operations</b>	<b>94,225.18</b>	<b>74,157.55</b>

30.1 Disaggregated Revenue:

(i) Revenue based on Geography:

Particulars	(Rs. in lakhs)	
	For the Year Ended 31st March, 2024	For the Year Ended 31st March, 2023
Domestics	90,370.34	71,865.69
Export	3,854.84	2,291.86
<b>Revenue from Operations</b>	<b>94,225.18</b>	<b>74,157.55</b>

(ii) Revenue by Business Segment

Particulars	(Rs. in lakhs)	
	For the Year Ended 31st March, 2024	For the Year Ended 31st March, 2023
Consumerware	94,225.18	74,157.55
<b>Revenue from Operations</b>	<b>94,225.18</b>	<b>74,157.55</b>

(iii) Reconciliation of Revenue from Operation with contract price:

Particulars	(Rs. in lakhs)	
	For the Year Ended 31st March, 2024	For the Year Ended 31st March, 2023
Contract Price	96,937.09	76,056.41
Reduction towards variables considerations components *	(2,711.91)	(1,898.86)
<b>Revenue from Operations</b>	<b>94,225.18</b>	<b>74,157.55</b>

\* The reduction towards variable consideration comprises of volume discounts, scheme discounts, price concessions etc.

Note 31 - Other Income

Particulars	(Rs. in lakhs)	
	For the Year Ended 31st March, 2024	For the Year Ended 31st March, 2023
Interest Income from Financial Assets measured at fair value through profit or loss		
- Non-current Investments	26.98	31.51
- Current Investments	-	1.78
Interest Income from Financial Assets measured at amortised cost		
- Fixed Deposits with Banks	6.81	48.70
- Others	99.58	35.87
Gain on Sale of Investments (net)		
- Non-current Investments	-	8.03
- Current Investments	724.06	98.36
Gain on Financial Instruments measured at fair value through profit or loss (net)	-	33.96
Profit on sale of Property, Plant and Equipment and Assets held for Sale (net) *	18.82	1,574.39
Rent Income	123.70	14.15
Gain on Foreign Currency Transactions (net)	120.08	-
Export Incentives	78.51	46.27
Sundry Credit Balance Written Back (net)	1.17	65.87
Insurance Claim Received	18.04	12.60
Shared Service Support Income	549.41	-
Miscellaneous Income	13.64	32.78
<b>Total</b>	<b>1,780.80</b>	<b>2,004.27</b>

\* Includes Profit on Sale of Assets held for Sale of Rs. Nil (Previous Year Rs. 1,676.95 lakhs)

**Note 32 - Changes in Inventories of Work-in-Progress, Finished Goods and Stock-in-Trade**

Particulars	(Rs. in lakhs)	
	For the Year Ended 31st March, 2024	For the Year Ended 31st March, 2023
<b>At the end of the Year</b>		
Work-in-Progress	4,956.90	1,991.94
Finished Goods	3,542.32	2,418.40
Stock-in-Trade	14,529.96	8,217.56
Scrap (Cullet)	12.72	2.68
	<b>23,041.90</b>	<b>12,630.58</b>
<b>Inventory lost due to Heavy rain</b>		
Stock-in-Trade	-	27.08
	-	<b>27.08</b>
<b>On account of Scheme of Arrangement (Refer Note 50)</b>		
Work-in-Progress	-	(169.26)
Finished Goods	-	(1,544.45)
Stock-in-Trade	-	(1,442.62)
Scrap (Cullet)	-	(13.28)
	-	<b>(3,169.61)</b>
<b>At the beginning of the Year</b>		
Work-in-Progress	1,991.94	873.79
Finished Goods	2,418.40	3,078.62
Stock-in-Trade	8,217.56	8,826.83
Scrap (Cullet)	2.68	13.28
	<b>12,630.58</b>	<b>12,792.52</b>
Add: Stock of Trial Run Production	<b>736.49</b>	<b>366.83</b>
<b>Changes in Inventories of Work-in-Progress, Finished Goods and Stock-in-Trade</b>	<b>(9,674.83)</b>	<b>(2,667.92)</b>

**Note 33 - Employee Benefits Expense**

Particulars	(Rs. in lakhs)	
	For the Year Ended 31st March, 2024	For the Year Ended 31st March, 2023
Salaries, Wages & Allowances	7,587.05	5,538.87
Contribution to Provident and Other Funds (Refer Note 40)	409.40	302.15
Share Based Payments (Refer Note 41)	114.04	178.61
Staff Welfare Expenses	549.81	389.55
<b>Total</b>	<b>8,660.30</b>	<b>6,409.18</b>

**Note 34 - Finance Costs**

Particulars	(Rs. in lakhs)	
	For the Year Ended 31st March, 2024	For the Year Ended 31st March, 2023
Interest Expenses on financial liabilities measured at amortised cost *	792.71	219.77
Interest Expenses on Finance lease liabilities (Refer Note 49)	83.95	31.57
<b>Total</b>	<b>876.66</b>	<b>251.34</b>

\*Includes interest on Income Tax of Rs. 25.64 lakhs (Previous Year Rs. 66.62 lakhs).

**Note 35 - Depreciation and Amortisation Expense**

Particulars	(Rs. in lakhs)	
	For the Year Ended 31st March, 2024	For the Year Ended 31st March, 2023
Depreciation of Property, Plant and Equipment (Refer note 6)	5,304.54	2,748.27
Depreciation of Investment Properties (Refer note 7)	0.25	0.27
Amortisation of Intangible Assets (Refer note 8)	86.48	7.59
<b>Total</b>	<b>5,391.27</b>	<b>2,756.13</b>

**Note 36 - Other Expenses**

Particulars	(Rs. in lakhs)	
	For the Year Ended 31st March, 2024	For the Year Ended 31st March, 2023
<b>Manufacturing and Other Expenses</b>		
Consumption of Stores and Spares	757.00	549.80
Power & Fuel	6,051.01	3,515.21
Packing Materials Consumed	5,383.37	4,380.32
Processing Charges	5.38	3.78
Contract Labour Expenses	3,283.01	2,217.39
Repairs to Machinery	78.40	63.40
Repairs to Buildings	7.73	20.93
<b>Selling and Distribution Expenses</b>		
Sales Promotion and Advertisement Expenses	6,826.03	5,695.47
Discount and Commission	1,412.37	1,307.73
Freight Outward	4,390.39	3,403.12
Warehousing Expenses	1,571.15	1,029.57
<b>Administrative and General Expenses</b>		
Rent	295.31	241.00
Rates and Taxes	76.17	922.96
Information Technology Expenses	537.52	401.94
Other Repairs	87.10	85.65
Insurance	265.16	332.86
Legal and Professional Fees	869.57	979.10
Travelling	852.10	849.01
Loss on Foreign Currency Transactions (net)	-	12.30
Bad Debts	281.32	39.85
Less: Reversal of Provision for Credit Impaired / Doubtful Advances (Refer Note 42)	<u>(281.32)</u>	<u>-</u>
Provision / (Reversal) for Credit Impaired / Doubtful Advances (net) (Refer Note 42)	(6.60)	(208.22)
Investment Advisory Charges	5.97	2.84
Commission to Directors	70.00	80.00
Directors Sitting Fees	38.90	27.50
Payment to Auditors	92.25	78.25
Corporate Social Responsibility Expenditure	173.00	141.00
Donation	2.55	8.83
Loss on Financial Instruments measured at fair value through profit or loss (net)	181.83	-
Miscellaneous Expenses	991.35	587.60
<b>Total</b>	<b><u>34,298.02</u></b>	<b><u>26,769.19</u></b>

**Note 37 - Exceptional Items**

Particulars	(Rs. in lakhs)	
	For the Year Ended 31st March, 2024	For the Year Ended 31st March, 2023
Insurance Claim Received	-	(933.33)
<b>Total</b>	<b><u>-</u></b>	<b><u>(933.33)</u></b>

**37.1** Exceptional items for the year ended 31st March, 2023 represents receipt of claim amount from the Insurance Company, as a full settlement of the claim with respect to loss of property due to fire at the Company's warehouse situated at Bharuch.

**Note 38 - Earnings per Equity Share (EPS)**

Particulars	(Rs. in lakhs)	
	For the Year Ended 31st March, 2024	For the Year Ended 31st March, 2023
Net profit for the year attributable to Equity Shareholders for Basic EPS (Rs. in lakhs)	6,586.66	5,187.29
Add: Share Based Payments (net of tax) (Rs. in lakhs)	85.34	133.65
Net Profit for the year attributable to Equity Shareholders for Diluted EPS (Rs. in lakhs)	6,672.00	5,320.94
Weighted average number of equity shares outstanding during the year for Basic EPS (in Nos.)	11,45,04,392	11,42,91,716.00
Weighted average number of equity shares outstanding during the year for Diluted EPS (in Nos.)	11,48,37,968	11,46,55,767.41
Earnings per share of Re. 1/- each (in Rs.)		
- Basic	5.75	4.54
- Diluted *	5.75	4.54
Face Value per Equity Share (in Rs.)	1.00	1.00

\* As the Diluted Earning Per Share is anti-dilutive, Basic Earning per share has been considered as Diluted earning per share.



**Note 39 - Contingent Liabilities and Commitments**

**39.1 Contingent Liabilities (To the extent not provided for) Claims against the Group not acknowledged as debts**

Particulars	(Rs. in lakhs)	
	As at 31st March, 2024	As at 31st March, 2023
<b>Disputed Liabilities in Appeal (No Cash outflow is expected in the near future)</b>		
- Entry Tax (Amount paid under protest of Rs. 17.84 lakhs (Previous Year Rs. 17.84 lakhs))	17.84	17.84
- Goods and Service Tax (Amount paid under protest of Rs. 1.62 lakhs (Previous Year Rs. Nil))	1.62	-
- Income Tax	48.20	-
- Building and Other Construction Workers Welfare (Amount paid under protest of Rs. 9.71 lakhs (Previous Year Rs. Nil))	15.20	-
<b>Guarantees</b>		
- Bank Guarantees	165.00	133.41
<b>Others</b>		
- Letter of Credits	564.58	5,126.38

**39.2** Management is of the view that above litigation will not impact the financial position of the group.

**39.3 Commitments**

Particulars	(Rs. in lakhs)	
	As at 31st March, 2024	As at 31st March, 2023
Estimated amount of Contracts remaining to be executed on Capital Account not provided for (cash outflow is expected on execution of such capital contracts):		
- Related to Property, plant and equipment	5,919.24	12,419.58
- Related to Intangible Assets	0.35	123.53
Commitments towards Investments (cash outflow is expected on execution of such commitments)	17.50	22.50
Commitment towards EPCG License	19.88	73.14

**Note 40- Employee Benefits**

**40.1 As per Ind AS 19 'Employee Benefits', the disclosure of Employee benefits as defined in the Ind AS are given below:**

**(a) Defined Contribution Plan:**

Contribution to Defined Contribution Plan, recognized as expense for the years are as under:

Particulars	(Rs. in lakhs)	
	2023-24	2022-23
Employer's Contribution to Provident Fund	327.75	229.08
Employer's Contribution to Superannuation Fund	5.24	5.07
Employer's Contribution to ESIC	0.47	0.63
Employer's Contribution to MLWF	0.01	0.02

The contribution to provident fund and pension scheme is made to Employees' Provident Fund managed by Provident Fund Commissioner. Employees' Superannuation Fund is managed by Life Insurance Corporation of India. The contribution towards ESIC made to Employees' State Insurance Corporation. The contribution towards MLWF is made to Maharashtra Labour welfare Fund. The obligation of the Company is limited to the amount contributed and it has no further contractual nor any constructive obligation.

**(b) Defined Benefit Plan:**

The Gratuity benefits of the Company is funded.

The employees' Gratuity Fund is managed by the Life Insurance Corporation of India and Aditya Birla Sun Life Insurance Company Ltd. The present value of obligation is determined based on actuarial valuation using the Projected Unit Credit Method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

Particulars	Gratuity	
	As at 31st March, 2024	As at 31st March, 2023
<b>Actuarial assumptions</b>		
Mortality Table	Indian Assured Lives Mortality (2012-14) Ult	Indian Assured Lives Mortality (2012-14) Ult
Salary growth	9.00% p.a.	9.00% p.a.
Discount rate	7.20% p.a.	7.45% p.a.
Expected returns on plan assets	7.20% p.a.	7.45% p.a.
Withdrawal Rates	10.00% p.a at younger ages reducing to 2.00% p.a. at older ages	10.00% p.a at younger ages reducing to 2.00% p.a. at older ages

Particulars	(Rs. in lakhs)	
	Gratuity	
	2023-24	2022-23
<b>Movement in present value of defined benefit obligation</b>		
Obligation at the beginning of the year	546.56	771.22
On Account of Scheme of Arrangement ( Refer Note 50)	-	(324.18)
Current service cost	72.77	67.73
Interest cost	39.70	31.07
Benefits paid	(57.72)	(1.15)
Actuarial (Gain) / Loss on obligation	64.83	1.87
<b>Obligation at the end of the year</b>	<b>666.14</b>	<b>546.56</b>
<b>Movement in fair value of plan assets</b>		
Fair value at the beginning of the year	413.02	636.66
On Account of Scheme of Arrangement ( Refer Note 50)	-	(267.61)
Interest Income	34.15	27.91
Expected Return on Plan Assets	4.14	(10.02)
Contribution	81.51	27.23
Benefits paid	(57.72)	(1.15)
<b>Fair value at the end of the year</b>	<b>475.10</b>	<b>413.02</b>
<b>Amount recognised in the statement of profit and loss</b>		
Current service cost	70.38	64.20
Interest cost	5.55	3.16
<b>Total</b>	<b>75.93</b>	<b>67.36</b>
Amount recognised in the statement of profit and loss for the year ended 31st March 2024 excludes amount of Rs. 2.39 lakhs (Previous Year Rs. 3.53 lakhs) being capital expenditures.		
<b>Amount recognised in the other comprehensive income Components of actuarial (gains) / losses on obligations:</b>		
Due to Change in financial assumptions	18.37	(16.89)
Due to experience adjustments	46.46	18.76
Return on plan assets excluding amounts included in interest income	(4.14)	10.02
<b>Total</b>	<b>60.69</b>	<b>11.89</b>

(c) Fair Value of plan assets

Class of assets	(Rs. in lakhs)	
	Fair Value of Plan Asset	
	2023-24	2022-23
Life Insurance Corporation of India	256.70	238.41
Aditya Birla Sunlife Insurance Co. Ltd.	216.08	172.29
Bank Balance	2.32	2.32
<b>Total</b>	<b>475.10</b>	<b>413.02</b>

(d) Net Liability Recognised in the Balance Sheet

Particulars	(Rs. in lakhs)	
	As at 31st March, 2024	As at 31st March, 2023
Present value of obligations at the end of the year	666.14	546.56
Less: Fair value of plan assets at the end of the year	475.10	413.02
<b>Net liability recognized in the balance sheet</b>	<b>191.04</b>	<b>133.54</b>
Current Provisions (Funded)	191.04	133.54
Non-current Provisions (Funded)	-	-

(e) The estimate of rate of escalation in Salary considered in actuarial valuation, takes into account inflation, seniority, promotion and other retirement factors including supply & demand in the employment market. The above information is certified by the actuary.

40.2 Sensitivity analysis:

Particulars	(Rs. in lakhs)	
	Changes in assumptions	Effect on Gratuity obligation (Increase / (Decrease))
<b>For the Year Ended 31st March, 2024</b>		
Salary growth rate	+0.50%	16.47
	-0.50%	(16.87)
Discount rate	+0.50%	(36.01)
	-0.50%	39.13
Withdrawal rate (W.R.)	W.R. x 110%	3.06
	W.R. x 90%	(3.65)
<b>For the Year Ended 31st March, 2023</b>		
Salary growth rate	+0.50%	13.53
	-0.50%	(13.80)
Discount rate	+0.50%	(29.18)
	-0.50%	31.71
Withdrawal rate (W.R.)	W.R. x 110%	2.68
	W.R. x 90%	(3.34)

The above sensitivity analysis is based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. In presenting the above sensitivity analysis, the present value of defined benefit obligation has been calculated using the projected unit credit method at the end of reporting period, which is the same as that applied in calculating the defined obligation liability recognized in the balance sheet.

**40.3 Risk exposures**

**A. Actuarial Risk:**

It is the risk that benefits will cost more than expected. This can arise due to one of the following reasons:

**Adverse Salary Growth Experience:** Salary hikes that are higher than the assumed salary escalation will result into an increase in obligation at a rate that is higher than expected.

**Variability in mortality rates:** If actual mortality rates are higher than assumed mortality rate then the Gratuity benefits will be paid earlier than expected. Since there is no condition of vesting on the death benefit, the acceleration of cash flow will lead to an actuarial loss or gain depending on the relative values of the assumed salary growth and discount rate.

**Variability in withdrawal rates:** If actual withdrawal rates are higher than assumed withdrawal rate then the Gratuity benefits will be paid earlier than expected. The impact of this will depend on whether the benefits are vested as at the resignation date.

**B. Investment Risk:**

For funded plans that rely on insurers for managing the assets, the value of assets certified by the insurer may not be the fair value of instruments backing the liability. In such cases, the present value of the assets is independent of the future discount rate. This can result in wide fluctuations in the net liability or the funded status if there are significant changes in the discount rate during the inter-valuation period.

**C. Liquidity Risk:**

Employees with high salaries and long durations or those higher in hierarchy accumulate significant level of benefits. If some of such employees resign/retire from the company there can be strain on the cash flows.

**D. Market Risk:**

Market risk is a collective term for risks that are related to the changes and fluctuations of the financial markets. One actuarial assumption that has a material effect is the discount rate. The discount rate reflects the time value of money. An increase in discount rate leads to decrease in Defined Benefit Obligation of the plan benefits & vice versa. This assumption depends on the yields on the corporate/government bonds and hence the valuation of liability is exposed to fluctuations in the yields as at the valuation date.

**E. Legislative Risk:**

Legislative risk is the risk of increase in the plan liabilities or reduction in the plan assets due to change in the legislation/regulation. The government may amend the Payment of Gratuity Act thus requiring the companies to pay higher benefits to the employees. This will directly affect the present value of the Defined Benefit Obligation and the same will have to be recognized immediately in the year when any such amendment is effective.

**40.4 Details of Asset-Liability Matching Strategy**

Gratuity benefits liabilities of the company are Funded. There are no minimum funding requirements for a Gratuity benefits plan in India and there is no compulsion on the part of the Company to fully or partially pre-fund the liabilities under the Plan. The trustees of the plan have outsourced the investment management of the fund to insurance companies which are regulated by IRDA. Due to the restrictions in the type of investments that can be held by the fund, it may not be possible to explicitly follow an asset-liability matching strategy to manage risk actively in a conventional fund.

**40.5** The expected payments towards contributions to the defined benefit plan within one year is Rs. 191.04 lakhs (Previous year Rs. 133.54 lakhs).

**40.6 The following payments are expected towards Gratuity in future years:**

Year ended	(Rs. in lakhs)
	Cash flow
31st March, 2025	29.59
31st March, 2026	37.17
31st March, 2027	32.33
31st March, 2028	25.49
31st March, 2029	50.86
31st March, 2030 to 31st March, 2034	264.70

**40.7** The average duration of the defined benefit plan obligation at the end of the reporting period is 12.37 years (Previous Year 12.35 years).

**Note 41 - Share Based Payments**

**Employee Stock Option Schemes of Borosil Limited (BL)**

The Company offers equity based award plan to its employees through the Company's stock option plan.

**41.1 'Borosil Limited - Special Purpose Employee Stock Option Plan 2020' ("ESOP 2020")**

Pursuant to the Composite Scheme of Amalgamation and Arrangement ("the Composite Scheme") approved by the Hon'ble National Company Law Tribunal, Mumbai Bench ("NCLT") on 15th January, 2020, Employees of Borosil Renewables Limited(Company under common control) who were granted options under "Borosil Employee Stock Option Scheme 2017" ("ESOS 2017"), were issued equal number of options in the Company, irrespective of whether these options were vested or not under ESOS 2017.

Accordingly, with a view to restore the value of the employee stock options ("Options") pre and post demerger by providing fair adjustment in respect of Options granted under ESOS 2017, the Company had adopted and implemented a new Employee Stock Option Plan namely 'Borosil Limited - Special Purpose Employee Stock Option Plan 2020' ("ESOP 2020").

**The details of options granted under ESOP 2020 for the year ended 31st March 2024 is as under:**

Particulars	ESOP 2020	
	31st March, 2024	31st March, 2023
<b>Options as at 1st April</b>	<b>1,31,628</b>	<b>3,40,258</b>
Options granted during the year	-	-
Options forfeited during the year	-	-
Options exercised during the year	(88,017)	(2,08,630)
<b>Options outstanding as at 31st March</b>	<b>43,611</b>	<b>1,31,628</b>
<b>Number of option exercisable at the end of the year</b>	<b>43,611</b>	<b>1,31,628</b>

The fair value of options has been determined at the date of grant of the options. This fair value, adjusted by the Company's estimate of the number of options that will eventually vest, is expensed over the vesting period.

The fair values were calculated using the Black-Scholes Model for tenure based awards. The inputs to the model include the share price at the date of grant, exercise price, expected life, expected volatility, expected dividends and the risk free rate of interest. Expected volatility has been calculated using historical return on share price. All options are assumed to be exercised within six months from the date of respective vesting.

**Basic features of ESOP 2020**

Particulars	ESOP 2020
Date of Shareholder's Approval	The Composite Scheme of Amalgamation and Arrangement (Composite Scheme) including provisions for forming of the ESOP scheme, was approved by the Shareholders on 15th May, 2019 and by virtue of the Composite Scheme, the authority to formulate the ESOP Scheme was given to the Board of Directors. Accordingly, the Board of Directors, had approved the 'Borosil Limited - Special Purpose Employee Stock Option Plan 2020' on 3rd February, 2020.
Number of Options granted	4,43,388
Vesting Requirements	Time based vesting depending on completion of Service period, starting from 1st year after the date of original grant. Pursuant to the Composite Scheme and to provide fair and reasonable adjustment, the completed vesting period under the ESOP 2017 was considered, while calculating such vesting period.
The pricing Formula	The Exercise price was decided by the Nomination and Remuneration Committee after considering the fair adjustments required pursuant to the Composite Scheme.
Maximum Term of options granted	8 years (Vesting period + Exercise Period)
Method of Settlements	Equity Settled
Sources of Shares	Primary issuance of shares
Variation in terms of ESOP	Exercise price has been adjusted in effect to the Corporate Action
Method of Accounting	Fair Value Method

The assumptions used in the calculation of fair value as on the grant date of the options are set out below:

Particulars	ESOP 2020 (Grant date - 06.06.2020)	ESOP 2020 (Grant date - 06.06.2020)
Number of Options granted	3,63,708	79,680
Exercise Price	Rs. 127.75	Rs. 162.25
Share Price at the date of grant	Rs. 165.04	Rs. 165.04
Vesting Period	1) 33% of the option on completion of 1 year from original grant date i.e. 02.11.2017 2) 33% of the option on completion of 2 years from original grant date i.e. 02.11.2017 3) 34% of the option on completion of 3 years from original grant date i.e. 02.11.2017	1) 50% of the option on completion of 1 year from original grant date i.e. 24.07.2018 2) 50% of the option on completion of 2 years from original grant date i.e. 24.07.2018
Expected Volatility	38.60%	37.72%
Expected option life	6 months	6 months
Expected dividends	0.28%	0.26%
Risk free interest rate	6.70%	7.50%
Fair value per option granted	1) Rs.65.91 on vesting of shares on completion of 1 year from grant date 2) Rs.81.41 on vesting of shares on completion of 2 years from grant date 3) Rs.94.22 on vesting of shares on completion of 3 years from grant date	1) Rs.77.49 on vesting of shares on completion of 1 year from grant date 2) Rs.97.99 on vesting of shares on completion of 2 years from grant date

Since there are no pending unvested options for the ESOP 2020 and all the options have already been vested, no expenditure has been recognised for the year ended 31st March, 2024 and for the year ended 31st March, 2023.

**41.2 Borosil Limited Employee Stock Option Scheme 2020 ("NEW ESOS 2020")**

In order to provide equity settled incentive to specific employees of the Company and its Subsidiaries, the Company has introduced NEW ESOS 2020. The NEW ESOS 2020 includes tenure-based stock options. The specific employees to whom these Options are granted and their eligibility criteria are determined by the Nomination and Remuneration Committee.

During the year, 28000 options (Previous year 3,88,200 Options) were granted to the eligible employees at an exercise price of Rs.348 per options (Previous Year in the range of Rs. 259 - Rs.293 per option). Exercise period is 5 years from the date of vesting of the respective options.

**The details of options granted under NEW ESOS 2020 for the year ended 31st March 2024 is as under:**

Particulars	NEW ESOS 2020	
	31st March, 2024	31st March, 2023
<b>Options as at 1st April</b>	<b>7,78,600</b>	<b>4,62,000</b>
Options granted during the year	28,000	3,88,200
Options forfeited during the year	(65,863)	(28,410)
Options exercised during the year	(79,591)	(43,190)
<b>Options outstanding as at 31st March</b>	<b>6,61,146</b>	<b>7,78,600</b>
<b>Number of option exercisable at the end of the year</b>	<b>2,59,836</b>	<b>1,04,980</b>

The fair value of options has been determined at the date of grant of the options. This fair value, adjusted by the Company's estimate of the number of options that will eventually vest, is expensed over the vesting period.

The fair values were calculated using the Black-Scholes Model for tenure-based awards. The inputs to the model include the share price at the date of grant, exercise price, expected life, expected volatility, expected dividends and the risk-free rate of interest. Expected volatility has been calculated using historical return on share price. All options are assumed to be exercised within 2.51 years from the date of respective vesting.

**Basic features of NEW ESOS 2020**

Particulars	NEW ESOS 2020
Date of Shareholder's Approval	29th September, 2020
Number of Options granted	8,78,200
Vesting Requirements	Options under NEW ESOS 2020 would vest within maximum of 5 (five) years from the date of grant of options. Vesting of Options would be subject to continued employment with the Company, its Subsidiary Company, as the case may be and thus the Options would vest essentially on passage of time.
The pricing Formula	The exercise price shall be market price of share or discount upto 10% or premium upto 10% to the market price, as may be decided by Nomination and Remuneration Committee from time to time. "Market Price" means the latest available closing price on the Stock Exchange having higher trading volume in the equity shares of the Company on the date immediately prior to the date of grant.
Maximum Term of options granted	8 years (Vesting period + Exercise Period)
Method of Settlements	Equity Settled
Sources of Shares	Primary issuance of shares
Variation in terms of ESOP	Shareholders of the Company at their AGM held on 26th August, 2021 had approved modification to the NEW ESOS 2020 pursuant to which maximum vesting period has been revised from 3 years to 5 years. Options granted under NEW ESOS 2020 would vest after 1 (one) year but not later than 5 (five) years from the date of grant of options as may be determined by the Nomination and Remuneration Committee.
Method of Accounting	Fair Value Method

Accordingly, the assumptions used in the calculations of original grant date fair value of the options are set out below:

Particulars	New ESOS 2020 (Grant date - 27.05.2021)	New ESOS 2020 (Grant date - 09.05.2022)	New ESOS 2020 (Grant date - 11.07.2022)	New ESOS 2020 (Grant date - 27.10.2023)
Number of Options granted	4,62,000	3,34,100	54,100	28,000
Exercise Price	Rs. 221.00	Rs. 293.00	Rs. 259.00	Rs. 348.00
Share Price at the date of grant	Rs. 245.30	Rs. 323.00	Rs. 322.20	Rs. 386.90
Vesting Period	1) 33% of the option on completion of 1 year from the grant date i.e. 27.05.2021 2) 33% of the option on completion of 2 years from the grant date i.e. 27.05.2021 3) 34% of the option on completion of 3 years from the grant date i.e. 27.05.2021	1) 33% of the option on completion of 1 year from the grant date i.e. 09.05.2022 2) 33% of the option on completion of 2 years from the grant date i.e. 09.05.2022 3) 34% of the option on completion of 3 years from the grant date i.e. 09.05.2022	1) 33% of the option on completion of 1 year from the grant date i.e. 11.07.2022 2) 33% of the option on completion of 2 years from the grant date i.e. 11.07.2022 3) 34% of the option on completion of 3 years from the grant date i.e. 11.07.2022	1) 33% of the option on completion of 1 year from the grant date i.e. 27.10.2023 2) 33% of the option on completion of 2 years from the grant date i.e. 27.10.2023 3) 34% of the option on completion of 3 years from the grant date i.e. 27.10.2023
Expected Volatility	25.00%	25.00%	25.00%	25.00%
Expected option life	2.51 years	2.51 years	2.51 years	2.51 years
Expected dividends	0.40%	0.00%	0.00%	0.00%
Risk free interest rate	4.13%	6.53%	6.90%	7.44%
Fair value per option granted	1) Rs. 49.17 on vesting of shares on completion of 1 year from grant date 2) Rs. 62.31 on vesting of shares on completion of 2 years from grant date 3) Rs. 74.23 on vesting of shares on completion of 3 years from grant date	1) Rs. 71.46 on vesting of shares on completion of 1 year from grant date 2) Rs. 91.08 on vesting of shares on completion of 2 years from grant date 3) Rs. 108.01 on vesting of shares on completion of 3 years from grant date	1) Rs. 94.78 on vesting of shares on completion of 1 year from grant date 2) Rs. 112.87 on vesting of shares on completion of 2 years from grant date 3) Rs. 128.71 on vesting of shares on completion of 3 years from grant date	1) Rs. 90.26 on vesting of shares on completion of 1 year from grant date 2) Rs. 115.60 on vesting of shares on completion of 2 years from grant date 3) Rs. 137.30 on vesting of shares on completion of 3 years from grant date

The Company has recognized total expenses of Rs. 114.04 lakhs (Previous year Rs. 178.61 lakhs) related to above equity settled share-based payment transactions for the year ended 31st March, 2024. During the year, the Company has granted Nil options (Previous Year 97,100 options) to the employees of Borosil Scientific Limited ( Formerly Known as Klass Pack Limited), Company under common control. The assets recognised on account of this will be receivable upon exercise of the options by such employees.

**41.3 Employee Stock Option Scheme of Borosil Renewables Limited (BRL)**

The Company recognized total expenses of Rs. Nil (Previous Year Rs. Nil) related to equity settled share-based payment transactions for the year ended 31st March, 2024 with respect to stock options granted by BRL to the employees of the Company, who were transferred from BRL to the Company pursuant to the Composite Scheme as approved by the Hon'ble NCLT vide its order dated 15th January, 2020. The liability recognised on account of this will be paid to BRL upon exercise of the options by such employees. Total outstanding amount to be payable on account of pending exercise is Rs. 2.23 Lakhs (Previous Year Rs. 2.23 lakhs) as at 31st March, 2024.

**Note 42 - Provisions**

Disclosures as required by Ind AS 37 Provisions, Contingent Liabilities and Contingent Assets:

Movement in provisions:

Nature of provision			(Rs. in lakhs)
	Provision for Doubtful Deposits and Advances	Provision for Credit Impaired	Total
<b>As at 1st April, 2022</b>	<b>179.74</b>	<b>420.26</b>	<b>600.00</b>
Provision during the year	-	-	-
On account of Scheme of Arrangement (Refer Note 50)	(11.83)	-	(11.83)
Reversal of provision during the year	(163.71)	(44.51)	(208.22)
<b>As at 31st March, 2023</b>	<b>4.20</b>	<b>375.75</b>	<b>379.95</b>
Provision during the year	-	-	-
Reversal of provision during the year	(1.08)	(286.84)	(287.92)
<b>As at 31st March, 2024</b>	<b>3.12</b>	<b>88.91</b>	<b>92.03</b>

**Note 43 - Segment reporting**

The Group is primarily engaged in the business of manufacturing and trading of Consumer ware products business, which is a single segment in terms of Ind AS 108 "Operating Segments".

**43.1 Revenue From External Sales**

Particulars	(Rs. in lakhs)	
	31st March, 2024	31st March, 2023
India	90,370.34	71,865.69
Outside India	3,854.84	2,291.86
<b>Total Revenue as per statement of profit or loss</b>	<b>94,225.18</b>	<b>74,157.55</b>

**43.2 Non-current assets:**

The following is details of the carrying amount of non-current assets, which do not include deferred tax assets, income tax assets, financial assets and Goodwill, by the geographical area in which the assets are located:

Particulars	(Rs. in lakhs)	
	31st March, 2024	31st March, 2023
India	59,430.60	42,384.13
Outside India	14.13	63.66
<b>Total</b>	<b>59,444.73</b>	<b>42,447.79</b>

43.3 Revenue of Rs. Nil (Previous year Rs. Nil) from customers represents more than 10% of the Group's revenue for the year ended 31st March, 2024.

**Note 44 - Related party disclosure**

In accordance with the requirements of Ind AS 24 "Related Party Disclosures", name of the related party, related party relationship, transactions and outstanding balances including commitments where control exists and with whom transactions have taken place during reported periods, are as detailed below:

**44.1 List of Related Parties :**

Name of the related party

**(a) Key Management Personnel**

Mr. Shreevar Kheruka – Managing Director & Chief Executive Officer  
 Mr. Rajesh Kumar Chaudhary - Whole-time Director  
 Mr. Anand Sultania - Chief Financial Officer  
 Mrs. Anshu Agarwal - Company Secretary

**(b) Relative of Key Management Personnel**

Mr. P.K.Kheruka - Relative of Mr. Shreevar Kheruka.  
 Mrs. Priyanka Kheruka - Relative of Mr. Shreevar Kheruka.  
 Mrs. Kiran Kheruka - Relative of Mr. Shreevar Kheruka.  
 Mrs. Rekha Kheruka - Relative of Mr. Shreevar Kheruka.

**(c) Enterprises over which persons described in (a) & (b) above are able to exercise significant influence (Other Related Parties) with whom transactions have taken place:**

Window Glass Limited  
 Borosil Renewables Limited  
 Borosil Scientific Limited (Formerly Known as Klass Pack Limited)  
 Goel Scientific Glass Works Limited  
 Kheruka Properties LLP

**(d) Trust under Common control**

Name of the entity	Country of incorporation	Principal Activities
Borosil Limited Employees Gratuity Fund	India	Company's employee gratuity trust
Borosil Limited Management Employees Pension Fund	India	Company's employee superannuation trust

**44.2 Transactions with Related Parties:**

Nature of Transactions	Name of the Related Party	(Rs. in lakhs)	
		2023-24	2022-23
<b>Transactions with other related parties:</b>			
Sale of Goods	Borosil Renewables Limited	12.59	8.95
	Borosil Scientific Limited	18.49	-
	Goel Scientific Glass Works Limited	7.74	-
Rent Income	Borosil Renewables Limited	13.20	13.20
	Window Glass Limited	0.95	0.95
	Borosil Scientific Limited	100.27	-
Shared Service Support Income	Borosil Scientific Limited	517.19	-
	Borosil Renewables Limited	32.22	-
Purchase of Goods	Borosil Scientific Limited	6,175.76	4,027.75
	Goel Scientific Glass Works Limited	4.10	-
Professional fees Paid	Mrs. Priyanka Kheruka	42.00	36.00
Shared Service Support Expenses	Borosil Renewables Limited	90.03	-
Rent Expenses	Kheruka Properties LLP	88.29	-
Interest Expenses	Borosil Scientific Limited	113.63	-
Reimbursement of expenses to	Borosil Scientific Limited	4.43	-
Reimbursement of expenses from	Borosil Renewables Limited	58.02	10.99
	Borosil Scientific Limited	79.10	-
	Goel Scientific Glass Works Limited	18.53	-
Remuneration of Key Management Personnel	Mr. Shreevar Kheruka	1,120.13	989.17
	Mr. Rajesh Kumar Chaudhary	164.25	141.31
	Mr. Anand Sultania	66.71	50.22
	Mrs. Anshu Agarwal	70.76	57.09
Share Based Payment	Mr. Rajesh Kumar Chaudhary	12.69	17.15
	Mr. Anand Sultania	2.31	4.88
	Mrs. Anshu Agarwal	3.55	5.40
Security Deposit Taken	Borosil Scientific Limited	93.30	-
Amount received on exercise of ESOS	Mr. Rajesh Kumar Chaudhary	-	129.28
Directors Sitting Fees	Mr. P. K. Kheruka	9.00	6.20
Commission to Non-Executive Director	Mr. P.K.Kheruka	17.50	16.00
Contribution towards Gratuity Fund	Borosil Limited Employees Gratuity Fund	100.00	27.24
Contribution towards Superannuation Fund	Borosil Limited Management Employees Pension Fund	13.37	-

Nature of Transactions	Name of the Related Party	(Rs. in lakhs)	
		As at 31st March, 2024	As at 31st March, 2023
<b>Balances with Other related Parties</b>			
Trade Payable	Borosil Renewables Limited	22.76	11.73
	Borosil Scientific Limited	1119.23	-
Trade Receivable	Goel Scientific Glass Works Limited	18.97	-
Current Financial Assets - Others	Borosil Renewables Limited	-	2.29
	Borosil Scientific Limited	36.93	36.36
Current Financial Liabilities - Others	Borosil Renewables Limited	-	2.23
	Borosil Scientific Limited (Refer Note 44.5)	9,780.91	8,471.10
Current Financial Liabilities - Others	Borosil Scientific Limited	93.30	-
Interest accrued but not due on Others	Borosil Scientific Limited	102.27	-

**44.3 Compensation to key management personnel of the Company**

(Rs. in lakhs)

Nature of transaction	2023-24	2022-23
Short-term employee benefits	1,451.56	1,273.41
Post-employment benefits	2.39	1.46
<b>Total compensation paid to key management personnel</b>	<b>1,453.95</b>	<b>1,274.86</b>

**44.4** The transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at year-end are unsecured, unless specified and settlement occurs in cash. This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

**44.5** Net amount payable in pursuant to the Scheme of Arrangement (Refer Note 50)

**Note 45 - Fair Values**

**45.1 Financial Instruments by category:**

Set out below is a comparison by class of the carrying amounts and fair value of the Group's financial assets and liabilities that are recognised in the financial statements.

**a) Financial Assets / Liabilities measured at fair value:**

(Rs. in lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
<b>Financial Assets designated at fair value through profit or loss:</b>		
- Investments	8,538.59	14,637.02
<b>Financial Liabilities designated at fair value through profit or loss:</b>		
- Derivative Instruments (loss on outstanding foreign exchange forward contracts)	50.43	-

**b) Financial Assets / Liabilities measured at amortised cost:**

(Rs. in lakhs)

Particulars	As at 31st March, 2024		As at 31st March, 2023	
	Carrying Value	Fair Value	Carrying Value	Fair Value
<b>Financial Assets designated at amortised cost:</b>				
- Trade Receivable	9,140.45	9,140.45	5,133.07	5,133.07
- Cash and cash equivalents	539.50	539.50	815.08	815.08
- Bank Balance other than cash and cash equivalents	148.31	148.31	136.23	136.23
- Loans	94.47	94.47	44.45	44.45
- Others	457.80	457.80	372.80	372.80
<b>Total</b>	<b>10,380.53</b>	<b>10,380.53</b>	<b>6,501.63</b>	<b>6,501.63</b>



Particulars	(Rs. in lakhs)			
	As at 31st March, 2024		As at 31st March, 2023	
	Carrying Value	Fair Value	Carrying Value	Fair Value
<b>Financial Liabilities designated at amortised cost:</b>				
- Borrowings	15,388.53	15,388.53	8,828.63	8,828.63
- Lease Liabilities	1,096.38	1,096.38	622.30	622.30
- Trade Payable	8,844.24	8,844.24	4,097.11	4,097.11
- Other Financial Liabilities	21,554.68	21,554.68	17,430.97	17,430.97
<b>Total</b>	<b>46,883.83</b>	<b>46,883.83</b>	<b>30,979.01</b>	<b>30,979.01</b>

#### 45.2 Fair Valuation techniques used to determine fair value

The Group maintains procedures to value financial assets or financial liabilities using the best and most relevant data available. The fair values of the financial assets and liabilities are included at the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The following methods and assumptions were used to estimate the fair values:

- Fair value of trade receivable, cash and cash equivalents, other bank balances, trade payables, loans, current borrowings, deposits and other financial assets and liabilities are approximate at their carrying amounts largely due to the short-term maturities of these instruments.
- The fair values of non-current loans, fixed deposits, security deposits, Non-current Lease Liabilities and Non-current Borrowings are approximate at their carrying amount due to interest bearing features of these instruments.
- The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.
- Fair values of quoted financial instruments are derived from quoted market prices in active markets.
- The fair value for level 3 instruments is valued using inputs based on information about market participants assumptions and other data that are available.
- The fair value of the remaining financial instruments is determined using discounted cash flow analysis and/or direct sales comparison approach.
- Equity Investments in subsidiaries are stated at cost.

#### 45.3 Fair value hierarchy

The Group uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation techniques:

- Level 1** :- Quoted prices / published NAV (unadjusted) in active markets for identical assets or liabilities. It includes fair value of financial instruments traded in active markets and are based on quoted market prices at the balance sheet date and financial instruments like mutual funds for which net assets value (NAV) is published by mutual fund operators at the balance sheet date.
- Level 2** :- Inputs, other than quoted prices included within level 1, that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices). It includes fair value of the financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined by using valuation techniques. These valuation techniques maximise the use of observable market data where it is available and rely as little as possible on the Group specific estimates. If all significant inputs required to fair value an instrument are observable then instrument is included in level 2.
- Level 3** :- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs). If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

The following table provides hierarchy of the fair value measurement of Group's asset and liabilities, grouped into Level 1 (Quoted prices in active markets), Level 2 (Significant observable inputs) and Level 3 (Significant unobservable inputs) as described below:

Particulars	(Rs. in lakhs)		
	31st March, 2024		
	Level 1	Level 2	Level 3
<b>Financial Assets designated at fair value through profit or loss:</b>			
-- Listed debentures*	-	3,306.63	-
-- Mutual funds	2,449.67	-	-
-- Alternative Investment Funds**	-	2,779.38	-
-- Unlisted equity investments	-	-	2.91
<b>Financial Liabilities designated at fair value through profit or loss:</b>			
-- Derivative Instruments (loss on outstanding foreign exchange forward contracts)	-	50.43	-
<b>Total</b>	<b>2,449.67</b>	<b>6,136.44</b>	<b>2.91</b>

Particulars	(Rs. in lakhs)		
	31st March, 2023		
	Level 1	Level 2	Level 3
<b>Financial Assets designated at fair value through profit or loss:</b>			
-- Listed debentures*	-	3,179.37	-
-- Mutual funds	7,682.38	-	-
-- Alternative Investment Funds**	-	3,668.00	-
-- Unlisted equity investments	-	-	2.77
-- Unlisted bonds and debentures	-	104.50	-
<b>Total</b>	<b>7,682.38</b>	<b>6,951.87</b>	<b>2.77</b>

\* Listed debentures are classified as Level 2 in the absence of active market for such investments.

\*\* Group invests in various venture capital funds and alternative investment funds and these funds further invests into various companies. Group has considered the fair value on the basis of valuation provided by respective funds.

There were no transfers between Level 1 and Level 2 during the year.

**45.4 Description of the inputs used in the fair value measurement:**

Following table describes the valuation techniques used and key inputs to valuation for level 3 of the fair value hierarchy as at 31st March, 2024, 31st March, 2023 respectively:

Particulars	As at 31st March, 2024	Valuation Technique	Inputs used	(Rs. in lakhs)
				Sensitivity
<b>Financial Assets designated at fair value through profit or loss:</b>				
-- Unlisted equity investments	2.91	Book Value	Financial statements	No material impact on fair valuation

Particulars	As at 31st March, 2023	Valuation Technique	Inputs used	(Rs. in lakhs)
				Sensitivity
<b>Financial Assets designated at fair value through profit or loss:</b>				
-- Unlisted equity investments	2.77	Book Value	Financial statements	No material impact on fair valuation

**45.5 Reconciliation of fair value measurement categorised within level 3 of the fair value hierarchy:**

Financial Assets designated at fair value through profit or loss - Investments.

Particulars	Rs. in lakhs
<b>Fair value as at 1st April, 2022</b>	<b>2.59</b>
Gain on financial instruments measured at fair value through profit or loss (net)	0.18
Purchase / (Sale) of financial instruments	-
Amount transferred to / (from) Level 3	-
<b>Fair value as at 31st March, 2023</b>	<b>2.77</b>
Gain on financial instruments measured at fair value through profit or loss (net)	0.14
Purchase / (Sale) of financial instruments	-
Amount transferred to / (from) Level 3	-
<b>Fair value as at 31st March, 2024</b>	<b>2.91</b>

**45.6 Description of the valuation processes used by the Group for fair value measurement categorised within level 3:**

At each reporting date, the Group analyses the movements in the values of financial assets and liabilities which are required to be remeasured or reassessed as per the accounting policies. For this analysis, the Group verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents.

The Group also compares the change in the fair value of each financial asset and liability with relevant external sources to determine whether the change is reasonable. The Group also discusses of the major assumptions used in the valuations.

For the purpose of fair value disclosures, the Group has determined classes of financial assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

**Note 46 :- Financial Risk Management - Objectives and Policies:**

The Group is exposed to market risk, credit risk and liquidity risk. Risk management is carried out by the group under policies approved by the board of directors. This Risk management plan defines how risks associated with the Group will be identified, analysed, and managed. It outlines how risk management activities will be performed, recorded, and monitored by the Group. The basic objective of risk management plan is to implement an integrated risk management approach to ensure all significant areas of risks are identified, understood and effectively managed, to promote a shared vision of risk management and encourage discussion on risks at all levels of the organization to provide a clear understanding of risk/benefit trade-offs, to deploy appropriate risk management methodologies and tools for use in identifying, assessing, managing and reporting on risks, and to determine the appropriate balance between cost and control of risk and deploy appropriate resources to manage/optimize key risks. Activities are developed to provide feedback to management and other interested parties (e.g. Audit committee, Board etc.). The results of these activities ensure that risk management plan is effective in the long term.

**46.1 Market risk**

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market prices comprise of three types of risk: foreign currency rate risk, interest rate risk and other price risks, such as equity price risk and commodity risk.

The sensitivity analysis is given relate to the position as at 31st March 2024 and 31st March 2023.

The sensitivity analysis excludes the impact of movements in market variables on the carrying value of post-employment benefit obligations, provisions and on the non-financial assets and liabilities. The sensitivity of the relevant statement of profit and loss item is the effect of the assumed changes in the respective market risks. The Group's activities expose it to a variety of financial risks, including the effects of changes in foreign currency exchange rates and interest rates. This is based on the financial assets and financial liabilities held as at 31st March, 2024 and as at 31st March, 2023.

**(a) Foreign exchange risk and sensitivity**

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Group's exposure to the risk of changes in foreign exchange rates relates primarily to the Group's operating activities. The Group transacts business primarily in USD, EURO and GBP. The Group has foreign currency trade and other payables, trade receivables and other current financial assets and liabilities and is therefore, exposed to foreign exchange risk. The Group regularly reviews and evaluates exchange rate exposure arising from foreign currency transactions.

The following table demonstrates the sensitivity in the USD, EURO, GBP, HKD and CNY to the Indian Rupee with all other variables held constant. The impact on the Group's profit before tax due to changes in the fair values of monetary assets and liabilities is given below:

Unhedged Foreign currency exposure as at 31st March, 2024	Currency	Amount in FC	Rs. in lakhs
Trade Receivables	USD	6,45,617	539.27
Trade and Other Payables	USD	6,88,289	573.85
Trade and Other Payables	EURO	6,60,157	595.45

Unhedged Foreign currency exposure as at 31st March, 2023	Currency	Amount in FC	Rs. in lakhs
Trade Receivables	USD	65,058	52.50
Trade and Other Payables	USD	15,26,418	1,285.12
Trade and Other Payables	EURO	45,427	42.24
Trade and Other Payables	GBP	1,200	1.25
Other Current Financial Liabilities	USD	55,037	46.02
Other Current Financial Assets	USD	200	0.16
Other Current Financial Assets	EURO	1,820	1.60
Other Current Financial Assets	HKD	18	0.00
Other Current Financial Assets	CNY	3,826	0.46

1% increase or decrease in foreign exchange rates will have the following impact on profit before tax (PBT) :

Particulars	(Rs. in lakhs)			
	2023-24		2022-23	
	1% Increase	1% Decrease	1% Increase	1% Decrease
USD	(0.35)	0.35	(12.78)	12.78
EURO	(5.95)	5.95	(0.41)	0.41
Others	-	-	(0.01)	0.01
<b>Increase / (Decrease) in profit before tax</b>	<b>(33.84)</b>	<b>33.84</b>	<b>(13.20)</b>	<b>13.20</b>

**b) Interest rate risk and sensitivity :**

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group has long term borrowings in the form of Term Loan as well as short term borrowings in the form of Working Capital Loan. Due to floating rate of interest of terms loan and working capital loan, the Group has exposure towards interest rate risk.

The table below illustrates the impact of a 2% increase in interest rates on interest on financial liabilities assuming that the changes occur at the reporting date and has been calculated based on risk exposure outstanding as of date. The year end balances are not necessarily representative of the average debt outstanding during the year. This analysis also assumes that all other variables, in particular foreign currency rates, remain constant.

Particulars	(Rs. in lakhs)			
	2023-24		2022-23	
	2% Increase	2% Decrease	2% Increase	2% Decrease
Term Loan	240.34	(240.34)	132.96	(132.96)
Working Capital Loan	67.43	(67.43)	43.61	(43.61)
<b>Decrease / (Increase) in Profit before Tax</b>	<b>307.77</b>	<b>(307.77)</b>	<b>176.57</b>	<b>(176.57)</b>

**c) Commodity price risk:**

The Group is exposed to the movement in price of key traded materials in domestic and international markets. The Group has a robust framework and governance mechanism in place to ensure that the organisation is adequately protected from the market volatility in terms of prices and availability.

**d) Equity price risk:**

The Group does not have any exposure towards equity securities price risk arises from investments held by the Group.

**46.2 Credit risk**

Credit risk is the risk that a counter party will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Group is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks, foreign exchange transactions and other financial instruments.

The Group considers the probability of default upon initial recognition of asset and also considers whether there has been a significant increase in credit risk on an ongoing basis through each reporting period. To assess whether there is a significant increase in credit risk, the Group compares the risk of default occurring on asset as at the reporting date with the risk of default as at the date of initial recognition. It considers reasonable and supportive forwarding-looking information such as:

- i) Actual or expected significant adverse changes in business,
- ii) Actual or expected significant changes in the operating results of the counterparty,
- iii) Financial or economic conditions that are expected to cause a significant change to the counterparty's ability to meet its obligations,
- iv) Significant increase in credit risk on other financial instruments of the same counterparty,
- v) Significant changes in the value of the collateral supporting the obligation or in the quality of the third-party guarantees or credit enhancements.

Financial assets are written off when there is no reasonable expectation of recovery, such as a debtor failing to engage in a repayment plan with the Group. Where loans or receivables have been written off, the Group continues to engage in enforcement activity to attempt to recover the receivable due. Where recoveries are made, these are recognized as income in the statement of profit and loss. The Group measures the expected credit loss of trade receivables based on historical trend, industry practices and the business environment in which the entity operates. Loss rates are based on actual credit loss experience and past trends. Based on the historical data, loss on collection of receivable is not material hence no additional provision considered.

**a) Trade Receivables:**

The Group extends credit to customers in normal course of business. The Group considers factors such as credit track record in the market and past dealings with the Group for extension of credit to customers. The Group monitors the payment track record of the customers. Outstanding customer receivables are regularly monitored. The Group evaluates the concentration of risk with respect to trade receivables as low, as its customers are located in several jurisdictions and industries are operate in largely independent markets. The Group has also taken security deposits in certain cases from its customers, which mitigate the credit risk to some extent. Further, the Group has policy of provision for doubtful debts. Revenue of Rs. Nil (Previous year Rs. Nil) from a customer represents more than 10% of the Group revenue for the year ended 31st March, 2024. The Group does not expect any material risk on account of non-performance by Group's counterparties.

The Group has used practical expedient by computing the expected credit loss allowance for trade receivables based on provision matrix. The provision matrix taken into account historical credit loss experience and adjusted for forward looking information. The expected credit loss allowance is based on ageing of the days the receivables are due.

The following table summarizes the Gross carrying amount of the trade receivable and provision made.

Particulars	(Rs. in lakhs)			
	As at 31st March, 2024		As at 31st March, 2023	
	Gross Carrying Amount	Loss Allowance	Gross Carrying Amount	Loss Allowance
Trade Receivable	9,229.36	88.91	5,508.81	375.74

**b) Financial instruments and cash deposits:**

The Group considers factors such as track record, size of the institution, market reputation and service standards to select the banks with which balances are maintained. Credit risk from balances with banks is managed by the Group's finance department. Investment of surplus funds are also managed by finance department. The Group does not maintain significant cash in hand. Excess balance of cash other than those required for its day to day operations is deposited into the bank.

For other financial instruments, the finance department assesses and manage credit risk based on internal assessment. Internal assessment is performed for each class of financial instrument with different characteristics.

**46.3 Liquidity risk.**

Liquidity risk is the risk that the Group may not be able to meet its present and future cash and collateral obligations without incurring unacceptable losses. The Group's objective is to, at all times, maintain optimum levels of liquidity to meet its cash and collateral requirements. The Group relies operating cash flows, short term borrowings in the form of working capital loan to meet its needs for funds. Group does not breach any covenants (where applicable) on any of its borrowing facilities. The Group has access to a sufficient variety of sources of funding as per requirement. The Group has also the sanctioned limit from the banks.

The table below provides undiscounted cash flows towards financial liabilities into relevant maturity based on the remaining period at the balance sheet to the contractual maturity date.

Particulars	(Rs. in lakhs)					Total
	Maturity					
	On Demand	0 - 3 Months	3 - 6 Months	6 - 12 months	More than 1 year	
<b>As at 31st March, 2024</b>						
Borrowings	3,371.63	680.67	680.67	1,361.33	9,294.23	15,388.53
Lease Liabilities	-	43.51	45.88	94.60	912.39	1,096.38
Trade Payable	-	8,844.24	-	-	-	8,844.24
Other Financial Liabilities *	-	21,516.32	-	38.36	-	21,554.68
<b>Total</b>	<b>3,371.63</b>	<b>31,084.74</b>	<b>726.55</b>	<b>1,494.29</b>	<b>10,206.62</b>	<b>46,883.83</b>
<b>As at 31st March, 2023</b>						
Borrowings	2,180.72	332.39	332.39	664.80	5,318.33	8,828.63
Lease Liabilities	-	22.56	22.56	45.11	532.07	622.30
Trade Payable	-	4,097.11	-	-	-	4,097.11
Other Financial Liabilities *	-	17,409.01	-	21.96	-	17,430.97
<b>Total</b>	<b>2,180.72</b>	<b>21,861.07</b>	<b>354.95</b>	<b>731.87</b>	<b>5,850.40</b>	<b>30,979.01</b>

\* Includes amount payable to related party on account of Scheme of Arrangement.

**46.4 Competition and price risk**

The Group faces competition from local and foreign competitors. Nevertheless, it believes that it has competitive advantage in terms of high quality products and by continuously upgrading its expertise and range of products to meet the needs of its customers.

**Note 47: Capital Management**

For the purpose of Group's capital management, capital includes issued capital, other equity and debts. The primary objective of the Group's capital management is to maximise shareholders value. The Group manages its capital structure and makes adjustments in the light of changes in economic environment and the requirements of the financial covenants.

The Group monitors capital using gearing ratio, which is net debt divided by total capital (equity plus net debt). Net debt are non-current and current debts as reduced by cash and cash equivalents and current investments. Equity comprises all components including other comprehensive income.

Particulars	(Rs. in lakhs)	
	As at 31st March, 2024	As at 31st March, 2023
Total Debt	15,388.53	8,828.63
Less:- Cash and cash equivalent	539.50	815.08
Less:- Current Investments	5,756.30	10,966.25
<b>Net Debt</b>	<b>9,092.73</b>	<b>-</b>
<b>Total Equity (Equity Share Capital plus Other Equity)</b>	<b>58,000.11</b>	<b>50,997.93</b>
<b>Total Capital (Total Equity plus net debt)</b>	<b>67,092.84</b>	<b>50,997.93</b>
<b>Gearing ratio</b>	<b>13.55%</b>	<b>NA</b>

**Note 48: Assets held for Sale**

48.1 Description of the assets held for sale	(Rs. in lakhs)	
	As at 31st March, 2024	As at 31st March, 2023
Property, Plant and Equipment - Building	-	3,614.76
Property, Plant and Equipment - Plant and Equipment	-	35.00
<b>Total</b>	<b>-</b>	<b>3,649.76</b>

**48.2** During the year, the Group has disposed off the Property, Plant and Equipment - Plant and Equipment, which were classified as assets held for sale, having carrying value of Rs.35.00 lakhs and further Group has transferred the Property, Plant and Equipment - Building, having carrying value of Rs. 3614.76 Lakhs from Assets held for disposal to Property, Plant and Equipment.

**Note 49: Leases**

As per Ind AS 116 'Leases', the disclosures of lease are given below:

(i) Following are the amounts recognised in Statement of Profit & Loss:

Particulars	(Rs. in lakhs)	
	For the Year Ended 31st March, 2024	For the Year Ended 31st March, 2023
Depreciation expense for right-of-use assets	205.07	63.83
Interest expense on lease liabilities	83.95	31.57
<b>Total amount recognised in the statement of Profit &amp; loss</b>	<b>289.02</b>	<b>95.40</b>

(ii) The following is the movement in lease liabilities during the year :

Particulars	(Rs. in lakhs)	
	For the Year Ended 31st March, 2024	For the Year Ended 31st March, 2023
Opening Balance	622.30	119.06
Addition during the year	621.32	546.28
Finance cost accrued during the year	83.95	31.57
Payment of lease liabilities	(231.19)	(74.61)
<b>Closing Balance</b>	<b>1,096.38</b>	<b>622.30</b>

(iii) The following is the contractual maturity profile of lease liabilities:

Particulars	(Rs. in lakhs)	
	For the Year Ended 31st March, 2024	For the Year Ended 31st March, 2023
Less than one year	183.99	90.23
One year to five years	709.06	422.00
More than five years	203.33	110.07
<b>Closing Balance</b>	<b>1,096.38</b>	<b>622.30</b>

(iv) Lease liabilities carry an effective interest rates in the range of 8.15% to 8.50%. The lease terms are in the range of 5 to 30 years.

**Note 50 :- Disclosure on Composite Scheme of Arrangement and accounting as per Ind AS 103**

- 50.1** The Composite Scheme of Arrangement amongst the Company ("BL"), Klass Pack Ltd ("KPL or Resulting Company"), a subsidiary of BL, and Borosil Technologies Ltd ("BTL") ("Transferor Company"), a wholly owned subsidiary of BL ('Scheme of Arrangement') has been approved by National Company Law Tribunal, Mumbai Bench (NCLT) (the appropriate authority) vide its order pronounced on 2nd November, 2023, which inter alia provides for: (a) reduction and reorganization of share capital of KPL; (b) demerger of Scientific and Industrial Product Business ("Demerged Undertaking") from BL into KPL and consequent issue of shares by KPL; and (c) amalgamation of BTL with KPL and (d) renaming of Klass Pack Limited to Borosil Scientific Limited. The Appointed Date for the Scheme was 1st April 2022. The Scheme of Arrangement became effective from 2nd December, 2023.
- 50.2** Pursuant to the Scheme of Arrangement, 1,34,69,670 equity shares of Re. 1/- each of the KPL and 95,84,043 equity shares of Rs. 10/- each of BTL held by the Company stood cancelled, accordingly KPL and BTL ceased to be subsidiary of the Company.
- 50.3** The Scheme has been accounted for as per the accounting treatment approved by the NCLT read with applicable accounting standards prescribed under section 133 of the Companies Act, 2013. All assets, liabilities and reserves of the demerged undertakings of the Company have been transferred to the Resulting Company at their respective carrying values in the books of accounts of the Company w.e.f. 1st April, 2022. Consequently, Rs. 3,624.90 Lakhs has been credited to retained earning in the books of the Company. To give effect of the scheme, financial statements of the Company have been restated with effect from appointed date.
- 50.4** Following is the summary of total assets, liabilities and reserves transferred in pursuant to the Scheme of Arrangement at Book value as at 1st April, 2022:-

Particulars	(Rs. In lakhs)
	Book value as at 1st April, 2022
<b>Assets:-</b>	
Property, Plant and Equipment	1,642.08
Capital Work-in-progress	137.88
Other Intangible Assets	19.26
Goodwill on Amalgamation	5,931.84
Non-current Financial Assets	9,268.98
Other Non-current Assets	189.61
Inventories	6,312.97
Current Financial Assets	12,369.42
Other Current Assets	343.10
<b>Total Assets</b>	<b><u>36,215.14</u></b>
<b>Liabilities:-</b>	
Deferred Tax Liabilities (Net)	1,207.72
Current Financial Liabilities	2,879.29
Other Current Liabilities	279.75
Current Provisions	261.80
<b>Total Liabilities</b>	<b><u>4,628.56</u></b>
<b>Reserves</b>	
Retained Earnings as identified by the Board of Directors	35,211.48
<b>Balance recognised as retained earnings</b>	<b><u>(3,624.90)</u></b>
<b>Details of Acquisition related cost charged to the statement of Profit and loss</b>	
<b>Particulars</b>	<b>Rs. In Lakhs</b>
Legal, advisory, valuation, professional or consulting fees, etc.	30.14
Stamp duty	900.00

**Note 51: Details of Loan given, Investment made and Guarantee given covered u/s 186(4) of the Companies Act, 2013**

- 51.1** Loans given and Investment made are given under the respective heads.
- 51.2** No Guarantee was given by the Company during the year

**Note 52: Interests in other entities**

52.1 The consolidation of financial statements of the Group includes subsidiaries listed in the table below:

Name	Principal Activities	Country of Incorporation	% equity interest	
			As at 31st March, 2024	As at 31st March, 2023
Acalypha Realty Limited	Real estate business	India	100.00%	100.00%

**Note 53 Other Statutory Informations:**

- i) There is no balance outstanding on account of any transaction with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.
- ii) The Group does not have more than two layers of subsidiary as prescribed under Section 2 (87) of the Companies Act, 2013 read with Companies (Restriction on number of layers) Rules, 2017.
- iii) The Group has not advanced or loaned or invested fund to any other persons or entities including foreign entities (intermediary) with the understanding (whether recorded in writing or otherwise) that intermediary shall :
  - a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group (ultimate beneficiary) or
  - b) provided any guarantee, security or the like to or on behalf of the ultimate beneficiaries.
- iv) The Group has not received any fund from any person or entities including foreign entities (funding party) with the understanding (whether recorded in writing or otherwise) that the Group shall:
  - a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the funding party (ultimate beneficiaries) or
  - b) provide any guarantee, security or the like on behalf of the ultimate beneficiaries.
- v) The Group does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income tax Act, 1961.
- vi) The Group has not been declared as wilful defaulter by any bank or financial institution or other lender.
- vii) There are no charges or satisfaction thereof which are yet to be registered with ROC beyond the statutory period.

**Note 54**

Previous Year figures have been regrouped, reclassified and restated wherever necessary by the management pursuant to the Scheme of Arrangement (Refer Note 50).

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**BOROSIL LIMITED**

Notes to the Consolidated Financial Statements for the year ended 31st March, 2024

**Note 55** Additional Information, as required under Schedule III to the Companies Act, 2013, of entity consolidated as Subsidiary

Name of the entity in the Group	Net Assets i.e. Total Assets minus Total Liabilities		Share in Profit or Loss		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
	As % of Consolidated Net Assets	Rs. in lakhs	As % of Consolidated Statement of Profit and Loss	Rs. in lakhs	As % of Consolidated Other Comprehensive Income	Rs. in lakhs	As % of Consolidated Total Comprehensive Income	Rs. in lakhs
<b>Parent</b>								
Borosil Limited	100.01%	58,004.11	100.01%	6,587.15	100.00%	(45.42)	100.01%	6,541.73
<b>Indian Subsidiaries</b>								
Acalypha Realty Limited	0.00%	1.46	-0.01%	(0.49)	0.00%	-	-0.01%	(0.49)
<b>Consolidation Adjustments / Elimination</b>								
	-0.01%	(5.46)	0.00%	-	0.00%	-	0.00%	-
<b>Total</b>	<b>100.00%</b>	<b>58,000.11</b>	<b>100.00%</b>	<b>6,586.66</b>	<b>100.00%</b>	<b>(45.42)</b>	<b>100.00%</b>	<b>6,541.24</b>

As per our Report of even date

For and on behalf of the Board of Directors

**For Chaturvedi & Shah LLP**

Chartered Accountants

(Firm Registration No. 101720W/W100355)

**Rajesh Kumar Chaudhary**  
Whole-time Director  
(DIN 07425111)

**Shreevar Kheruka**  
Managing Director & CEO  
(DIN 01802416)

**Anuj Bhatia**

Partner

Membership No. 122179

**Anand Sultania**  
Chief Financial Officer

**Anshu Agarwal**  
Company Secretary  
(Membership No. FCS-9921)

Date: 24th May, 2024

**BOROSIL LIMITED**

Form No. AOC-1

**A. Salient Features of Financial Statements of Subsidiary as per Companies Act, 2013****A-1. Subsidiary Company**

<b>Sl. No.</b>	<b>Particulars</b>	<b>Acalypha Realty Limited</b>
1	The date since when subsidiary was acquired.	12.02.2020
2	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	NA
3	Reporting Currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries.	NA
4	Share Capital (Rs. in lakhs)	10.00
5	Other Equity (Rs. in lakhs)	(8.54)
6	Total Assets (Rs. in lakhs)	1.61
7	Total Liabilities (Rs. in lakhs)	0.15
8	Investments (Rs. in lakhs)	-
9	Revenue From Operations (Rs. in lakhs)	-
10	Profit / (Loss) before Tax (Rs. in lakhs)	(0.49)
11	Provision for Taxation (Rs. in lakhs)	-
12	Profit / (Loss) After Taxation (Rs. in lakhs)	(0.49)
13	Proposed Dividend	-
14	% of shareholding	100.00%
15	Country	India

B. The above statement also indicates performance and financial position of the subsidiary.

C. Acalypha Realty Limited is yet to commence its operation.

D. There are no Subsidiaries which have been liquidated or sold during the year, except that as a result of implementation of the Composite Scheme of Arrangement duly approved by National Company Law Tribunal, Mumbai bench vide its order dated November 02, 2023, Klass Pack Limited (renamed as Borosil Scientific Limited) and Borosil Technologies Limited, have ceased to be subsidiaries of the Company during the year under review. Consequently, Goel Scientific Glass Works Limited has also ceased to be a subsidiary of the Company.

For and on behalf of the Board of Directors

**Rajesh Kumar Chaudhary**  
Whole-time Director  
(DIN 07425111)

**Shreevar Kheruka**  
Managing Director & CEO  
(DIN 01802416)

**Anand Sultania**  
Chief Financial Officer

**Anshu Agarwal**  
Company Secretary  
(Membership No. FCS-9921)

Date: 24th May, 2024

## **INDEPENDENT AUDITOR'S REPORT**

### **TO THE MEMBERS OF BOROSIL LIMITED**

#### **Report on the Audit of Consolidated Financial Statements**

##### **Opinion**

We have audited the accompanying consolidated financial statements of **BOROSIL LIMITED** (hereinafter referred to as the "Holding Company/Parent") and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group"), which comprise the consolidated Balance Sheet as at 31<sup>st</sup> March, 2023, the consolidated statement of Profit and Loss including other comprehensive income, the consolidated statement of changes in equity and the consolidated cash flows statement for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at 31<sup>st</sup> March, 2023, of consolidated profit including other comprehensive income, consolidated statement of changes in equity and its consolidated cash flows for the year then ended.

##### **Basis for Opinion**

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the Group in accordance with the Code of Ethics issued by Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the financial statements under the provision of the Act and Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and ICAI Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the consolidated financial statements.

##### **Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the year ended 31<sup>st</sup> March, 2023. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For the matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matter described below to be the key audit matter to be communicated in our report. We have fulfilled the responsibilities described in the Auditors' responsibilities for the audit of the Consolidated Financial Statements section of our report, including in relation to that matter. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the Consolidated Financial Statements. The results of our audit procedures, including the procedures performed to address the matter below, provide the basis for our audit opinion on the accompanying Consolidated Financial Statements

Key Audit Matter	How our audit addressed the key audit matter
<b>(i) Revenue</b>	
<p>Revenue is recognized net of discounts &amp; rebates earned by the customers on the sales. The discounts &amp; rebates recognized based on sales made during the year.</p> <p>Revenue is recognized when control of the underlying products has been transferred along with satisfaction of performance obligation. The terms of sales arrangements, including the timing of transfer of control, the nature of discount and rebates arrangements and delivery specifications, create complexity and judgment in determining sales revenues.</p> <p>Further customer's rebate/discounts represent a material reduction in sales and process for calculating and recording the above involves significant manual process.</p> <p>Risk exists that revenue is recognised without substantial transfer of control and is not in accordance with IND AS115 'Revenue from contracts with customers', resulting into recognition of revenue in incorrect period.</p>	<p>We assessed the processes and controls for recognizing revenue as part of our audit. Our audit procedures included the following:</p> <ul style="list-style-type: none"> <li>• Assessing the environment of the IT systems related to invoicing and measurement as well as other relevant systems supporting the accounting of revenue.</li> <li>• Performed sample tests of individual sales transaction and traced to sales invoices, sales orders shipping documents and other related documents. In respect of the samples selected, tested that the revenue has been recognized as per the sales orders;</li> <li>• We performed procedures to identify any significant transactions recorded manually and obtained evidence to support the recognition and timing of rebate/discount amounts based on the documents.</li> <li>• Verifying the completeness of disclosure in the financial statements as per Ind AS 115.</li> </ul>
<b>(ii) Inventories</b>	
<p>As of 31<sup>st</sup> March, 2023, inventories appear on the standalone financial statements for an amount of Rs. 21,388.61 Lakhs, which constitutes 44.20% of the total current assets of the standalone financial statements. As indicated in Note no. 4.7 to the consolidated financial statements, inventories are valued at the lower of cost and net realizable value.</p> <p>The inventory allowance may be recognized, if inventory items are damaged, if the selling price has declined, or if the estimated costs to completion or to be incurred to make the sale have increased.</p> <p>We focused on this matter because of the:</p> <ul style="list-style-type: none"> <li>• Significance of the inventory balance.</li> <li>• Complexity involved in determining the cost of inventories in view of type of products, location and obsolete inventories.</li> </ul>	<p>Our audit procedures included the following:</p> <ul style="list-style-type: none"> <li>• Reviewing the process and procedures for physical verification of inventories at year end.</li> <li>• Assessing the methods used to value inventories and ensuring ourselves of the consistency of accounting methods.</li> <li>• Reviewing of the reported acquisition cost on a sample basis.</li> <li>• Analysing of the assessment of net realizable value, as well as reviewing of assumptions and calculations for stock obsolescence.</li> <li>• Assessing of appropriateness of disclosures provided in the consolidated financial statements.</li> </ul>

## **Information Other than the Consolidated Financial Statements and Auditor's Report Thereon**

The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual Report but does not include the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. Other information so far as it relates to the subsidiary companies not audited by us, is traced from their financial statements audited by the other auditor.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to communicate the matter to those charged with governance. We have nothing to report in this regard.

## **Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements**

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated statement of changes in equity and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate implementation and maintenance of accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those respective Boards of Directors of the companies included in the Group are responsible for overseeing the financial reporting process of the Group.

## **Auditor's Responsibilities for the Audit of the Consolidated Financial Statements**

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a

material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the Holding Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group of which we are the independent auditors and whose financial information we have audited, to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditor, such other auditor remains responsible for the direction, supervision and performance of the audit carried out by him. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements for the year ended 31<sup>st</sup> March, 2023 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely

rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### **Other Matters**

- (i) We did not audit the financial statements/financial information of 3 subsidiaries, whose financial statements/financial information reflect total assets of Rs. 17,350.51 Lakhs as at 31<sup>st</sup> March, 2023, total revenues of Rs. 10,992.25 Lakhs and net cash inflows of Rs.16.54 Lakhs for the year ended on that date, as considered in the consolidated financial statements. These financial statements/ financial information have not been audited by us. These financial statements/financial information have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries is based solely on the reports of the other auditors.

Our opinion on the consolidated financial statements as above and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matter with respect to our reliance on the work done and the reports of the other auditors.

- (ii) We draw our attention to the Note 54 to the consolidated financial statements, regarding the Composite Scheme of Arrangement amongst the Company and Klass Pack Ltd ("KPL"), a subsidiary of the Company, and Borosil Technologies Ltd ("BTL"), a wholly owned subsidiary of the Company ('Scheme') inter alia for: (a) reduction and reorganization of share capital of KPL; (b) demerger of Scientific and Industrial Product Business from the Company into KPL and consequent issue of shares by KPL; and (c) amalgamation of BTL with KPL. The Appointed Date for the Scheme is 1st April, 2022. Pending necessary approvals on the Scheme, no effects have been given in the consolidated financial statements. Our opinion is not modified in respect of the above matter.

### **Report on Other Legal and Regulatory Requirements**

As required by Section 143(3) of the Act, based on our audit and on the consideration of the report of the other auditor on the separate financial statements, referred in the Other Matters paragraph above we report, to the extent applicable, that, we report, that:

- (a) We/the other auditors whose reports we have relied upon, have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
- (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of other auditors.
- (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Cash Flow Statement and Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
- (d) In our opinion, the aforesaid consolidated financial statements comply with the Indian Accounting Standards prescribed under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015.

- (e) On the basis of the written representations received from the directors of the Parent as on 31<sup>st</sup> March, 2023 and taken on record by the Board of Directors of the Parent and the reports of the statutory auditors of its subsidiary companies incorporated in India, none of the directors of the Group companies, incorporated in India, is disqualified as on 31<sup>st</sup> March, 2023 from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) With respect to the adequacy of the internal financial controls with reference to financial statements and the operating effectiveness of such controls, refer to our separate Report in “ANNEXURE A”, which is based on the auditor’s reports of the Parent and subsidiaries, companies incorporated in India to whom internal financial controls with reference to financial statements is applicable.
- (g) With respect to the other matters to be included in the Auditor’s Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other statutory auditor of the subsidiaries incorporated in India, the managerial remuneration for the year ended 31<sup>st</sup> March, 2023 has been paid or provided by the Holding Company and its subsidiaries incorporated in India to their directors in accordance with the provisions of section 197 read with Schedule V to the Act.

- (h) With respect to the other matters to be included in the Auditor’s Report in accordance with Rule 11 of the Companies (Audit and Auditor’s) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
  - (i) The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group. Refer Note 40 to the consolidated financial statements.
  - (ii) The Group did not have any material foreseeable losses on long-term contracts including derivative contracts.
  - (iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Group.
  - (iv) a) The respective Managements of the Company and its subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries that, to the best of their knowledge and belief, as disclosed in the notes to the consolidated financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company or any of such subsidiaries to or in any other person(s) or entity(ies), including foreign entities (“Intermediaries”), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company or any of such subsidiaries (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
  - b) The respective Managements of the Company and its subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries that, to the best of their knowledge and belief, as disclosed in the consolidated financial statements no funds have been received by the Company or any of such subsidiaries from any person(s) or



entity(ies), including foreign entities (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the Company or any of such subsidiaries shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

- c) Based on the audit procedures that has been considered reasonable and appropriate in the circumstances performed by us and those performed by the auditors of the subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act, nothing has come to our or other auditor’s notice that have caused us or the other auditors to believe that the representations under paragraph (2) (h) (iv) (a) and (b) above, contain any material misstatement.
- (v) The Parent Company and its subsidiaries incorporated in India have not declared or paid any dividend during the year.
- (vi) With respect to the matters specified in paragraphs 3(xxi) and 4 of the Companies (Auditor’s Report) Order, 2020 (“the Order” or “CARO”) issued by the Central Government in terms of Section 143(11) of the Act, to be included in the Auditor’s report, according to the information and explanations given to us, and based on the CARO reports issued by us and the auditors of respective companies included in the consolidated financial statements of the Company, to which reporting under CARO is applicable, provided to us by the Management of the Company, we report that there are no qualification or adverse remarks by the respective auditors in the CARO report of the said companies included in the consolidated financial statements.
- (vii) Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable with effect from 1<sup>st</sup> April, 2023 to the Company and its subsidiaries, which are companies incorporated in India, and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended 31<sup>st</sup> March, 2023.

For **Chaturvedi & Shah LLP**  
Chartered Accountants  
(Firm’s Registration No. 101720W/W100355)

**Anuj Bhatia**  
Partner  
(Membership No.122179)  
UDIN: - 23122179BGQWUD1540

Place: Mumbai  
Date: 22<sup>nd</sup> May, 2023

## **“ANNEXURE A” TO THE INDEPENDENT AUDITOR’S REPORT**

**(Referred to in paragraph (f) under ‘Report on Other Legal and Regulatory Requirements’ section of our report of even date to the members of Borosil Limited on the consolidated financial statements for the year ended 31<sup>st</sup> March, 2023)**

### **Report on the Internal Financial Controls with reference to Consolidated Financial Statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)**

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended 31<sup>st</sup> March, 2023, we have audited the internal financial controls with reference to the consolidated financial statements of **BOROSIL LIMITED** (hereinafter referred to as “the Holding Company” / “Parent”) and its subsidiary companies, which are companies incorporated in India, as of that date.

#### **Management’s Responsibility for Internal Financial Controls**

The respective Board of Directors of the Parent and its subsidiary companies, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls with reference to consolidated financial statements based on the internal control criteria established by the respective companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective Company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

#### **Auditor’s Responsibility**

Our responsibility is to express an opinion on the internal financial controls with reference to financial statements of the Parent and its subsidiary companies, which are companies incorporated in India, based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to consolidated financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated financial statements included obtaining an understanding of internal financial controls with reference to consolidated financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditor of the subsidiary companies, which are companies incorporated in India, in terms of his report referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to the consolidated financial statements.

### **Meaning of Internal Financial Controls With reference to Consolidated Financial Statements**

A Company's internal financial control with reference to consolidated financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

### **Inherent Limitations of Internal Financial Controls With reference to Consolidated Financial Statements**

Because of the inherent limitations of internal financial controls with reference to consolidated financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial control with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

### **Opinion**

In our opinion to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors referred to in the Other Matters paragraph below, the Parent and its subsidiary companies which are companies incorporated in India, have, in all material respects, an adequate internal financial controls with reference to Consolidated Financial Statements and such internal financial controls were operating effectively as at 31<sup>st</sup> March, 2023, based on the criteria for internal financial control established by the respective companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

### **Other Matters**

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to Consolidated Financial Statements in so far as it relates to 3 subsidiary companies, which are companies incorporated in India, is based solely on the corresponding reports of the auditors of such companies incorporated in India. Our opinion is not modified in respect of the above matters.

### **For Chaturvedi & Shah LLP**

Chartered Accountants  
(Firm's Registration No. 101720W/W100355)

### **Anuj Bhatia**

Partner  
(Membership No.122179)  
UDIN: - 23122179BGQWUD1540  
Place: Mumbai  
Date: 22<sup>nd</sup> May, 2023

Particulars	Note No.	As at 31st March, 2023	As at 31st March, 2022
<b>I. ASSETS</b>			
<b>1 Non-current Assets:</b>			
(a) Property, Plant and Equipment	6	44,285.04	20,699.21
(b) Capital Work-in-Progress	6	4,684.13	2,497.76
(c) Investment Property	7	105.32	105.59
(d) Goodwill	48	6,767.07	6,767.07
(e) Other Intangible Assets	8	40.30	37.20
(f) Intangible assets under Development	8	216.05	-
(g) Financial Assets			
(i) Investments	9	3,671.92	3,965.95
(ii) Loans	10	21.72	23.44
(iii) Other Financial Assets	11	802.83	508.66
(h) Deferred Tax Assets (net)		233.73	226.11
(i) Art Works		233.55	240.80
(j) Non-current Tax Assets (net)		1,283.29	651.47
(k) Other Non-current Assets	12	3,008.16	4,199.30
		<b>65,353.11</b>	<b>4,199.30</b>
			<b>39,922.56</b>
<b>2 Current Assets:</b>			
(a) Inventories	13	24,133.52	19,333.50
(b) Financial Assets			
(i) Investments	14	14,206.56	15,726.55
(ii) Trade Receivables	15	9,209.50	7,430.91
(iii) Cash and Cash Equivalents	16	864.00	2,254.07
(iv) Bank Balances Other than (iii) above	17	264.00	609.80
(v) Loans	18	45.22	1,547.99
(vi) Other Financial Assets	19	272.88	585.91
(c) Other Current Assets	20	3,328.57	2,140.72
		<b>52,324.25</b>	<b>49,629.45</b>
(d) Assets held for Sale	51	3,649.76	6,137.50
		<b>55,974.01</b>	<b>55,766.95</b>
<b>TOTAL ASSETS</b>		<b>1,21,327.12</b>	<b>95,689.51</b>
<b>II. EQUITY AND LIABILITIES</b>			
<b>EQUITY:</b>			
(a) Equity Share Capital	21	1,144.14	1,141.63
(b) Other Equity	22	85,215.87	75,581.17
<b>Equity attributable to the Owners</b>		<b>86,360.01</b>	<b>76,722.80</b>
Non-controlling Interest		1,639.53	1,602.26
<b>Total Equity</b>		<b>87,999.54</b>	<b>78,325.06</b>
<b>LIABILITIES</b>			
<b>1 Non-current Liabilities:</b>			
(a) Financial Liabilities			
(i) Borrowings	23	5,448.90	-
(ii) Lease Liabilities	49	654.39	118.41
(b) Provisions	24	301.30	280.35
(c) Deferred Tax Liabilities (net)	25	2,118.91	2,088.65
		<b>8,523.50</b>	<b>2,487.41</b>
<b>2 Current Liabilities:</b>			
(a) Financial Liabilities			
(i) Borrowings	26	4,257.26	-
(ii) Lease Liabilities	49	168.45	0.65
(iii) Trade Payables	27		
A) Due to Micro and Small Enterprises		1,466.84	1,466.01
B) Due to Other than Micro and Small Enterprises		4,734.03	4,243.77
		<b>6,200.87</b>	<b>5,709.78</b>
(iv) Other Financial Liabilities	28	9,645.13	6,951.45
(b) Other Current Liabilities	29	1,468.31	796.14
(c) Provisions	30	1,213.76	933.32
(d) Current Tax Liabilities (net)		1,850.30	485.70
		<b>24,804.08</b>	<b>14,877.04</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>1,21,327.12</b>	<b>95,689.51</b>
Significant Accounting Policies and Notes to Consolidated Financial Statements	1 to 58		

As per our Report of even date

For and on behalf of Board of Directors

**For Chaturvedi & Shah LLP**Chartered Accountants  
(Firm Registration No. 101720W/W100355)**Rajesh Kumar Chaudhary**  
Whole-time Director  
(DIN 07425111)**Shreevar Kheruka**  
Managing Director & CEO  
(DIN 01802416)**Anuj Bhatia**Partner  
Membership No. 122179**Anand Sultania**  
Chief Financial Officer**Anshu Agarwal**  
Company Secretary  
(Membership No. FCS-9921)

Date: 22nd May, 2023

## CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2023

(Rs. in lakhs)

Particulars	Note No.	For the Year Ended 31st March, 2023	For the Year Ended 31st March, 2022
<b>I. Income</b>			
Revenue from Operations	31	1,02,712.13	83,986.16
Other Income	32	2,478.97	2,457.48
<b>Total Income (I)</b>		<b>1,05,191.10</b>	<b>86,443.64</b>
<b>II. Expenses:</b>			
Cost of Materials Consumed		17,275.21	13,227.47
Purchases of Stock-in-Trade		27,636.79	22,767.04
Changes in Inventories of Work-in-Progress, Finished Goods and Stock-in-Trade	33	(3,671.13)	(5,202.35)
Employee Benefits Expense	34	12,243.37	10,277.36
Finance Costs	35	239.50	111.63
Depreciation and Amortisation Expense	36	3,921.28	3,383.47
Other Expenses	37	36,593.91	28,556.57
<b>Total Expenses (II)</b>		<b>94,238.93</b>	<b>73,121.19</b>
<b>III. Profit Before Share in Profit of Associate, Exceptional Items and Tax (I - II)</b>		<b>10,952.17</b>	<b>13,322.45</b>
IV. Share in Profit of Associates		-	-
<b>V. Profit Before Exceptional Items and Tax (III + IV)</b>		<b>10,952.17</b>	<b>13,322.45</b>
VI. Exceptional Items	38	(933.33)	1,121.17
<b>VII. Profit Before Tax (V - VI)</b>		<b>11,885.50</b>	<b>12,201.28</b>
<b>VIII. Tax Expense:</b>			
(1) Current Tax	25	2,841.39	2,962.06
(2) Deferred Tax Expenses		23.44	716.17
<b>Total Tax Expenses</b>		<b>2,864.83</b>	<b>3,678.23</b>
<b>IX. Profit for the Year (VII - VIII)</b>		<b>9,020.67</b>	<b>8,523.05</b>
<b>X. Other Comprehensive Income (OCI)</b>			
<b>Items that will not be reclassified to profit or loss:</b>			
Re-measurement gains / (losses) on Defined Benefit Plans		(4.20)	(12.54)
Income Tax effect on above		0.80	2.81
<b>Total Other Comprehensive Income</b>		<b>(3.40)</b>	<b>(9.73)</b>
<b>XI. Total Comprehensive Income for the Year (IX + X)</b>		<b>9,017.27</b>	<b>8,513.32</b>
<b>XII. Profit attributable to</b>			
Owners of the Company		8,984.52	8,373.03
Non-controlling Interest		36.15	150.02
		<b>9,020.67</b>	<b>8,523.05</b>
<b>XIII. Other Comprehensive Income attributable to</b>			
Owners of the Company		(4.52)	(11.45)
Non-controlling Interest		1.12	1.72
		<b>(3.40)</b>	<b>(9.73)</b>
<b>XIV. Total Comprehensive Income attributable to</b>			
Owners of the Company		8,980.00	8,361.58
Non-controlling Interest		37.27	151.74
		<b>9,017.27</b>	<b>8,513.32</b>
<b>XV. Earnings per Equity Share of Re.1/- each (in Rs.)</b>			
- Basic	39	7.86	7.34
- Diluted		7.86	7.34
Significant Accounting Policies and Notes to Consolidated Financial Statements	1 to 58		

As per our Report of even date

For and on behalf of Board of Directors

**For Chaturvedi & Shah LLP**

Chartered Accountants

(Firm Registration No. 101720W/W100355)

**Rajesh Kumar Chaudhary**

Whole-time Director

(DIN 07425111)

**Shreevar Kheruka**

Managing Director &amp; CEO

(DIN 01802416)

**Anuj Bhatia**

Partner

Membership No. 122179

**Anand Sultania**

Chief Financial Officer

**Anshu Agarwal**

Company Secretary

(Membership No. FCS-9921)

Date: 22nd May, 2023

## CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH, 2023

## A. Equity Share Capital

Particulars	(Rs. in lakhs)				
	As at 1st April, 2021	Changes during 2021-22	As at 31st March, 2022	Changes during 2022-23	As at 31st March, 2023
Equity Share Capital (Refer Note 21.2)	1,141.19	0.44	1,141.63	2.51	1,144.14

## B. Other Equity

Particulars	Attributable to equity owners							Total Other Equity	Non-controlling Interest	Total
	Reserves and Surplus						Items of Other Comprehensive			
	Capital Reserve	Capital Reserve on Business Combination	General Reserve	Securities premium	Share Based Payment Reserve	Retained Earnings	Remeasurement of Defined Benefit Plans			
<b>Balance as at 1st April, 2021</b>	<b>15.00</b>	<b>8,597.08</b>	<b>500.00</b>	<b>117.74</b>	<b>325.75</b>	<b>58,884.80</b>	<b>(106.25)</b>	<b>68,334.12</b>	<b>1,286.31</b>	<b>69,620.43</b>
Total Comprehensive Income	-	-	-	-	-	8,373.03	(11.45)	8,361.58	151.74	8,513.32
Dividend Paid	-	-	-	-	-	(1,141.19)	-	(1,141.19)	-	(1,141.19)
Share based payment (Refer Note 42)	-	-	-	-	136.11	-	-	136.11	-	136.11
Options cancelled during the year	-	-	-	-	(4.29)	4.29	-	-	-	-
Exercise of Employee Stock option	-	-	-	84.47	(29.71)	-	-	54.76	-	54.76
Transferred to Non-controlling Interest (NCI) on account of changes in Ownership Interest	-	-	-	-	-	(164.21)	-	(164.21)	164.21	-
<b>Balance as at 31st March, 2022</b>	<b>15.00</b>	<b>8,597.08</b>	<b>500.00</b>	<b>202.21</b>	<b>427.86</b>	<b>65,956.72</b>	<b>(117.70)</b>	<b>75,581.17</b>	<b>1,602.26</b>	<b>77,183.43</b>
Total Comprehensive Income	-	-	-	-	-	8,984.52	(4.52)	8,980.00	37.27	9,017.27
Forfeiture of Employee Stock Option	-	-	-	-	(9.61)	7.46	-	(2.15)	-	(2.15)
Share based payment (Refer Note 42)	-	-	-	-	269.90	-	-	269.90	-	269.90
Exercise of Employee Stock option (Refer Note 21.2)	-	-	-	581.86	(194.91)	-	-	386.95	-	386.95
<b>Balance as at 31st March, 2023</b>	<b>15.00</b>	<b>8,597.08</b>	<b>500.00</b>	<b>784.07</b>	<b>493.24</b>	<b>74,948.70</b>	<b>(122.22)</b>	<b>85,215.87</b>	<b>1,639.53</b>	<b>86,855.40</b>

As per our Report of even date

For and on behalf of the Board of Directors

## For Chaturvedi &amp; Shah LLP

Chartered Accountants  
(Firm Registration No. 101720W/W100355)Rajesh Kumar Chaudhary  
Whole-time Director  
(DIN 07425111)Shreevar Kheruka  
Managing Director & CEO  
(DIN 01802416)

## Anuj Bhatia

Partner  
Membership No. 122179Anand Sultania  
Chief Financial OfficerAnshu Agarwal  
Company Secretary  
(Membership No. FCS-9921)

Date: 22nd May, 2023

## CONSOLIDATED STATEMENT OF CASH FLOW FOR THE YEAR ENDED 31ST MARCH, 2023

(Rs. in lakhs)

Particulars	For the Year Ended 31st March, 2023	For the Year Ended 31st March, 2022
<b>A. Cash Flow from Operating Activities</b>		
<b>Profit Before Tax as per Consolidated Statement of Profit and Loss</b>	<b>11,885.50</b>	<b>12,201.28</b>
<b>Adjusted for :</b>		
Depreciation and Amortisation Expense	3,921.28	3,383.47
Loss/(Gain) on Foreign Currency Transactions (net)	66.26	1.82
Dividend Income	-	(0.07)
Interest Income	(133.96)	(192.99)
Loss/(Gain) on Sale of Investments (net)	(234.31)	(1.12)
Loss / (Gain) on Financial Instruments measured at fair value through profit or loss (net)	(33.96)	(1,362.45)
Loss / (Gain) on Sale / discarding of Property, Plant and Equipment	(1,558.37)	40.97
Investment Advisory Charges	2.84	32.17
Share Based Payment Expense	267.76	136.11
Finance Costs	239.50	111.63
Sundry Balances / Excess Provision Written Back (net)	(66.77)	(223.30)
Loss due to Fire and Flood (related to Property, plant and Equipments)	-	92.13
Provision for Impairment of Non-Current Assets	-	474.67
Insurance Claim Received (related to Property, Plant and Equipments)	(933.33)	-
Bad Debts	40.40	46.90
Provision / (reversal) for Credit Impaired / Doubtful Advances (net)	(180.34)	21.55
	<u>1,397.00</u>	<u>2,561.49</u>
<b>Operating Profit before Working Capital Changes</b>	<b>13,282.50</b>	<b>14,762.77</b>
<b>Adjusted for :</b>		
Trade and Other Receivables	(2,858.96)	(1,887.07)
Inventories	(4,800.02)	(4,572.55)
Trade and Other Payables	2,859.57	2,155.38
	<u>(4,799.41)</u>	<u>(4,304.24)</u>
<b>Cash generated from Operations</b>	<b>8,483.09</b>	<b>10,458.53</b>
Direct Taxes Paid (net)	(2,108.61)	(2,801.78)
<b>Net Cash from / (Used in) Operating Activities</b>	<b>6,374.48</b>	<b>7,656.75</b>
<b>B. Cash Flow from Investing Activities</b>		
Purchase of Property, Plant and Equipment and Intangible Assets	(26,756.50)	(8,788.56)
Sale of Property, Plant and Equipment (net)	4,297.92	332.00
Purchase of Investments	(18,112.72)	(23,525.98)
Sale of Investments	20,201.67	29,716.02
Movement in Loans (net)	1,500.00	(1,500.00)
Investment Advisory Charges Paid	-	(62.45)
Income / Interest on Investment / Loans	244.89	129.84
Insurance Claim Received (related to Property, Plant and Equipments)	933.33	-
Dividend Received	-	0.07
<b>Net Cash from / (Used in) Investing Activities</b>	<b>(17,691.41)</b>	<b>(3,699.06)</b>
<b>C. Cash Flow from Financing Activities</b>		
Proceeds from issue of Share Capital	389.46	55.20
Proceeds of Non-current Borrowings	6,843.77	-
Repayment of Non-current Borrowings	-	(126.96)
Movement in Current Borrowings (net)	2,862.39	(600.00)
Margin Money (net)	269.60	(415.26)
Lease Payments	(137.62)	(15.38)
Dividend Paid	-	(1,141.19)
Interest Paid	(300.80)	(112.38)
<b>Net Cash From / (used in) Financing Activities</b>	<b>9,926.80</b>	<b>(2,355.97)</b>
<b>Net Increase / (Decrease) in Cash and Cash Equivalents (A+B+C)</b>	<b>(1,390.13)</b>	<b>1,601.72</b>
<b>Opening Balance of Cash and Cash Equivalents</b>	<b>2,254.07</b>	<b>652.30</b>
Unrealised Gain / (loss) on Foreign Currency Transactions (net)	(0.06)	(0.11)
<b>Opening Balance of Cash and Cash Equivalents</b>	<b>2,254.13</b>	<b>652.41</b>
<b>Closing Balance of Cash and Cash Equivalents</b>	<b>864.00</b>	<b>2,254.07</b>
Unrealised Gain / (loss) on Foreign Currency Transactions (net)	-	(0.06)
<b>Closing Balance of Cash and Cash Equivalents</b>	<b>864.00</b>	<b>2,254.13</b>

## CONSOLIDATED STATEMENT OF CASH FLOW FOR THE YEAR ENDED 31ST MARCH, 2023

## Notes :

## 1 Changes in liabilities arising from financing activities on account of Non-current and Current Borrowings:

Particulars	(Rs. in lakhs)	
	For the Year Ended 31st March, 2023	For the Year Ended 31st March, 2022
Opening balance of liabilities arising from financing activities	-	726.96
Add: Changes from financing cash flows	9,706.16	(726.96)
Closing balance of liabilities arising from financing activities	9,706.16	-

2 Bracket indicates cash outflow.

3 Previous Year figures have been regrouped and rearranged wherever necessary.

4 The above consolidated statement of cash flow has been prepared under the "Indirect Method" as set out in Ind AS 7 "Statement of Cash Flow".

As per our Report of even date

For and on behalf of the Board of Directors

**For Chaturvedi & Shah LLP**

Chartered Accountants

(Firm Registration No. 101720W/W100355)

**Rajesh Kumar Chaudhary**

Whole-time Director

(DIN 07425111)

**Shreevar Kheruka**

Managing Director &amp; CEO

(DIN 01802416)

**Anuj Bhatia**

Partner

Membership No. 122179

**Anand Sultania**

Chief Financial Officer

**Anshu Agarwal**

Company Secretary

(Membership No. FCS-9921)

Date: 22nd May, 2023



**Note 1 CORPORATE INFORMATION:**

The Consolidated Financial Statements comprise financial statements of Borosil Limited (CIN: L36100MH2010PLC292722) ("BL") ("the company") and its subsidiaries namely, Klass Pack Limited ("KPL"), Borosil Technologies Limited ("BTL") and Acalypha Realty Limited ("ARL") (collectively, "the Group") for the year ended 31st March, 2023. The Company is a public limited company domiciled and incorporated in India. Its shares are publicly traded on the BSE Limited and National Stock Exchange of India Limited in India. The registered office of the Company is situated at 1101, 11th Floor Crescenzo, G-Block, Opp. MCA Club, Bandra Kurla Complex, Bandra (East), Mumbai 400 051.

Group is engaged in the business of manufacturing and trading of Scientific & Industrial Products (SIP) and Consumer Products (CP). SIP consist of laboratory glassware, instruments, disposable plastics, liquid handling systems, explosion proof lighting glassware, glass ampoules and tabular glass vials. CP consist of microwavable and flameproof kitchenware, glass tumblers, hydra bottles, tableware and dinnerware, appliances, storage products and steel serve fresh.

The Consolidated Financial Statements for the year ended 31st March, 2023 were approved and adopted by Board of Directors in their meeting held on 22nd May, 2023.

**Note 2 BASIS OF PREPARATION:**

The consolidated financial statements of the Group have been prepared in accordance with Indian Accounting Standards (Ind AS), as notified under section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules, 2015.

The consolidated financial statements have been prepared and presented on going concern basis and at historical cost basis, except for the following assets and liabilities, which have been measured as indicated below:

- Certain financial assets and liabilities at fair value (refer accounting policy regarding financial instruments).
- Assets held for disposal is measured at the lower of its carrying amount and fair value less cost to sell.
- Employee's Defined Benefit Plans measured as per actuarial valuation.
- Employee Stock Option Plans measured at fair value.

The consolidated financial statements are presented in Indian Rupees (Rs.), which is the Group's functional and presentation currency and all values are rounded to the nearest lakhs, except when otherwise indicated.

**Note 3 BASIS OF CONSOLIDATION:**

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries for the year ended 31st March, 2023. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.

Generally, there is a presumption that a majority of voting rights result in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including the contractual arrangement with the other vote holders of the investee, rights arising from other contractual arrangements, the Group's voting rights and potential voting rights and the size of the Group's holding of voting rights relative to the size and dispersion of the holdings of the other voting rights holders.

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired during the year are included in the consolidated financial statements from the date the Group obtains control and assets, liabilities, income and expenses of a subsidiary disposed off during the year are included in the consolidated financial statements till the date the Group ceases to control the subsidiary.

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee, but has no control or joint control over those policies.

**Consolidation procedure:**

a) Combine like items of assets, liabilities, equity, income, expenses and cash flows of the parent with those of its subsidiaries.

b) Offset (eliminate) the carrying amount of the parent's investment in each subsidiary and the parent's portion of equity of each subsidiary. The difference between the cost of investment in the subsidiaries and the Parent's share of net assets at the time of acquisition of control in the subsidiaries is recognised in the consolidated financial statement as goodwill. However, resultant gain (bargain purchase) is recognized in other comprehensive income on the acquisition date and accumulated to capital reserve in equity.

c) Intra-Group balances and transactions, and any unrealized income and expenses arising from intra Group transactions, are eliminated in preparing the consolidated financial statements.

d) In the case of foreign subsidiaries, being non-integral foreign operations, revenue items are consolidated at the average exchange rates prevailing during the year. All assets and liabilities are converted at rates prevailing at the end of the year. Components of equity are translated at closing rate. Any gain / (loss) on exchange difference arising on consolidation is recognized in the Foreign Currency Translation Reserve (FCTR) through OCI.

e) Consolidated statement of profit and loss and each component of OCI are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance.

f) For the acquisitions of additional interests in subsidiaries, where there is no change in the control, the Group recognises a reduction to the non-controlling interest of the respective subsidiary with the difference between this figure and the cash paid, inclusive of transaction fees, being recognised in equity. In addition, upon dilution of controlling interests, the difference between the cash received from sale or listing of the subsidiary shares and the increase to non-controlling interest is also recognised in equity. If the Group loses control over a subsidiary, it derecognises the related assets (including goodwill), liabilities, non-controlling interest and other components of equity, while any resultant gain or loss is recognised in consolidated statement of profit and loss. Any investment retained is recognised at fair value. The results of subsidiaries acquired or disposed off during the year are included in the consolidated statement of Profit and Loss from the effective date of acquisition or up to the effective date of disposal, as appropriate.

g) Interest in associates are consolidated using equity method as per Ind AS 28 – 'Investment in Associates and Joint Ventures'. The investment in associates is initially recognised at cost. Subsequently, under the equity method, post-acquisition attributable profit/losses and other comprehensive income are adjusted in the carrying value of investment to the extent of the Group's investment in the associates. Goodwill relating to the associate is included in the carrying amount of the investment and is not tested for impairment individually.

h) Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If an entity of the group uses accounting policies other than those adopted in the consolidated financial statements for like transactions and events in similar circumstances, appropriate adjustments are made to that Group member's financial statements in preparing the consolidated financial statements to ensure conformity with the Group's accounting policies.

i) Consolidated financial statements of all entities used for the purpose of consolidation are drawn up to same reporting date as that of the parent company. When the end of the reporting period of the parent is different from that of a subsidiary, if any, the subsidiary prepares, for consolidation purposes, additional financial information as of the same date as the consolidated financial statements of the parent to enable the parent to consolidate the financial information of the subsidiary, unless it is impracticable to do so.

**Note 4 SIGNIFICANT ACCOUNTING POLICIES****4.1 Business Combination and Goodwill/Capital Reserve:**

The Group uses the pooling of interest method of accounting to account for common control business combination and acquisition method of accounting to account for other business combinations.

The acquisition date is the date on which control is transferred to the acquirer. Judgement is applied in determining the acquisition date and determining whether control is transferred from one party to another. Control exists when the Group is exposed to, or has rights to variable returns from its involvement with the entity and has the ability to affect those returns through power over the entity. In assessing control, potential voting rights are considered only if the rights are substantive.

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests, and any previous interest held, over the net identifiable assets acquired and liabilities assumed. If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Group re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognised at the acquisition date. If the re-assessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognised in Other Comprehensive Income (OCI) and accumulated in other equity as capital reserve. However, if there is no clear evidence of bargain purchase, the entity recognises the gain directly in other equity as capital reserve, without routing the same through OCI.

Consideration transferred includes the fair values of the assets transferred, liabilities incurred by the Group to the previous owners of the acquiree, and equity interests issued by the Group. Consideration transferred also includes the fair value of any contingent consideration. Consideration transferred does not include amounts related to the settlement of pre-existing relationships. Any goodwill that arises on account of such business combination is tested annually for impairment.

Any contingent consideration is measured at fair value at the date of acquisition. If an obligation to pay contingent consideration that meets the definition of a financial instrument is classified as equity, then it is not re-measured and the settlement is accounted for within other equity. Otherwise, other contingent consideration is re-measured at fair value at each reporting date and subsequent changes in the fair value of the contingent consideration are recorded in the Consolidated Statement of Profit and Loss.

A contingent liability of the acquiree is assumed in a business combination only if such a liability represents a present obligation and arises from a past event, and its fair value can be measured reliably. On an acquisition-by-acquisition basis, the Group recognises any non-controlling interest in the acquiree either at fair value or at the non-controlling interest's proportionate share of the acquiree's identifiable net assets.

In case of Pooling of interest method of accounting, the assets and liabilities of the combining entities recognise at their carrying amounts. No adjustment is made to reflect the fair value or recognise any new assets and liabilities. The financial information in the consolidated financial statements in respect of prior periods restates as if the business combination had occurred from the beginning of the preceding period. The difference, if any, between the amount recorded as share capital issued plus any additional consideration in the form of cash or other assets and the amount of share capital of the transferor is transferred to capital reserve and presented separately from other capital reserves.

Transaction costs that the Group incurs in connection with a business combination such as finders' fees, legal fees, due diligence fees, and other professional and consulting fees are expensed as incurred.

**4.2 Property, Plant and Equipment:**

Property, plant and equipment are carried at cost, net of recoverable taxes, trade discount and rebates less accumulated depreciation, amortisation and impairment losses, if any. Cost includes purchase price, borrowing cost and any cost directly attributable to the bringing the assets to its working condition for its intended use. In case of Property, Plant and Equipment, the Group has availed the carrying value as deemed cost on the date of transition i.e. 1st April, 2015.

Depreciation on the property, plant and equipment is provided using straight line method over the useful life of assets as specified in schedule II to the Companies Act, 2013 except in respect of depreciation of following assets where the useful life is different as per technical evaluation than those prescribed in Schedule II.

<b>Particulars</b>	<b>Useful life considered for depreciation</b>
Certain Buildings :-	16-19 Years
Certain Plant and Equipment :-	3 Years
Furnace :-	2 Years
Moulds :-	3-5 Years
Plastic Pallet :-	3 Years

Depreciation on property, plant and equipment which are added / disposed off during the year is provided on pro-rata basis with reference to the date of addition / deletion. Freehold land is not depreciated.

The assets' residual values, useful lives and method of depreciation are reviewed at each financial year end and are adjusted prospectively, if appropriate.

Capital work-in-progress includes cost of property, plant and equipment under installation / under development as at the balance sheet date.

Property, plant and equipment are eliminated from consolidated financial statement, either on disposal or when retired from active use. Profits / losses arising in the case of retirement / disposal of property, plant and equipment are recognised in the consolidated statement of profit and loss in the year of occurrence.

Leasehold land is amortised over the period of lease. Buildings constructed on leasehold land are depreciated based on the useful life specified in schedule II to the Companies Act, 2013, where the lease period of land is beyond the life of the building. In other cases, buildings constructed on leasehold lands is amortised over the primary lease period of the land.

#### **4.3 Investment Properties:**

Investment properties are measured initially at cost, including transaction costs and net of recoverable taxes, trade discounts and rebates. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and impairment losses, if any. In case of Investment properties, the Group has availed the carrying value as deemed cost on the date of transition i.e. 1st April, 2015.

Depreciation on investment properties is provided using straight line method over the estimated useful lives as specified in Schedule II to the Companies Act, 2013. Residual values, useful lives and method of depreciation of investment properties are reviewed at each financial year end and are adjusted prospectively, if appropriate. The effects of any revision are included in the consolidated statement of profit and loss when the changes arises.

Though the Group measures investment properties using cost based measurement, the fair value of investment property is disclosed in the notes.

Investment properties are derecognised either when they have been disposed of or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in consolidated statement of profit and loss in the period of derecognition.

#### **4.4 Intangible Assets:**

Intangible assets are carried at cost, net of recoverable taxes, trade discount and rebates less accumulated amortisation and impairment losses, if any. Cost includes expenditure that is directly attributable to the acquisition of the intangible assets. In case of Intangible Assets, the Group has availed the carrying value as deemed cost on the date of transition i.e. 1st April, 2015.

Identifiable intangible assets are recognised when it is probable that future economic benefits attributed to the asset will flow to the Group and the cost of the asset can be reliably measured.

Computer softwares are capitalised at the amounts paid to acquire the respective license for use and for Development and the same is amortised over the period of useful lives or period of three years, whichever is less. The assets' useful lives and method of amortisation are reviewed at each financial year end and adjusted prospectively, if appropriate.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the consolidated statement of profit and loss when the asset is derecognised.

#### **4.5 Art Works:**

Art Works are carried at cost, net of recoverable taxes, trade discounts and rebates, less impairment losses, if any. Cost includes expenditure that is directly attributable to the acquisition of the items. Profit / loss arising from retirement / disposal of Art Works are recognised in the consolidated statement of profit and loss in the year of occurrence.

#### **4.6 Leases:**

Group evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116. Identification of a lease requires significant judgement. Group uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate. Group determines the lease term as the non-cancellable period of a lease, together with both periods covered by an options to extend the lease if the Group is reasonably certain to exercise that options; and periods covered by an option to terminate the lease if Group is reasonably certain not to exercise that options. In assessing whether the group is reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a lease, it considers all relevant facts and circumstances that create an economic incentive for Group to exercise the option to extend the lease, or not to exercise the option to terminate the lease. Group revises the lease term if there is a change in the non-cancellable period of a lease. The discount rate is generally based on the incremental borrowing rate specific to the lease being evaluated or for a portfolio of leases with similar characteristics.

**Group as a lessee**

Group's lease asset classes primarily consist of leases for land and buildings. Group assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, Group assesses whether: (i) the contract involves the use of an identified asset (ii) Group has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) Group has the right to direct the use of the asset.

At the date of commencement of the lease, Group recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, Group recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements includes the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Group changes its assessment if whether it will exercise an extension or a termination option.

The discount rate is generally based on the incremental borrowing rate specific to the lease being evaluated or for a portfolio of leases with similar characteristics.

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

**Group as a lessor**

Leases for which the Group is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

When the Group is an intermediate lessor, it accounts for its interests in the head lease and the sublease separately. The sublease is classified as a finance or operating lease by reference to the right- of-use asset arising from the head lease.

For operating leases, rental income is recognized on a straight line basis over the term of the relevant lease.

**4.7 Inventories:**

Inventories are valued at the lower of cost and net realizable value except scrap (cullet), which is valued at raw material cost, where it is re-usable, otherwise at net realisable value. Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale. The cost of inventories comprises of cost of purchase, cost of conversion and other costs incurred in bringing the inventories to their respective present location and condition. Cost of raw materials, packing materials and stores, spares and consumables are computed on the weighted average basis. Cost of work in progress, finished goods and Stock-in-trade is determined on absorption costing method.

**4.8 Cash and cash equivalents:**

Cash and cash equivalent in the balance sheet comprise cash at banks, cash on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Group's cash management.

**4.9 Impairment of non-financial assets - property, plant and equipment and intangible assets:**

The Group assesses at each reporting date as to whether there is any indication that any property, plant and equipment and intangible assets or group of assets, called cash generating units (CGU) may be impaired. If any such indication exists the recoverable amount of an asset or CGU is estimated to determine the extent of impairment, if any. When it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the CGU to which the asset belongs.

An impairment loss is recognised in the consolidated Statement of Profit and Loss to the extent, asset's carrying amount exceeds its recoverable amount. The recoverable amount is higher of an asset's fair value less cost of disposal and value in use. Value in use is based on the estimated future cash flows, discounted to their present value using pre-tax discount rate that reflects current market assessments of the time value of money and risk specific to the assets.

The impairment loss recognised in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

**4.10 Impairment of Goodwill:**

Goodwill is tested for impairment on an annual basis and whenever there is an indication that goodwill may be impaired, relying on a number of factors including operating results, business plans and future cash flows. For the purpose of impairment testing, goodwill acquired in a business combination is allocated to the Group's cash generating units (CGU) or groups of CGU's expected to benefit from the synergies arising from the business combination. A CGU is the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or group of assets. Impairment occurs when the carrying amount of a CGU including the goodwill, exceeds the estimated recoverable amount of the CGU. The recoverable amount of a CGU is the higher of its fair value less cost to sell and its value-in-use. Value-in-use is the present value of future cash flows expected to be derived from the CGU. Total impairment loss of a CGU is allocated first to reduce the carrying amount of goodwill allocated to the CGU and then to the other assets of the CGU pro-rata on the basis of the carrying amount of each asset in the CGU. An impairment loss on goodwill is recognized in the statement of profit or loss and is not reversed in the subsequent period.

**4.11 Discontinued operation and non-current assets (or disposal groups) held for sale:****Discontinued operation:**

A discontinued operation is a component of the Group that has been disposed of or is classified as held for sale and that represents a separate major line of business or geographical area of operations, is part of a single co-ordinated plan to dispose of such a line of business or area of operations, or is a subsidiary acquired exclusively with a view to resale. The results of discontinued operations are presented separately in the consolidated statement of profit and loss.

**Non-current assets (or disposal groups) held for sale:**

Non-current assets are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. This condition is regarded as met only when a sale is highly probable from the date of classification, management are committed to the sale and the asset is available for immediate sale in its present condition. Non-current assets are classified as held for sale from the date these conditions are met and are measured at the lower of carrying amount and fair value less cost to sell. Any resulting impairment loss is recognised in the Consolidated Statements of Profit and Loss as a separate line item. On classification as held for sale, the assets are no longer depreciated. Assets and liabilities classified as held for sale are presented separately as current items in the balance sheet.

**4.12 Financial instruments – initial recognition, subsequent measurement and impairment:**

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

**I) Financial assets -Initial recognition and measurement:**

All financial assets are initially recognized at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets, which are not at fair value through profit or loss, are adjusted to the fair value on initial recognition. Financial assets are classified, at initial recognition, as financial assets measured at fair value or as financial assets measured at amortised cost. However, trade receivables that do not contain a significant financing component are measured at transaction price.

**Financial assets - Subsequent measurement:**

For the purpose of subsequent measurement, financial assets are classified in two broad categories:-

- a) Financial assets at fair value
- b) Financial assets at amortised cost

Where assets are measured at fair value, gains and losses are either recognised entirely in the consolidated statement of profit and loss (i.e. fair value through profit or loss), or recognised in other comprehensive income (i.e. fair value through other comprehensive income).

A financial asset that meets the following two conditions is measured at **amortised cost** (net of any write down for impairment) unless the asset is designated at fair value through profit or loss under the fair value option.

**a) Business model test:** The objective of the Group's business model is to hold the financial asset to collect the contractual cash flow.

**b) Cash flow characteristics test:** The contractual terms of the financial asset give rise on specified dates to cash flow that are solely payments of principal and interest on the principal amount outstanding.

A financial asset that meets the following two conditions is measured at **fair value through other comprehensive income** unless the asset is designated at fair value through profit or loss under the fair value option.

**a) Business model test:** The financial asset is held within a business model whose objective is achieved by both collecting contractual cash flow and selling financial assets.

**b) Cash flow characteristics test:** The contractual terms of the financial asset give rise on specified dates to cash flow that are solely payments of principal and interest on the principal amount outstanding.

All other financial asset is measured at fair value through profit or loss.

**Financial assets - Derecognition:**

A financial assets (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the Group's consolidated statement of financial position) when:

a) The rights to receive cash flows from the asset have expired, or

b) The Group has transferred its rights to receive cash flow from the asset.

**Impairment of financial assets**

In accordance with Ind AS 109, the Group uses 'Expected Credit Loss' (ECL) model, for evaluating impairment of financial assets other than those measured at fair value through profit and loss (FVTPL).

Expected credit losses are measured through a loss allowance at an amount equal to:

a) The 12-months expected credit losses (expected credit losses that result from those default events on the financial instrument that are possible within 12 months after the reporting date); or

b) Full lifetime expected credit losses (expected credit losses that result from all possible default events over the life of the financial instrument).

For trade receivables Group applies 'simplified approach' which requires expected lifetime losses to be recognised from initial recognition of the receivables. The Group uses historical default rates to determine impairment loss on the portfolio of trade receivables. At every reporting date these historical default rates are reviewed and changes in the forward looking estimates are analysed.

For other assets, the Group uses 12 month ECL to provide for impairment loss where there is no significant increase in credit risk. If there is significant increase in credit risk full lifetime ECL is used.

**II) Financial liabilities - Initial recognition and measurement:**

The financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

**Financial liabilities - Subsequent measurement:**

Financial liabilities are subsequently carried at amortized cost using the effective interest method. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate at their fair value due to the short maturity of these instruments.

**Financial Liabilities - Financial guarantee contracts:**

Financial guarantee contracts issued by the Group are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined and the amount recognised less cumulative amortisation.

**Financial Liabilities - Derecognition:**

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another, from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the consolidated statement of profit and loss.

**4.13 Provisions, Contingent Liabilities, Contingent assets and Commitments:**

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. If the effect of the time value of money is material, provisions are discounted using equivalent period government securities interest rate. Unwinding of the discount is recognised in the consolidated statement of profit and Loss as a finance cost. Provisions are reviewed at each balance sheet date and are adjusted to reflect the current best estimate.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made. Information on contingent liability is disclosed in the Notes to the consolidated financial statements. Contingent assets are not recognised. However, when the realisation of income is virtually certain, then the related asset is no longer a contingent asset, but it is recognised as an asset.

**4.14 Dividend Distribution:**

Annual dividend distribution to the shareholders is recognised as a liability in the period in which the dividends are approved by the shareholders. Any interim dividend paid is recognised on approval by Board of Directors. Dividend payable is recognised directly in other equity.

**4.15 Revenue recognition and other income:****Sale of goods and Services:**

The Group derives revenues primarily from sale of products comprising of Scientific and Industrial Products (SIP) and Consumer Products (CP).

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration entitled in exchange for those goods or services. Generally, control is transferred upon shipment of goods to the customer or when the goods is made available to the customer, provided transfer of title to the customer occurs and the Group has not retained any significant risks of ownership or future obligations with respect to the goods shipped.

Revenue from rendering of services is recognised over the time by measuring the progress towards complete satisfaction of performance obligations at the reporting period.

Revenue is measured at the amount of consideration which the Group expects to be entitled to in exchange for transferring distinct goods or services to a customer as specified in the contract, excluding amounts collected on behalf of third parties (for example taxes and duties collected on behalf of the government). Consideration is generally due upon satisfaction of performance obligations and a receivable is recognized when it becomes unconditional.

The Group does not have any contracts where the period between the transfer of the promised goods or services to the customer and payment by the customer exceeds one year. As a consequence, it does not adjust any of the transaction prices for the time value of money.

Revenue is measured based on the transaction price, which is the consideration, adjusted for volume discounts, scheme discount and price concessions , if any, as specified in the contract with the customer. Revenue also excludes taxes collected from customers.

**Contract balances:****Trade receivables:**

A receivable represents the Group's right to an amount of consideration that is unconditional.

**Contract liabilities:**

A contract liability is the obligation to transfer goods or services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Group transfers goods or services to the customer, a contract liability is recognised when the payment is made. Contract liabilities are recognised as revenue when the Group performs under the contract.

**Other Income:**

Incentives on exports and other Government incentives related to operations are recognised in the consolidated statement of profit and loss after due consideration of certainty of utilization/receipt of such incentives.

**Interest Income:**

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Group and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

**Dividend Income:**

Dividend Income is recognised when the right to receive the payment is established.

**Rental income:**

Rental income arising from operating leases is accounted for on a straight-line basis over the lease terms and is included as other income in the consolidated statement of profit or loss.



**4.16 Foreign currency reinstatement and translation:**

Transactions in foreign currencies are recorded at the exchange rate prevailing on the date of transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency closing rates of exchange at the reporting date.

Exchange differences arising on settlement or translation of monetary items are recognised in consolidated statement of profit and loss except to the extent of exchange differences which are regarded as an adjustment to interest costs on foreign currency borrowings that are directly attributable to the acquisition or construction of qualifying assets, are capitalized as cost of assets.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the transaction. Non-monetary items carried at fair value that are denominated in foreign currencies are translated at the exchange rates prevailing at the date when the fair value was determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in OCI or profit or loss are also recognised in OCI or profit or loss, respectively).

Foreign exchange differences regarded as an adjustment to borrowing costs are presented in the consolidated statement of profit and loss, within finance costs. All other finance gains / losses are presented in the consolidated statement of profit and loss on a net basis.

In case of an asset, expense or income where a non-monetary advance is paid/received, the date of transaction is the date on which the advance was initially recognized. If there were multiple payments or receipts in advance, multiple dates of transactions are determined for each payment or receipt of advance consideration.

**4.17 Employee Benefits:**

Short term employee benefits are recognized as an expense in the consolidated statement of profit and loss of the year in which the related services are rendered.

Leave encashment is accounted as Short-term employee benefits and is determined based on projected unit credit method, on the basis of actuarial valuations carried out by third party actuaries at each Balance Sheet date.

Contribution to Provident Fund, a defined contribution plan, is made in accordance with the statute, and is recognised as an expense in the year in which employees have rendered services.

Contribution to Superannuation fund, a defined contribution plan, is made in accordance with the respective Company's policy, and is recognised as an expense in the year in which employees have rendered services.

The cost of providing gratuity, a defined benefit plans, is determined using the Projected Unit Credit Method, on the basis of actuarial valuations carried out by third party actuaries at each Balance Sheet date. Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to other comprehensive income in the period in which they arise. Other costs are accounted in consolidated statement of profit and loss.

Remeasurements of defined benefit plan in respect of post employment and other long term benefits are charged to the other comprehensive income in the year in which they occur. Remeasurements are not reclassified to consolidated statement of profit and loss in subsequent periods.

**4.18 Share-based payments:**

The cost of equity-settled transactions with employees is measured at fair value at the date at which they are granted. The fair value of share awards are determined with the assistance of an external valuer and the fair value at the grant date is expensed on a proportionate basis over the vesting period based on the Group's estimate of shares that will eventually vest. The estimate of the number of stock options likely to vest is reviewed at each balance sheet date up to the vesting date at which point the estimate is adjusted to reflect the current expectations.

**4.19 Taxes on Income:**

Income tax expense represents the sum of current tax (including income tax for earlier years) and deferred tax. Tax is recognised in the consolidated statement of profit and loss, except to the extent that it relates to items recognised directly in equity or other comprehensive income, in such cases the tax is also recognised directly in equity or in other comprehensive income. Any subsequent change in direct tax on items initially recognised in equity or other comprehensive income is also recognised in equity or other comprehensive income.

Current tax provision is computed for Income calculated after considering allowances and exemptions under the provisions of the applicable Income Tax Laws. Current tax assets and current tax liabilities are off set, and presented as net.

Deferred tax is recognised on differences between the carrying amounts of assets and liabilities in the Balance sheet and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences, and deferred tax assets are generally recognised for all deductible temporary differences, carry forward tax losses, unutilised tax credits and allowances to the extent that it is probable that future taxable profits will be available against which those deductible temporary differences, carry forward tax losses, unutilised tax credits and allowances can be utilised. Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates that have been enacted or substantively enacted by the end of the reporting period. The carrying amount of Deferred tax liabilities and assets are reviewed at the end of each reporting period.

**4.20 Borrowing Costs:**

Borrowing costs specifically relating to the acquisition or construction of qualifying assets that necessarily takes a substantial period of time to get ready for its intended use are capitalized (net of income on temporarily deployment of funds) as part of the cost of such assets. Borrowing costs consist of interest and other costs that the Group incurs in connection with the borrowing of funds. For general borrowing used for the purpose of obtaining a qualifying asset, the amount of borrowing costs eligible for capitalization is determined by applying a capitalization rate to the expenditures on that asset. The capitalization rate is the weighted average of the borrowing costs applicable to the borrowings of the respective Company that are outstanding during the period, other than borrowings made specifically for the purpose of obtaining a qualifying asset. The amount of borrowing costs capitalized during a period does not exceed the amount of borrowing cost incurred during that period. All other borrowing costs are expensed in the period in which they occur.

**4.21 Earnings per share:**

Basic earnings per share is computed using the net profit or loss for the year attributable to the shareholders' and weighted average number of equity shares outstanding during the year.

Diluted earnings per share is computed using the net profit or loss for the year attributable to the shareholder' and weighted average number of equity and potential equity shares outstanding during the year including share options, convertible preference shares and debentures, except where the result would be anti-dilutive. Potential equity shares that are converted during the year are included in the calculation of diluted earnings per share, from the beginning of the year or date of issuance of such potential equity shares, to the date of conversion.

**4.22 Current and non-current classification:**

The Group presents assets and liabilities in statement of financial position based on current/non-current classification.

The Group has presented non-current assets and current assets before equity, non-current liabilities and current liabilities in accordance with Schedule III, Division II of Companies Act, 2013 notified by MCA.

**An asset is classified as current when it is:**

- a) Expected to be realised or intended to be sold or consumed in normal operating cycle,
- b) Held primarily for the purpose of trading,
- c) Expected to be realised within twelve months after the reporting period, or
- d) Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

**A liability is classified as current when it is:**

- a) Expected to be settled in normal operating cycle,
- b) Held primarily for the purpose of trading,
- c) Due to be settled within twelve months after the reporting period, or
- d) There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents. Deferred tax assets / liabilities are classified as non-current assets / liabilities. The Group has identified twelve months as its normal operating cycle.

**4.23 Fair value measurement:**

The Group measures financial instruments at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- a) In the principal market for the asset or liability, or
- b) In the absence of a principal market, in the most advantageous market for the asset or liability

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the consolidated financial statements are categorised within the fair value hierarchy.

**4.24 Government Grant:**

Government grants are recognized only if there is reasonable assurance as to its receipt and that the conditions attached there to shall be complied with and are recognised and shown under the head "Other Income".

**4.25 Off-setting financial Instrument:**

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable rights to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable rights must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the respective Company or counterparty.

**4.26 Recent Accounting pronouncements:**

On 31st March , 2023, the Ministry of Corporate Affairs (MCA) has notified Companies (Indian Accounting Standards) Amendment Rules, 2023. This notification has resulted into amendments in the following existing accounting standards which are applicable to Group from 1st April, 2023:

- i) Ind AS 101 – First-time Adoption of Indian Accounting Standards
- ii) Ind AS 102 – Share-based Payment
- iii) Ind AS 103 – Business Combinations
- iv) Ind AS 107 – Financial Instruments Disclosures
- v) Ind AS 109 – Financial Instruments
- vi) Ind AS 115 – Revenue from Contracts with Customers
- vii) Ind AS 1 – Presentation of Financial Statements
- viii) Ind AS 8 - Accounting Policies, Changes in Accounting Estimates and Errors
- ix) Ind AS 12 – Income Taxes
- x) Ind AS 34 - Interim Financial Reporting

The above amendments of standards are not expected to have any significant impact on the Group's financial statements.

**Note 5 SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS:**

The preparation of the consolidated financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets, liabilities, the accompanying disclosures and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods. The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Group based its assumptions and estimates on parameters available when the consolidated financial statements were prepared. However, existing circumstances and assumptions about future developments may change due to market changes or circumstances arising that are beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

**5.1 Property, Plant and Equipment, Investment Properties and Other Intangible Assets:**

Management reviews the estimated useful lives and residual values of the assets annually in order to determine the amount of depreciation to be recorded during any reporting period. The useful lives and residual values as per schedule II of the Companies Act, 2013 or are based on the Group's historical experience with similar assets and taking into account anticipated technological changes, whichever is more appropriate.

**5.2 Income Tax:**

Group reviews at each balance sheet date the carrying amount of deferred tax assets. The factors used in estimates may differ from actual outcome which could lead to an adjustment to the amounts reported in the financial statements. Deferred tax assets are recognised only to the extent that it is probable that taxable profit will be available against which the unused tax losses or tax credits can be utilised. This involves an assessment of when those assets are likely to reverse, and a judgement as to whether or not there will be sufficient taxable profits available to offset the assets. This requires assumptions regarding future profitability, which is inherently uncertain. To the extent assumptions regarding future profitability change, there can be an increase or decrease in the amounts recognised in respect of deferred tax assets and consequential impact in the consolidated statement of profit and loss.

**5.3 Contingencies:**

Management has estimated the possible outflow of resources at the end of each annual reporting financial year, if any, in respect of contingencies/claim/litigations against the Group as it is not possible to predict the outcome of pending matters with accuracy.

**5.4 Impairment of financial assets:**

The impairment provisions for financial assets are based on assumptions about risk of default and expected cash loss. The Group uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on Group's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

**5.5 Impairment of non-financial assets:**

The Group assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or Cash Generating Units (CGU) fair value less costs of disposal and its value in use. It is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent to those from other assets or groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less cost of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples or other available fair value indicators.

**5.6 Defined benefits plans:**

The Cost of the defined benefit plan and other post-employment benefits and the present value of such obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, mortality rates and attrition rate. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

**5.7 Recoverability of trade receivable:**

Judgements are required in assessing the recoverability of overdue trade receivables and determining whether a provision against those receivables is required. Factors considered include the credit rating of the counterparty, the amount and timing of anticipated future payments and any possible actions that can be taken to mitigate the risk of non-payment.

**5.8 Revenue Recognition:**

The Group's contracts with customers could include promises to transfer multiple products and services to a customer. The Group assesses the products / services promised in a contract and identify distinct performance obligations in the contract. Identification of distinct performance obligation involves judgement to determine the deliverables and the ability of the customer to benefit independently from such deliverables.

Judgement is also required to determine the transaction price for the contract. The transaction price could be either a fixed amount of customer consideration or variable consideration with elements such as volume discounts, price concessions and incentives. Any consideration payable to the customer is adjusted to the transaction price, unless it is a payment for a distinct product or service from the customer. The estimated amount of variable consideration is adjusted in the transaction price only to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur and is reassessed at the end of each reporting period. The Group allocates the elements of variable considerations to all the performance obligations of the contract unless there is observable evidence that they pertain to one or more distinct performance obligations.

The Group uses judgement to determine an appropriate standalone selling price for a performance obligation. The Group allocates the transaction price to each performance obligation on the basis of the relative standalone selling price of each distinct product or service promised in the contract.

**5.9 Provisions:**

Provisions and liabilities are recognized in the period when it becomes probable that there will be a future outflow of funds resulting from past operations or events and the amount of cash outflow can be reliably estimated. The timing of recognition and quantification of the liability require the application of judgement to existing facts and circumstances, which can be subject to change. Since the cash outflows can take place many years in the future, the carrying amounts of provisions and liabilities are reviewed regularly and adjusted to take account of changing facts and circumstances.

**5.10 Fair value measurement of financial instruments:**

When the fair value of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the Discounted Cash Flow (DCF) model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

**5.11 Classification of Leases:**

The Group evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116. Identification of a lease requires significant judgement. The Group uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate. The Group determines the lease term as the non-cancellable period of a lease, together with both periods covered by an options to extend the lease if the Group is reasonably certain to exercise that options; and periods covered by an option to terminate the lease if the Group is reasonably certain not to exercise that options. In assessing whether the Group is reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a lease, it considers all relevant facts and circumstances that create an economic incentive for the Group to exercise the option to extend the lease, or not to exercise the option to terminate the lease. The Group revises the lease term if there is a change in the non-cancellable period of a lease. The discount rate is generally based on the incremental borrowing rate specific to the lease being evaluated or for a portfolio of leases with similar characteristics.

**BOROSIL LIMITED**

Notes to the Consolidated Financial Statements for the year ended 31st March, 2023

**Note 6 - Property, Plant and Equipment and Capital Work-in-Progress**

(Rs. in lakhs)

Particulars	Leasehold Improvements	Right to use - Building	Leasehold Land	Freehold Land	Buildings	Plant and Equipment	Furniture and Fixtures	Vehicles	Office Equipments	Total	Capital Work in Progress
<b>GROSS BLOCK:</b>											
<b>As at 1st April, 2021</b>	<b>432.06</b>	<b>180.34</b>	<b>363.91</b>	<b>4,524.24</b>	<b>10,890.20</b>	<b>20,587.27</b>	<b>1,230.32</b>	<b>776.15</b>	<b>1,119.60</b>	<b>40,104.09</b>	
Additions	10.10	-	-	143.66	388.58	1,790.40	8.84	267.53	184.46	2,793.57	
Transfer to Assets held for Sale (Refer Note 51)	-	-	363.91	1,095.73	5,444.46	-	-	-	-	6,904.10	
Disposals / Adjustments	-	-	-	-	185.87	463.74	288.28	120.88	165.22	1,223.99	
<b>As at 31st March, 2022</b>	<b>442.16</b>	<b>180.34</b>	<b>-</b>	<b>3,572.17</b>	<b>5,648.45</b>	<b>21,913.93</b>	<b>950.88</b>	<b>922.80</b>	<b>1,138.84</b>	<b>34,769.57</b>	
Additions	85.90	830.41	-	260.68	7,004.50	17,755.22	862.80	346.67	583.69	27,729.87	
Disposals / Adjustments	50.95	-	-	-	-	1,369.36	133.67	227.78	392.84	2,174.60	
<b>As at 31st March, 2023</b>	<b>477.11</b>	<b>1,010.75</b>	<b>-</b>	<b>3,832.85</b>	<b>12,652.95</b>	<b>38,299.79</b>	<b>1,680.01</b>	<b>1,041.69</b>	<b>1,329.69</b>	<b>60,324.84</b>	
<b>DEPRECIATION AND AMORTISATION:</b>											
<b>As at 1st April, 2021</b>	<b>262.82</b>	<b>53.24</b>	<b>36.06</b>	<b>-</b>	<b>1,299.40</b>	<b>8,720.26</b>	<b>739.43</b>	<b>382.90</b>	<b>798.51</b>	<b>12,292.62</b>	
Depreciation / Amortisation	128.60	10.51	3.70	-	223.47	2,651.23	80.53	97.01	152.09	3,347.14	
Transfer to Assets held for Sale (Refer Note 51)	-	-	39.76	-	726.84	-	-	-	-	766.60	
Disposals / Adjustments	-	-	-	-	37.30	365.34	189.72	67.17	143.27	802.80	
<b>As at 31st March, 2022</b>	<b>391.42</b>	<b>63.75</b>	<b>-</b>	<b>-</b>	<b>758.73</b>	<b>11,006.15</b>	<b>630.24</b>	<b>412.74</b>	<b>807.33</b>	<b>14,070.36</b>	
Depreciation / Amortisation	11.22	121.51	-	-	238.97	3,100.28	137.77	109.40	173.13	3,892.28	
Disposals / Adjustments	45.62	-	-	-	-	1,286.19	118.04	98.13	374.86	1,922.84	
<b>As at 31st March, 2023</b>	<b>357.02</b>	<b>185.26</b>	<b>-</b>	<b>-</b>	<b>997.70</b>	<b>12,820.24</b>	<b>649.97</b>	<b>424.01</b>	<b>605.60</b>	<b>16,039.80</b>	
<b>NET BLOCK:</b>											
<b>As at 31st March, 2022</b>	<b>50.74</b>	<b>116.59</b>	<b>-</b>	<b>3,572.17</b>	<b>4,889.72</b>	<b>10,907.78</b>	<b>320.64</b>	<b>510.06</b>	<b>331.51</b>	<b>20,699.21</b>	<b>2,497.76</b>
<b>As at 31st March, 2023</b>	<b>120.09</b>	<b>825.49</b>	<b>-</b>	<b>3,832.85</b>	<b>11,655.25</b>	<b>25,479.55</b>	<b>1,030.04</b>	<b>617.68</b>	<b>724.09</b>	<b>44,285.04</b>	<b>4,684.13</b>

**BOROSIL LIMITED****Notes to the Consolidated Financial Statements for the year ended 31st March, 2023**

**6.1** In accordance with the Indian Accounting Standard (Ind AS -36 ) "Impairment of Assets", the management during the year carried out an exercise of identifying the assets that may have been impaired in accordance with the said Ind AS. On the basis of this review carried out by the management, there was no impairment loss on property, plant and equipment during the year ended 31st March, 2023.

**6.2** Certain property, plant and equipment were pledged as collateral against borrowings, the details related to which have been described in note 23 and note 26.

**6.3** Gross Block of Plant and Equipments includes Rs. 7.18 lakhs (Previous year Rs. 7.18 lakhs) being the amount spent for laying Power Line, the ownership of which vests with the Government Authorities.

**6.4 Details of Capital work in Progress (CWIP) aging and completion schedule as at 31st March, 2023 and 31st March, 2022 are as below:**

(A) CWIP ageing schedule as at 31st March, 2023

(Rs. in lakhs)

Capital Work in Progress	Amount in CWIP for a period of				
	Less than 1 year	1-2 years	2-3 Years	More than 3 years	Total
Project in Progress	4,532.80	90.17	-	61.16	4,684.13
Project Temporarily Suspended	-	-	-	412.91	412.91
Less: Provision for Impairment	-	-	-	(412.91)	(412.91)
<b>Total</b>	<b>4,532.80</b>	<b>90.17</b>	<b>-</b>	<b>61.16</b>	<b>4,684.13</b>

(B) CWIP ageing schedule as at 31st March, 2022

(Rs. in lakhs)

Capital Work in Progress	Amount in CWIP for a period of				
	Less than 1 year	1-2 years	2-3 Years	More than 3 years	Total
Project in Progress	2,436.60	-	-	61.16	2,497.76
Project Temporarily Suspended	-	-	-	412.91	412.91
Less: Impairment of Assets (Refer Note 38.1)	-	-	-	(412.91)	(412.91)
<b>Total</b>	<b>2,436.60</b>	<b>-</b>	<b>-</b>	<b>61.16</b>	<b>2,497.76</b>

**BOROSIL LIMITED**

**Notes to the Consolidated Financial Statements for the year ended 31st March, 2023**

**6.5. Title deeds of Immovable Properties not held in name of the Company as at 31st March, 2023 and 31st March, 2022**

A) Title deeds of Immovable Properties not held in name of the Company as at 31st March, 2023

Relevant line item in the Balance sheet	Description of item of property	Gross carrying value (Rs. in lakhs)	Title deeds held in the name of	Whether title deed holder is a promoter, director or relative of promoter/director or employee of promoter/director	Property held since which date	Reason for not being held in the name of the company
Property, Plant and Equipments	Freehold Land at Govindgarh, Dist Jaipur	1,555.26	Borosil Renewables Ltd (Formerly known as Borosil Glass Works Ltd)	No	12.02.2020	The said transfer was pursuant to the Composite Scheme of Amalgamation and Arrangement as approved by the Hon'ble National Company Law Tribunal Vide its order dated 15th January, 2020, which became effective from 12th February, 2020. Subsequent to the year end, the Company has completed the adjudication process and received the order .
Investment Properties (Refer Note 7)	Freehold Land at Roorkee, Dist Haridwar	110.86 *	Borosil Renewables Ltd (Formerly known as Borosil Glass Works Ltd)	No	12.02.2020	The said transfer was pursuant to the Composite Scheme of Amalgamation and Arrangement as approved by the Hon'ble National Company Law Tribunal Vide its order dated 15th January, 2020, which became effective from 12th February, 2020 and it is under process.

\* Provision for Impairment Loss of Rs. 61.77 lakhs has been provided.

B) Title deeds of Immovable Properties not held in name of the Company as at 31st March, 2022

Relevant line item in the Balance sheet	Description of item of property	Gross carrying value (Rs. in lakhs)	Title deeds held in the name of	Whether title deed holder is a promoter, director or relative of promoter/director or employee of promoter/director	Property held since which date	Reason for not being held in the name of the company
Property, Plant and Equipments	Freehold Land at Govindgarh, Dist Jaipur	1,555.26	Borosil Renewables Ltd (Formerly known as Borosil Glass Works Ltd)	No	12.02.2020	The said transfer was pursuant to the Composite Scheme of Amalgamation and Arrangement as approved by the Hon'ble National Company Law Tribunal Vide its order dated 15th January, 2020, which became effective from 12th February, 2020 and the same is in the process of adjudication.
Investment Properties (Refer Note 7)	Freehold Land at Roorkee, Dist Haridwar	110.86 *	Borosil Renewables Ltd (Formerly known as Borosil Glass Works Ltd)	No	12.02.2020	The said transfer was pursuant to the Composite Scheme of Amalgamation and Arrangement as approved by the Hon'ble National Company Law Tribunal Vide its order dated 15th January, 2020, which became effective from 12th February, 2020 and it is under process.

\* Provision for Impairment Loss of Rs. 61.77 lakhs has been provided. (Refer Note 38.1)



**BOROSIL LIMITED****Notes to the Consolidated Financial Statements for the year ended 31st March, 2023**

6.6 Details of pre-operative expenditure included in capital work in progress and its capitalisation during the year:

Particulars	(Rs. in lakhs)	
	31st March 2023	31st March 2022
<b>Pre-operative Expenditure carried forward from previous year</b>	<b>104.18</b>	<b>-</b>
Raw Material Consumption	75.17	-
Employee Benefits Expenses	362.03	21.94
Gratuity	3.53	-
Consumption of Stores and Spares	25.75	-
Power and Fuel	419.80	-
Rent	40.11	-
Rates and Taxes	22.23	-
Insurance	27.48	-
Travelling	50.19	-
Finance Cost	146.49	31.64
Professional Fees	-	44.90
Miscellaneous Expenses	175.18	5.70
<b>Total Pre-operative expenses for the year</b>	<b>1,347.96</b>	<b>104.18</b>
<b>Total Pre-operative expenses</b>	<b>1,452.14</b>	<b>104.18</b>
Less:- Trial run products for captive consumption	366.83	-
Less: Allocated to Property, Plant and Equipment during the year	1,012.70	-
<b>Balance pre-operative expenses included in Capital work in Progress</b>	<b>72.61</b>	<b>104.18</b>

6.7 There are no proceedings initiated or pending against the company for holding any Benami Property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and the rules made thereunder.

6.8 The Company does not have any capital work in progress or Intangible assets under development whose completion is overdue or has exceeded its cost compared to original plan.

6.9 Refer note 40 for disclosure of contractual commitments for the acquisition of Property, plant and Equipment,

**BOROSIL LIMITED****Notes to the Consolidated Financial Statements for the year ended 31st March, 2023****Note 7- Investment Property**

Particulars	(Rs. in lakhs)
	Investment Properties
<b>GROSS BLOCK:</b>	
<b>As at 1st April, 2021</b>	<b>167.63</b>
Additions	-
Disposals	-
<b>As at 31st March, 2022</b>	<b>167.63</b>
Additions	-
Disposals	-
<b>As at 31st March, 2023</b>	<b>167.63</b>
<b>DEPRECIATION AND AMORTISATION:</b>	
<b>As at 1st April, 2021</b>	-
Depreciation	0.27
Provision for Impairment (Refer Note 38.1)	61.77
Disposals	-
<b>As at 31st March, 2022</b>	<b>62.04</b>
Depreciation	0.27
Disposals	-
<b>As at 31st March, 2023</b>	<b>62.31</b>
<b>NET BLOCK:</b>	
<b>As at 31st March, 2022</b>	<b>105.59</b>
<b>As at 31st March, 2023</b>	<b>105.32</b>

**7.1 Information regarding income and expenditure of investment properties:**

There is no Income derived / Expenses incurred by the Company from investment properties.

**7.2** The Company's investment properties as at 31st March, 2023 consists of land and building held for undetermined future use.

**7.3** The fair values of the properties are Rs. 747.51 lakhs (Previous Year Rs. 727.50 lakhs). These valuations are based on valuations performed by an accredited independent valuer, who is a specialist in valuing these types of properties. The fair value of the assets is determined using Comparison Method under the Market Approach. The fair value measurement is categorised in Level 3 fair value hierarchy. For the purpose of the valuation under comparison method, a comparison is made with similar properties that have recently been sold in the market. The significant unobservable inputs are (i) monthly market rent, taking into account the difference in location and individual factors, such as frontage and size between the comparable and the properties. (ii) Capitalisation rate, taking into account the capitalisation of rental income potential, nature of property and the prevailing market condition.

**7.4** The fair values of the properties as at 31st March, 2023 are performed by an accredited independent registered valuer as defined under rule 2 of the Companies (Registered Valuers and Valuation) Rules, 2017 who is a specialist in valuing these types of properties.

**7.5** There are no restrictions on the realisability of investment properties of the Company and also there is no contractual obligations to purchase, construct or develop investment properties or for repairs, maintenance and enhancements.

**BOROSIL LIMITED****Notes to the Consolidated Financial Statements for the year ended 31st March, 2023****Note 8 - Other Intangible Assets**

Particulars	(Rs. in lakhs)	
	Other Intangible assets	Intangible assets under development
<b>GROSS BLOCK:</b>		
<b>As at 1st April, 2021</b>	<b>418.94</b>	
Additions	21.87	
Disposals	1.00	
<b>As at 31st March, 2022</b>	<b>439.81</b>	
Additions	31.88	
Disposals	0.67	
<b>As at 31st March, 2023</b>	<b>471.02</b>	
<b>AMORTISATION:</b>		
<b>As at 1st April, 2021</b>	<b>367.55</b>	
Amortisation	36.06	
Disposals	1.00	
<b>As at 31st March, 2022</b>	<b>402.61</b>	
Amortisation	28.73	
Disposals	0.62	
<b>As at 31st March, 2023</b>	<b>430.72</b>	
<b>NET BLOCK:</b>		
<b>As at 31st March, 2022</b>	<b>37.20</b>	
<b>As at 31st March, 2023</b>	<b>40.30</b>	<b>216.05</b>

8.1 Other intangible assets represents Computer Softwares other than self generated.

8.2 Details of aging of Intangible assets under development as at 31st March, 2023 are as below :-

Intangible assets under development	(Rs. in lakhs)				
	Amount in Intangible assets under development for a period of				
	Less than 1 year	1-2 years	2-3 Years	More than 3 years	Total
Project in Progress	216.05	-	-	-	216.05
Project Temporarily Suspended	-	-	-	-	-
<b>Total</b>	<b>216.05</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>216.05</b>

8.3 The Company does not have any Intangible assets under development whose completion is overdue or has exceeded its cost compared to original plan.

8.4 Refer note 40 for disclosure of contractual commitments for the acquisition of Intangible Assets

**BOROSIL LIMITED**

Notes to the Consolidated Financial Statements for the year ended 31st March, 2023

**Note 9 - Non-Current Investments**

Particulars	As at 31st March, 2023			As at 31st March, 2022		
	No. of Shares/Units	Face Value (in Rs.)	Rs. in lakhs	No. of Shares/Units	Face Value (in Rs.)	Rs. in lakhs
<b>(a) In Equity Instruments:</b>						
<b>Unquoted Fully Paid-Up</b>						
<b>Others</b>						
<b>Carried at fair value through profit and loss</b>						
Zoroastrian Co-operative Bank Ltd.	4,000	25	2.77	4,000	25	2.59
Bharat Co-operative Bank Ltd.	9,900	10	1.15	9,900	10	1.11
<b>Total Equity Instruments (a)</b>			<b>3.92</b>			<b>3.70</b>
<b>(b) In Others:</b>						
<b>Alternative Investment Fund</b>						
<b>Unquoted Fully Paid-Up</b>						
<b>Carried at fair value through profit and loss</b>						
ASK Real Estate Special Opportunities Fund - II - Class B	1,160	1,00,000	1,648.70	1,360	1,00,000	1,932.01
Edelweiss Stressed and Troubled Assets Revival Fund-1	10,000	2,444.32	35.24	10,000	2,444.32	68.09
Fireside Ventures Investment Fund-1 - Class A	445	1,00,000	1,984.06	441	1,00,000	1,962.15
<b>Total Others (b)</b>			<b>3,668.00</b>			<b>3,962.25</b>
<b>Total Non Current Investments (a) + (b)</b>			<b>3,671.92</b>			<b>3,965.95</b>

**9.1 Aggregate amount of Investments and Market value thereof**

(Rs. in lakhs)

Particulars	As at 31st March, 2023		As at 31st March, 2022	
	Book Value	Market Value	Book Value	Market Value
Quoted Investments	-	-	-	-
Unquoted Investments	3,671.92	-	3,965.95	-
	<b>3,671.92</b>		<b>3,965.95</b>	

**9.2 Category-wise Non-current Investment**

(Rs. in lakhs)

Particulars	As at 31st	As at 31st
	March, 2023	March, 2022
Financial assets measured at fair value through Profit and Loss	3,671.92	3,965.95
<b>Total</b>	<b>3,671.92</b>	<b>3,965.95</b>

## Note 10 - Non-current Financial Assets - Loans

Particulars	(Rs. in lakhs)	
	As at 31st March, 2023	As at 31st March, 2022
<b>Unsecured, Considered Good:</b>		
Loan to Employees	21.72	23.44
<b>Total</b>	<b>21.72</b>	<b>23.44</b>

## Note 11 - Non-current Financial Assets - Others

Particulars	(Rs. in lakhs)	
	As at 31st March, 2023	As at 31st March, 2022
<b>Unsecured, Considered Good:</b>		
Fixed deposit with Banks having maturity more than 12 months	100.00	24.31
Security Deposits	702.83	484.35
<b>Total</b>	<b>802.83</b>	<b>508.66</b>

11.1 Fixed Deposit with Banks pledged for EPCG license, Bank Guarantee and Project License.

## Note 12 - Other Non-current Assets

Particulars	(Rs. in lakhs)	
	As at 31st March, 2023	As at 31st March, 2022
<b>Unsecured, Considered Good:</b>		
Capital Advances	2,982.16	4,181.24
Others	26.00	18.06
<b>Total</b>	<b>3,008.16</b>	<b>4,199.30</b>

12.1 Others include mainly Prepaid Expenses etc.

## Note 13 - Inventories

Particulars	(Rs. in lakhs)	
	As at 31st March, 2023	As at 31st March, 2022
<b>Raw Materials:</b>		
Goods-in-Transit	58.40	455.00
Others	<u>4,800.72</u>	<u>3,873.48</u>
Work-in-Progress	2,161.16	1,010.49
<b>Finished Goods:</b>		
Goods-in-Transit	1,484.32	802.66
Others	<u>3,771.51</u>	<u>2,835.07</u>
<b>Stock-in-Trade:</b>		
Goods-in-Transit	2,728.62	2,072.16
Others	<u>7,292.61</u>	<u>6,699.36</u>
Stores, Spares and Consumables	857.06	812.22
Packing Material	915.14	736.70
Scrap(Cullet)	63.98	36.36
<b>Total</b>	<b>24,133.52</b>	<b>19,333.50</b>

13.1 The reversal of write-down of inventories (net) for the year is Rs. 273.62 lakhs (In previous year, the reversal of write-down of inventories (net) is of Rs. 358.79 lakhs). These are included in Changes in Inventories of Work-in-Progress, Finished Goods and Stock-in-Trade, in Packing Materials Consumed and Consumption Stores and Spares in the statement of profit and loss.

13.2 For mode of valuation, refer note no. 4.7.

## Note 14 - Current Investments

Particulars	As at 31st March, 2023			As at 31st March, 2022		
	No. of Shares/Units	Face Value (in Rs.)	Rs. in lakhs	No. of Shares/Units	Face Value (in Rs.)	Rs. in lakhs
<b>(a) In Debentures:</b>						
<b>Quoted Fully Paid-Up</b>						
<b>Carried at fair value through profit and loss</b>						
Unsecured Non Convertible Redeemable Debentures of Miraya Realty Pvt. Ltd.-Series II	81	94,336	58.20	81	1,00,000	81.00
Secured Non Convertible Redeemable Debentures of Sterling Habitats Pvt. Ltd.-Series II	-	-	-	45	1,00,000	48.54
Secured Non Convertible Redeemable Debentures of Genie Commercial Ventures Pvt. Ltd.-Tranche I	116	38,473	55.93	116	56,104	124.73
0% Secured Redeemable Non Convertible Debentures of HDB Financial Services Ltd. Series 2021 A0(ZC)163	100	10,00,000	1,089.12	100	10,00,000	1,053.32
0% Secured Redeemable Non Convertible Debentures of Axis Finance Ltd. Series 01/ 2021-22	-	-	-	100	10,00,000	941.97
0% Secured Redeemable Non Convertible Debentures of Aditya Birla Finance Ltd. Series C2	110	10,00,000	1,191.90	110	10,00,000	1,143.64
0% Secured Redeemable Non Convertible Debentures of Bajaj Finance Ltd. Series 230(II)	-	-	-	100	10,00,000	1,370.65
0% Secured Redeemable Non Convertible Debentures of Tata Capital Housing Finance Ltd. Series C FY. 2021-22	88	10,00,000	784.22	88	10,00,000	759.36
<b>Unquoted Fully Paid Up</b>						
<b>Carried at fair value through profit and loss</b>						
Unsecured Non Convertible Redeemable Debentures of Miraya Realty Pvt. Ltd.-First Debentures	134	94,304	104.50	134	1,00,000	138.44
Secured Non Convertible Redeemable Debentures of Sterling Habitats Pvt. Ltd.-Series I B	-	-	-	47	28,364	15.28
<b>Total Debentures (a)</b>			<b>3,283.87</b>			<b>5,676.93</b>
<b>(b) Mutual Funds:</b>						
<b>Unquoted Fully Paid-Up</b>						
<b>Carried at fair value through profit and loss</b>						
HDFC Liquid Fund Direct Plan Growth Option	1,20,707	1,000	5,339.11	58,398	1,000	2,443.83
ICICI Prudential Liquid Fund Direct Plan Growth	16,75,818	100	5,583.58	2,91,117	100	917.76
HDFC Overnight Fund Direct Plan Growth option	-	-	-	254	100	8.01
ICICI Prudential Overnight Fund Direct Plan Growth	-	-	-	8,47,444	100	971.24
Edelweiss Arbitrage Fund Direct Plan Growth	-	-	-	94,82,334	10	1,563.02
IDFC Arbitrage Fund Growth Direct Plan	-	-	-	55,81,968	10	1,558.11
Nippon India Arbitrage Fund Direct Growth Plan Growth Option	-	-	-	68,40,945	10	1,561.65
Aditya Birla Sun Life Floating Rate Fund Growth Direct Plan	-	-	-	3,61,842	10	1,026.00
<b>Total Mutual Funds (b)</b>			<b>10,922.69</b>			<b>10,049.62</b>
<b>Total Current Investments = (a) + (b)</b>			<b>14,206.56</b>			<b>15,726.55</b>

## 14.1 Aggregate amount of Current Investments and Market value thereof

(Rs. in lakhs)

Particulars	As at 31st March, 2023		As at 31st March, 2022	
	Book Value	Market Value	Book Value	Market Value
Quoted Investments	3,179.37	3,179.37	5,523.21	5,523.21
Unquoted Investments	11,027.19	-	10,203.34	-
<b>Total</b>	<b>14,206.56</b>		<b>15,726.55</b>	

## 14.2 Category-wise Current Investment

(Rs. in lakhs)

Particulars	As at 31st	As at 31st
	March, 2023	March, 2022
Financial assets measured at fair value through Profit and Loss	14,206.56	15,726.55
<b>Total</b>	<b>14,206.56</b>	<b>15,726.55</b>

## Note 15 - Current Financial Assets - Trade Receivables

Particulars	(Rs. in lakhs)	
	As at 31st March, 2023	As at 31st March, 2022
<b>Unsecured, Considered Good, unless otherwise stated:</b>		
Considered Good	9,209.50	7,430.91
Credit Impaired	440.89	457.53
	<u>9,650.39</u>	<u>7,888.44</u>
Less : Provision for Credit Impaired (Refer Note 43 and 47.2)	<u>440.89</u>	<u>457.53</u>
	9,209.50	7,430.91
<b>Total</b>	<b><u>9,209.50</u></b>	<b><u>7,430.91</u></b>

## 15.1 Trade Receivable Aging Schedule are as below:

Particulars	Not Due	(Rs. in lakhs)					
		Outstanding from due date of payment as at 31st March, 2023					
		Upto 6 Months	6 Months - 1 Year	1 - 2 Years	2 - 3 Years	More than 3 years	Total
Undisputed trade receivables – considered good	4,363.21	4,557.75	240.91	47.63	-	-	9,209.50
Undisputed trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
Undisputed trade receivables – credit impaired	-	-	27.96	57.80	81.53	82.77	250.06
Disputed trade receivables – considered good	-	-	-	-	-	-	-
Disputed trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed trade receivables – credit impaired	-	-	-	0.01	0.51	190.31	190.83
<b>Sub Total</b>	<b>4,363.21</b>	<b>4,557.75</b>	<b>268.87</b>	<b>105.44</b>	<b>82.04</b>	<b>273.08</b>	<b>9,650.39</b>
Less: Allowance for credit impaired	-	-	27.96	57.81	82.04	273.08	440.89
<b>Total</b>	<b>4,363.21</b>	<b>4,557.75</b>	<b>240.91</b>	<b>47.63</b>	<b>-</b>	<b>-</b>	<b>9,209.50</b>

Particulars	Not Due	(Rs. in lakhs)					
		Outstanding from due date of payment as at 31st March, 2022					
		Upto 6 Months	6 Months - 1 Year	1 - 2 Years	2 - 3 Years	More than 3 years	Total
Undisputed trade receivables – considered good	4,170.35	3,152.71	107.85	-	-	-	7,430.91
Undisputed trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
Undisputed trade receivables – credit impaired	-	-	4.24	190.53	16.12	4.47	215.36
Disputed trade receivables – considered good	-	-	-	-	-	-	-
Disputed trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed trade receivables – credit impaired	-	-	0.53	5.25	7.93	228.46	242.17
<b>Sub Total</b>	<b>4,170.35</b>	<b>3,152.71</b>	<b>112.62</b>	<b>195.78</b>	<b>24.05</b>	<b>232.93</b>	<b>7,888.44</b>
Less: Allowance for credit impaired	-	-	4.77	195.78	24.05	232.93	457.53
<b>Total</b>	<b>4,170.35</b>	<b>3,152.71</b>	<b>107.85</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>7,430.91</b>

## Note 16 - Cash and Cash Equivalents

Particulars	(Rs. in lakhs)	
	As at 31st March, 2023	As at 31st March, 2022
Balances with Banks in current accounts	853.76	1,114.64
Fixed deposits with Banks - Having maturity less than 3 months	-	1,122.40
Cash on Hand	10.24	17.03
<b>Total</b>	<b><u>864.00</u></b>	<b><u>2,254.07</u></b>

## 16.1 For the purpose of the statement of cash flow, cash and cash equivalents comprise the followings:

Particulars	(Rs. in lakhs)	
	As at 31st March, 2023	As at 31st March, 2022
Balances with Banks in current accounts	853.76	1,114.64
Fixed deposits with Banks - Having maturity less than 3 months	-	1,122.40
Cash on Hand	10.24	17.03
<b>Total</b>	<b><u>864.00</u></b>	<b><u>2,254.07</u></b>

**BOROSIL LIMITED**
**Notes to the Consolidated Financial Statements for the year ended 31st March, 2023**
**Note 17 - Bank Balances Other than Cash and Cash Equivalents**

Particulars	(Rs. in lakhs)	
	As at 31st March, 2023	As at 31st March, 2022
<b>Earmarked Balances with banks:</b>		
Unpaid Dividend Accounts	20.26	20.77
Fixed deposit with Banks - Having maturity less than 12 months	243.74	589.03
<b>Total</b>	<b><u>264.00</u></b>	<b><u>609.80</u></b>

17.1 Fixed Deposit with Banks pledged for EPCG license, Bank Guarantee, Rate Contract with Customers, Sales tax Deposit and Project License.

**Note 18 - Current Financial Assets - Loans**

Particulars	(Rs. in lakhs)	
	As at 31st March, 2023	As at 31st March, 2022
<b>Unsecured, Considered Good:</b>		
Corporate deposits with Non-Banking Financial Company (NBFC)	-	1,500.00
Loan to Employees	45.22	47.99
<b>Total</b>	<b><u>45.22</u></b>	<b><u>1,547.99</u></b>

**Note 19 - Current Financial Assets - Others**

Particulars	(Rs. in lakhs)	
	As at 31st March, 2023	As at 31st March, 2022
<b>Unsecured, Considered Good, unless otherwise stated:</b>		
Interest Receivables	103.31	188.00
<b>Security Deposits:</b>		
Considered Good	59.51	59.37
Considered Doubtful	11.83	11.83
	<u>71.34</u>	<u>71.20</u>
Less : Provision for Doubtful Deposits (Refer Note 43)	(11.83)	(11.83)
<b>Others</b>		
Considered Good	110.06	338.54
Considered Doubtful	-	155.55
	<u>110.06</u>	<u>494.09</u>
Less : Provision for Doubtful (Refer Note 43)	-	(155.55)
<b>Total</b>	<b><u>272.88</u></b>	<b><u>585.91</u></b>

19.1 Others includes receivable from portfolio managers, insurance claims, other receivables etc.

**Note 20 - Other Current Assets**

Particulars	(Rs. in lakhs)	
	As at 31st March, 2023	As at 31st March, 2022
<b>Unsecured, Considered Good, unless otherwise stated:</b>		
<b>Advances against supplies</b>		
Considered Good	573.26	637.50
Considered Doubtful	10.20	18.36
	<u>583.46</u>	<u>655.86</u>
Less : Provision for Doubtful Advances (Refer Note 43)	(10.20)	(18.36)
Export Incentives Receivable	64.21	103.85
Balance with Goods and Service Tax Authorities	2,181.99	539.12
Amount paid under Protest (Refer Note 40)	17.84	17.84
Others	491.27	842.41
<b>Total</b>	<b><u>3,328.57</u></b>	<b><u>2,140.72</u></b>

20.1 Others includes prepaid expenses, GST refund receivable, licenses in hands, other receivable etc.



**BOROSIL LIMITED**  
**Notes to the Consolidated Financial Statements for the year ended 31st March, 2023**

**Note 21 - Equity Share Capital**

Particulars	(Rs. in lakhs)	
	As at 31st March, 2023	As at 31st March, 2022
<b>Authorised</b>		
<b>Equity Share Capital</b>		
27,00,00,000 (Previous Year 27,00,00,000) Equity Shares of Re. 1/- each	2,700.00	2,700.00
<b>Preference Share Capital</b>		
2,80,00,000 (Previous Year 2,80,00,000) Preference Shares of Rs. 10/- each	2,800.00	2,800.00
<b>Total</b>	<b>5,500.00</b>	<b>5,500.00</b>
<b>Issued, Subscribed &amp; Fully Paid up</b>		
11,44,14,487 (Previous Year 11,41,62,667) Equity Share of Re. 1/- each	1,144.14	1,141.63
<b>Total</b>	<b>1,144.14</b>	<b>1,141.63</b>

**21.1 Reconciliation of number of Equity Shares outstanding at the beginning and at the end of the year:**

Particulars	As at 31st March, 2023		As at 31st March, 2022	
	(in Nos.)	(Rs. in lakhs)	(in Nos.)	(Rs. in lakhs)
Shares outstanding at the beginning of the year	11,41,62,667	1,141.63	11,41,19,467	1,141.19
Add : Shares issued on Exercise of Employee Stock Option (Refer Note 21.2 and 42)	2,51,820	2.51	43,200	0.44
<b>Shares outstanding at the end of the year</b>	<b>11,44,14,487</b>	<b>1,144.14</b>	<b>11,41,62,667</b>	<b>1,141.63</b>

**21.2** During the year, pursuant to exercise of the options under "Borosil Limited Special Purpose Employee Stock Option Plan 2020" and 'Borosil Limited - Employee Stock Option Scheme 2020', the Company has made allotment of 2,51,820 Equity Shares (Previous Year 43,200 Equity Shares) of the face value of Re. 1/- each, which has resulted into increase of paid up Equity Share Capital by Rs. 2.51 lakhs (Previous Year Rs. 0.44 lakhs) and Securities Premium by Rs. 581.86 lakhs (Previous Year Rs.84.47 lakhs).

**21.3 Terms/Rights attached to Equity Shares:**

The Company has only one class of shares referred to as equity shares having a par value of Re.1/- per share. Holders of equity shares are entitled to one vote per share. The dividend proposed by the Board of Directors, if any, is subject to the approval of the shareholders in the annual general meeting, except in case of interim dividend. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive the remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in the same proportion as the capital paid-up on the equity shares held by them bears to the total paid-up equity share capital of the Company.

**21.4 Details of Shareholder holding more than 5% of Equity Share Capital:**

Name of Shareholder	As at 31st March, 2023		As at 31st March, 2022	
	No. of Shares	% of Holding	No. of Shares	% of Holding
Rekha Kheruka	1,64,31,587	14.36%	1,64,31,587	14.39%
Kiran Kheruka	3,02,70,416	26.46%	3,02,70,416	26.52%
P. K. Kheruka	1,32,33,662	11.57%	1,32,33,662	11.59%
Croton Trading Pvt. Ltd.	1,30,87,339	11.44%	1,30,87,339	11.46%

**BOROSIL LIMITED**
**Notes to the Consolidated Financial Statements for the year ended 31st March, 2023**
**21.5 Details of shares held by promoters and promoter group in the Company:**

Name of Promoters	As at 31st March, 2023		As at 31st March, 2022		% Change from 31st March, 2022 to 31st March, 2023
	No. of Shares	% of Holding	No. of Shares	% of Holding	
Shreevar Kheruka (Promoter)	19,51,747	1.71%	19,51,747	1.71%	0.00%
P. K. Kheruka (Promoter)	1,32,33,662	11.57%	1,32,33,662	11.59%	-0.02%
Kiran Kheruka (Promoter Group)	3,02,70,416	26.46%	3,02,70,416	26.52%	-0.06%
Rekha Kheruka (Promoter Group)	1,64,31,587	14.36%	1,64,31,587	14.39%	-0.03%
Croton Trading Private Limited (Promoter Group)	1,30,87,339	11.44%	1,30,87,339	11.46%	-0.02%
Gujarat Fusion Glass LLP (Promoter Group)	31,36,404	2.74%	31,36,404	2.75%	-0.01%
Sonargaon Properties LLP (Promoter Group)	18	0.00%	18	0.00%	0.00%
Borosil Holdings LLP (Promoter Group)	9,18,179	0.80%	9,18,179	0.80%	0.00%
Spartan Trade Holdings LLP (Promoter Group)	11,47,313	1.00%	11,47,313	1.00%	0.00%
Associated Fabricators LLP (Promoter Group)	2,34,111	0.20%	2,34,111	0.21%	-0.01%

- 21.6** Under Borosil Limited - Special Purpose Employee Stock Option Plan 2020' ("ESOP 2020") , 4,43,388 options were reserved and out of this as at 31st March 2023, 4,43,388 (as at 31st March 2022, 4,43,388) options have been granted (Refer Note 42). Further, under Borosil Limited – Employees Stock Option Scheme, 2020' ("NEW ESOS 2020"), 52,59,590 options are reserved, and out of this, as at 31st March, 2023, 8,50,200 (as at 31st March 2022, 4,62,000) options have been granted (Refer Note 42).

**21.7 Dividend paid and proposed:**

Particulars	(Rs. in lakhs)	
	As at 31st March, 2023	As at 31st March, 2022
<b>Dividend Paid</b>		
Dividend paid for the year ended on 31st March, 2021 at Re. 1/- per share (Face Value of Re. 1/- each)	-	1,141.19

No dividend has been proposed for the year ended 31st March, 2023 and for the year ended 31st March, 2022.

## Note 22 - Other Equity

Particulars	(Rs. in lakhs)	
	As at 31st March, 2023	As at 31st March, 2022
<b>Capital Reserve</b>		
As per Last Balance Sheet	15.00	15.00
<b>Capital Reserve on Business Combination</b>		
As per Last Balance Sheet	8,597.08	8,597.08
<b>General Reserve</b>		
As per Last Balance Sheet	500.00	500.00
<b>Securities Premium</b>		
As per Last Balance Sheet	202.21	117.74
Add: Exercise of Employee Stock option (Refer Note 21.2)	<u>581.86</u>	<u>84.47</u>
	784.07	202.21
<b>Share Based Payment Reserve</b>		
As per Last Balance Sheet	427.86	325.75
Add: Share based payment (Refer Note 42)	269.90	136.11
Add: Forfeiture of Employee Stock Option (Refer Note 42)	(9.61)	-
Less: Options cancelled during the year	-	(4.29)
Less: Exercise of Employee Stock option (Refer Note 21.2)	<u>(194.91)</u>	<u>(29.71)</u>
	493.24	427.86
<b>Retained Earnings</b>		
As per Last Balance Sheet	65,956.72	58,884.80
Add: Profit for the year	8,984.52	8,373.03
Add: Options cancelled during the year	-	4.29
Less: Dividend Paid	-	(1,141.19)
Less: Forfeiture of Employee Stock Option (Refer Note 42)	7.46	-
Less: Transferred to Non-controlling Interest (NCI) on account of changes in ownership Interest	<u>-</u>	<u>(164.21)</u>
	74,948.70	65,956.72
<b>Other Comprehensive Income (OCI)</b>		
As per Last Balance Sheet	(117.70)	(106.25)
Movements in OCI (net) during the year	<u>(4.52)</u>	<u>(11.45)</u>
	(122.22)	(117.70)
<b>Total</b>	<u><u>85,215.87</u></u>	<u><u>75,581.17</u></u>

## 22.1 Nature and Purpose of Reserve

**1. Capital Reserve:**

Capital reserve was created by way of subsidy received from State Industries Promotion Corporation of Tamilnadu. The reserve will be utilised in accordance with the provisions of the Companies Act, 2013.

**2. Capital Reserve On Business Combination:**

Capital Reserve is created on account of Business Combination. The reserve will be utilised in accordance with the provisions of the Companies Act, 2013.

**3. General Reserve:**

General Reserve is created from time to time by way of transfer of profits from retained earnings for appropriation purpose. This reserve is a distributable reserve.

**4. Securities Premium:**

Securities premium is created when shares issued at premium. The reserve will be utilised in accordance with the provisions of the Companies Act, 2013.

**5. Share Based Payment Reserve:**

Share based payment reserve is created against 'Borosil Limited - Special Purpose Employee Stock Option Plan 2020' ("ESOP 2020") and against 'Borosil Limited - Employee Stock Option Scheme 2020' ("NEW ESOS 2020") and will be utilised against exercise of the option on issuance of the equity shares of the Company.

**6. Retained Earnings:**

Retained earnings represents the accumulated profits / (losses) made by the Company over the years.

**7. Other Comprehensive Income (OCI):**

Other Comprehensive Income (OCI) includes remeasurements of defined benefit plans.

**Note 23 - Non-current Financial Liabilities - Borrowings**

Particulars	(Rs. in lakhs)	
	As at 31st March, 2023	As at 31st March, 2022
<b>Secured Loan:</b>		
Term loans from banks	5,448.90	-
<b>Total</b>	<u><b>5,448.90</b></u>	<u><b>-</b></u>
<b>23.1</b> Term Loan from a bank (including current maturities of long-term borrowings (Refer note 26)) of Rs. 6,647.91 lakhs carries interest at I-MCLR-3M + 0.10% i.e. 8.75% and is primarily secured by way of exclusive hypothecation charge on movable fixed assets (Plant & Machinery) at Company's plant at Jaipur location. The said borrowings shall be repaid in 20 equal quarterly installments of Rs. 332.40 Lakhs starting from May, 2023.		
<b>23.2</b> Term Loan (including current maturities of long-term borrowings (Refer note 26)) of Rs. 195.86 lakhs is primarily secured by First and exclusive hypothecation charge on all existing and future current assets and moveable fixed assets of Klass Pack Limited and First and exclusive Equitable/ Registered mortgage charge on immoveable properties being land and building situated at Factory Shed On Gat No. 277, 278, 279, 291, 287, 290, 292, 293, 294, 295, 302, Belgaon Kurhe Road, Mouje Gonde Dumala, Tal. Igatpuri, Dist. Nashik of Klass Pack Limited. The Rate of Interest of Working Capital Term Loan is 9.00% p.a. Floating. The said borrowings shall be repaid in 36 equal monthly installments of Rs. 5.44 Lakhs starting from April, 2023.		

**Note 24 - Non-current Financial Liabilities - Provisions**

Particulars	(Rs. in lakhs)	
	As at 31st March, 2023	As at 31st March, 2022
<b>Provisions for Employee Benefits:</b>		
Provision for Gratuity (Unfunded) (Refer Note 41)	301.30	280.35
<b>Total</b>	<u><b>301.30</b></u>	<u><b>280.35</b></u>

**BOROSIL LIMITED****Notes to the Consolidated Financial Statements for the year ended 31st March, 2023****Note 25 - Income Tax****25.1 Current Tax**

Particulars	(Rs. in lakhs)	
	For the Year Ended 31st March, 2023	For the Year Ended 31st March, 2022
Current Income Tax	2,871.91	2,958.71
Income Tax of earlier years	(30.52)	3.35
<b>Total</b>	<b>2,841.39</b>	<b>2,962.06</b>

**25.2** The major components of Income Tax Expenses for the year ended 31st March, 2023 and 31st March, 2022 are as follows:

Particulars	(Rs. in lakhs)	
	For the Year Ended 31st March, 2023	For the Year Ended 31st March, 2022
<b>Recognised in consolidated statement of Profit and Loss:</b>		
Current Income Tax (Refer Note 25.1)	2,841.39	2,962.06
Deferred Tax - Relating to origination and reversal of temporary differences	23.44	716.17
<b>Total Tax Expenses</b>	<b>2,864.83</b>	<b>3,678.23</b>

**25.3** Reconciliation between tax expenses and accounting profit multiplied by tax rate for the year ended 31st March, 2023 and 31st March, 2022:

Particulars	(Rs. in lakhs)	
	For the Year Ended 31st March, 2023	For the Year Ended 31st March, 2022
Accounting profit before tax and share in profit of associate	11,885.50	12,201.28
Applicable tax rate (Refer Note 56.1)	25.17%	25.17%
<b>Computed Tax Expenses</b>	<b>2,991.34</b>	<b>3,070.82</b>
<b>Tax effect on account of:</b>		
Lower tax rate, indexation and fair value changes etc.	(274.84)	(134.16)
Discontinuation of Depreciation allowance on Goodwill (Refer Note 56.2)	-	839.77
Expenses not allowed	40.01	44.57
Utilisation of LTCG Loss, on which Deferred Tax not recognised	-	(78.62)
Allowances of Expenses on payment basis	(4.64)	(26.67)
Tax losses for which no deferred tax recognised	137.24	1.18
Different tax rates of subsidiaries	4.59	37.03
Due to New Tax Regime (Refer note 56.1)	-	(55.53)
Changes in rates of Income Tax	-	(22.93)
Other deductions / allowances	1.65	(0.58)
Income tax for earlier years	(30.52)	3.35
<b>Income tax expenses recognised in consolidated statement of profit and loss</b>	<b>2,864.83</b>	<b>3,678.23</b>

**BOROSIL LIMITED**
**Notes to the Consolidated Financial Statements for the year ended 31st March, 2023**
**25.4** Deferred tax relates to the following:

Particulars	Balance Sheet		(Rs. in lakhs) Consolidated Statement of profit and loss and Other Comprehensive Income	
	As at 31st March, 2023	As at 31st March, 2022	For the Year Ended 31st March, 2023	For the Year Ended 31st March, 2022
	<b>A) Deferred Tax Assets</b>			
Property, Plant and Equipment and Intangible Assets	(205.41)	(134.62)	(70.79)	(27.74)
Investments	(1.08)	(2.00)	0.92	(2.13)
Inventories	(47.27)	(9.18)	(38.09)	(9.70)
Trade Receivable	136.17	74.11	62.06	6.00
Other Assets	4.27	2.04	2.23	2.04
Other Liabilities & Provision	162.27	149.87	12.40	39.84
Lease Liabilities	52.14	-	52.14	(0.21)
MAT Credit Entitlement	58.25	98.81	(40.56)	98.81
Unabsorbed Depreciation	74.39	47.08	27.31	(234.85)
<b>Total</b>	<b>233.73</b>	<b>226.11</b>	<b>7.62</b>	<b>(127.94)</b>
<b>B) Deferred Tax Liabilities</b>				
Property, Plant and Equipment and Intangible Assets including assets held for sale	1,199.00	887.32	311.68	(761.57)
Investment Property	(64.73)	(61.05)	(3.68)	(17.55)
Goodwill on Amalgamation	1,492.93	1,492.93	-	586.07
Investments	492.73	582.41	(89.68)	(173.26)
Inventories	274.49	155.50	118.99	173.37
Trade Receivable	(677.18)	(564.40)	(112.78)	(23.07)
Other Assets	(45.15)	(12.10)	(33.05)	17.26
Other Liabilities & Provision	(553.17)	(306.27)	(246.90)	147.76
MAT Credit Entitlement	-	-	-	484.17
Deduction u/s 35DD of Income Tax Act 1961	-	(85.69)	85.69	152.24
<b>Total</b>	<b>2,118.91</b>	<b>2,088.65</b>	<b>30.26</b>	<b>585.42</b>

**25.5** Reconciliation of deferred tax liabilities / (assets) (net):

Particulars	(Rs. in lakhs)	
	As at 31st March, 2023	As at 31st March, 2022
<b>Opening balance as at 1st April</b>	<b>1,862.54</b>	<b>1,149.18</b>
Deferred Tax Expenses / (Credit) recognised in profit or loss	23.44	716.17
Deferred Tax Expenses / (Income) recognised in OCI	(0.80)	(2.81)
<b>Closing balance as at 31st March</b>	<b>1,885.18</b>	<b>1,862.54</b>
<b>Deferred Tax Assets</b>	<b>233.73</b>	<b>226.11</b>
<b>Deferred Tax Liabilities</b>	<b>2,118.91</b>	<b>2,088.65</b>

**25.6** Amount and expiry date of unused tax losses for which no deferred tax asset is recognised:

Particulars	(Rs. in lakhs)	
	As at 31st March, 2023	As at 31st March, 2022
Unused tax losses for which no deferred tax assets has been recognised	570.09	44.28

**25.7** Unused tax losses are available for set off for 8 years from the year in which losses arose. Above mentioned losses pertains to the Financial Year 2018-19, 2020-21, 2021-22 and 2022-23.

## Note 26 - Current Financial Liabilities - Borrowings

Particulars	(Rs. in lakhs)	
	As at 31st March, 2023	As at 31st March, 2022
<b>Secured Loan:</b>		
Working Capital Loan from Banks	2,862.39	-
Current maturity of long term Borrowings	1,394.87	-
<b>Total</b>	<b>4,257.26</b>	<b>-</b>
26.1 Working capital loan from a bank of Rs. 2,180.72 lakhs is secured by first pari passu charge on current assets of the Company. The said Working capital loan carries interest at I-MCLR-6M + 0.50% i.e. 9.20%.		
26.2 Working Capital Loan from bank of Rs. 681.67 lakhs is secured by First and exclusive hypothecation charge on all existing and future current assets and moveable fixed assets of Klass Pack Limited and First and exclusive Equitable/ Registered mortgage charge on immoveable properties being land and building situated at Factory Shed On Gat No. 277, 278, 279, 291, 287, 290, 292, 293, 294, 295, 302, Belgaon Kurhe Road, Mouje Gonde Dumala, Tal. Igatpuri, Dist. Nashik of Klass Pack Limited. The Rate of Interest of Working capital Loan is MCLR + Spread (Currently @ 8.40% p.a.)		

## Note 27 - Current Financial Liabilities - Trade Payables

Particulars	(Rs. in lakhs)	
	As at 31st March, 2023	As at 31st March, 2022
Micro, Small and Medium Enterprises	1,827.51	1,662.04
Others	4,373.36	4,047.74
<b>Total</b>	<b>6,200.87</b>	<b>5,709.78</b>

27.1 Micro, Small and Medium Enterprises under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED 2006) have been determined based on the information available with the Company and the details of amount outstanding due to them are as given below:

Particulars	(Rs. in lakhs)	
	As at 31st March, 2023	As at 31st March, 2022
a) the principal amount and the interest due thereon (to be shown separately) remaining unpaid to any supplier at the end of each accounting year;		
i) Principal amount outstanding	1,827.51	1,662.04
ii) Interest thereon	1.76	2.01
b) the amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 (27 of 2006), along with the amount of the payment made to the supplier beyond the appointed day during each accounting year;	-	-
c) the amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006;	-	-
d) the amount of interest accrued and remaining unpaid at the end of each accounting year;	1.76	2.01
e) the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	-	-

27.2 Trade Payables Ageing Schedule are as below:

Particulars	(Rs. in lakhs)					
	Outstanding from due date of payment as at 31st March, 2023					
	Not Due	Upto 1 Year	1 - 2 Years	2 - 3 Years	More than 3 years	Total
Total outstanding dues of micro, small & medium enterprises	1,648.23	178.28	1.00	-	-	1,827.51
Total outstanding dues of creditors other than micro, small & medium enterprises	3,484.44	870.53	18.39	-	-	4,373.36
Disputed dues of micro, small and medium enterprises	-	-	-	-	-	-
Disputed dues of creditors other than micro, small and medium enterprises	-	-	-	-	-	-
<b>Total</b>	<b>5,132.67</b>	<b>1,048.81</b>	<b>19.39</b>	<b>-</b>	<b>-</b>	<b>6,200.87</b>

Particulars	(Rs. in lakhs)					
	Outstanding from due date of payment as at 31st March, 2022					
	Not Due	Upto 1 Year	1 - 2 Years	2 - 3 Years	More than 3 years	Total
Total outstanding dues of micro, small & medium enterprises	1,488.92	173.12	-	-	-	1,662.04
Total outstanding dues of creditors other than micro, small & medium enterprises	3,545.16	502.52	0.06	-	-	4,047.74
Disputed dues of micro, small and medium enterprises	-	-	-	-	-	-
Disputed dues of creditors other than micro, small and medium enterprises	-	-	-	-	-	-
<b>Total</b>	<b>5,034.08</b>	<b>675.64</b>	<b>0.06</b>	<b>-</b>	<b>-</b>	<b>5,709.78</b>

**Note 28 - Current Financial Liabilities - Others**

Particulars	(Rs. in lakhs)	
	As at 31st March, 2023	As at 31st March, 2022
Interest accrued but not due on Borrowing	39.68	-
Interest accrued but not due on Dealer Deposits	26.41	24.45
Interest accrued but not due on Others	1.76	2.01
Dealer Deposits	437.97	384.97
Unclaimed Dividends	20.26	20.77
Creditors for Capital Expenditure	1,606.38	336.94
Deposits	18.46	19.07
Other Payables	7,494.21	6,163.24
<b>Total</b>	<b>9,645.13</b>	<b>6,951.45</b>

28.1 Unclaimed dividends does not include any amounts, due and outstandings, to be credited to Investor Education and Protection Fund.

28.2 Other Payables includes outstanding liabilities for expenses, salary, wages, bonus, discount, rebates etc.

**Note 29 - Other Current Liabilities**

Particulars	(Rs. in lakhs)	
	As at 31st March, 2023	As at 31st March, 2022
Advance from Customers	578.08	414.76
Statutory Liabilities	890.23	381.38
<b>Total</b>	<b>1,468.31</b>	<b>796.14</b>

**Note 30 - Current Provisions**

Particulars	(Rs. in lakhs)	
	As at 31st March, 2023	As at 31st March, 2022
<b>Provisions for Employee Benefits:</b>		
Superannuation (Funded)	13.12	3.94
Gratuity (Funded) (Refer Note 41)	221.60	134.56
Gratuity (Unfunded) (Refer Note 41)	16.88	19.42
Leave Encashment (Unfunded)	962.16	775.40
<b>Total</b>	<b>1,213.76</b>	<b>933.32</b>



**Note 31 - Revenue from Operations**

Particulars	(Rs. in lakhs)	
	For the Year Ended 31st March, 2023	For the Year Ended 31st March, 2022
Sale of Products	1,02,712.13	83,986.16
<b>Revenue from Operations</b>	<b><u>1,02,712.13</u></b>	<b><u>83,986.16</u></b>

**31.1 Disaggregated Revenue:**

**(i) Revenue based on Geography:**

Particulars	(Rs. in lakhs)	
	For the Year Ended 31st March, 2023	For the Year Ended 31st March, 2022
Domestics	95,415.83	78,902.72
Export	7,296.30	5,083.44
<b>Revenue from Operations</b>	<b><u>1,02,712.13</u></b>	<b><u>83,986.16</u></b>

**(ii) Revenue by Business Segment**

Particulars	(Rs. in lakhs)	
	For the Year Ended 31st March, 2023	For the Year Ended 31st March, 2022
Scientificware	28,530.13	26,686.01
Consumerware	74,182.00	57,300.15
<b>Revenue from Operations</b>	<b><u>1,02,712.13</u></b>	<b><u>83,986.16</u></b>

**(iii) Reconciliation of Revenue from Operation with contract price:**

Particulars	(Rs. in lakhs)	
	For the Year Ended 31st March, 2023	For the Year Ended 31st March, 2022
Contract Price	1,04,657.82	85,601.49
Reduction towards variables considerations components *	(1,945.69)	(1,615.33)
<b>Revenue from Operations</b>	<b><u>1,02,712.13</u></b>	<b><u>83,986.16</u></b>

\* The reduction towards variable consideration comprises of volume discounts, scheme discounts, price concessions etc.

**Note 32 - Other Income**

Particulars	(Rs. in lakhs)	
	For the Year Ended 31st March, 2023	For the Year Ended 31st March, 2022
Interest Income from Financial Assets measured at fair value through profit or loss		
- Non-current Investments	31.51	65.19
- Current Investments	1.78	7.36
Interest Income from Financial Assets measured at amortised cost		
- Fixed Deposits with Banks	53.40	100.20
- Customers	93.51	67.76
- Others	47.27	20.24
Dividend Income from Financial Assets measured at fair value through profit or loss		
- Non-current Investments	-	0.07
Gain on Sale of Investments (net)		
- Non-current Investments	8.03	-
- Current Investments	226.28	199.59
Gain on Financial Instruments measured at fair value through profit or loss (net)	33.96	1,362.45
Gain on sale / discarding of Property, Plant and Equipment and Assets held for Sale (net) #	1,558.67	-
Rent Income	14.15	14.15
Gain on Foreign Currency Transactions (net)	18.72	102.44
Sundry Credit Balance Written Back (net)	66.77	249.37
Export Incentives	163.63	133.10
Insurance Claim Received	12.60	1.45
Miscellaneous Income *	148.69	134.11
<b>Total</b>	<b><u>2,478.97</u></b>	<b><u>2,457.48</u></b>

# Includes Profit on Sale of Assets held for Sale of Rs. 1,676.95 lakhs (Previous Year Rs. Nil)

\* Includes government subsidy under Maharashtra Industrial Policy and Package Scheme of Rs. 1.59 lakhs (Previous Year Rs. 4.05 lakhs).

## Note 33 - Changes in Inventories of Work-in-Progress, Finished Goods and Stock-in-Trade

Particulars	(Rs. in lakhs)	
	For the Year Ended 31st March, 2023	For the Year Ended 31st March, 2022
<b>At the end of the Year</b>		
Work-in-Progress	2,161.16	1,010.49
Finished Goods	5,255.83	3,637.73
Stock-in-Trade	10,021.23	8,771.52
Scrap (Cullet)	5.94	13.54
	<b>17,444.16</b>	<b>13,433.28</b>
<b>Inventory lost due to Fire / heavy Rain</b>		
Work-in-Progress	-	76.17
Finished Goods	-	1,465.22
Stock-in-Trade	27.08	906.60
	<b>27.08</b>	<b>2,447.99</b>
<b>At the beginning of the Year</b>		
Work-in-Progress	1,010.49	1,219.00
Finished Goods	3,637.73	4,313.99
Stock-in-Trade	8,771.52	5,133.11
Scrap (Cullet)	13.54	12.82
	<b>13,433.28</b>	<b>10,678.92</b>
Add: Stock of Trial Run Production	366.83	-
	<b>13,800.11</b>	<b>10,678.92</b>
<b>Changes in Inventories of Work-in-Progress, Finished Goods and Stock-in-Trade</b>	<b>(3,671.13)</b>	<b>(5,202.35)</b>

## Note 34 - Employee Benefits Expense

Particulars	(Rs. in lakhs)	
	For the Year Ended 31st March, 2023	For the Year Ended 31st March, 2022
Salaries, Wages and Allowances	10,622.41	9,124.71
Contribution to Provident and Other Funds (Refer Note 41)	610.68	487.30
Share Based Payments (Refer Note 42)	267.76	136.11
Staff Welfare Expenses	694.41	486.25
Gratuity (Unfunded) (Refer Note 41)	48.11	42.99
<b>Total</b>	<b>12,243.37</b>	<b>10,277.36</b>

## Note 35 - Finance Costs

Particulars	(Rs. in lakhs)	
	For the Year Ended 31st March, 2023	For the Year Ended 31st March, 2022
Interest Expenses on financial liabilities measured at amortised cost *	195.70	101.41
Interest Expenses on finance lease liabilities	43.80	10.22
<b>Total</b>	<b>239.50</b>	<b>111.63</b>

\*Includes interest on Income Tax of Rs. Nil (Previous Year Rs. 38.68 lakhs).

## Note 36 - Depreciation and Amortisation Expense

Particulars	(Rs. in lakhs)	
	For the Year Ended 31st March, 2023	For the Year Ended 31st March, 2022
Depreciation of Property, Plant and Equipment (Refer note 6)	3,892.28	3,347.14
Depreciation of Investment Properties (Refer note 7)	0.27	0.27
Amortisation of Intangible Assets (Refer note 8)	28.73	36.06
<b>Total</b>	<b>3,921.28</b>	<b>3,383.47</b>

**BOROSIL LIMITED**
**Notes to the Consolidated Financial Statements for the year ended 31st March, 2023**
**Note 37 - Other Expenses**

Particulars	(Rs. in lakhs)	
	For the Year Ended 31st March, 2023	For the Year Ended 31st March, 2022
<b>Manufacturing and Other Expenses</b>		
Stores, Spares and Consumables	1,228.19	1,050.74
Power and Fuel	5,597.09	4,681.50
Packing Materials Consumed	5,798.35	5,279.20
Processing Charges	137.05	148.90
Contract Labour Expenses	3,767.60	3,088.73
Repairs to Plant and Machinery	258.46	200.05
Repairs to Buildings	42.50	23.76
<b>Selling and Distribution Expenses</b>		
Sales Promotion and Advertisement Expenses	6,402.36	4,001.59
Discount and Commission	1,620.46	1,194.96
Freight Outward	4,156.35	3,429.92
Warehousing Expenses	1,260.57	942.43
<b>Administrative and General Expenses</b>		
Rent	526.87	320.41
Rates and Taxes	52.65	67.35
Information Technology Expenses	568.59	381.20
Other Repairs	178.36	117.66
Insurance	605.39	553.15
Legal and Professional Fees	1,454.46	845.34
Travelling	1,579.62	698.37
Bad Debts	40.40	46.90
Less: Reversal of Provision for Credit Impaired / Doubtful Advances (Refer Note 43)	(39.10)	(45.62)
Provision for Credit Impaired / Doubtful Advances (net) (Refer Note 43)	(141.24)	67.17
Loss on Sale / Discarding of Property, Plant and Equipment (net)	0.30	40.97
Investment Advisory Charges	2.84	32.17
Commission to Directors	80.00	60.00
Directors Sitting Fees	42.20	27.60
Payment to Auditors (Refer Note 37.1)	92.54	81.80
Corporate Social Responsibility Expenditure (Refer Note 37.2)	147.50	95.00
Donation	8.88	43.68
Loss on Financial Instruments measured at fair value through profit or loss (net)	3.22	-
Loss on Sale of Non-current Investments (net)	-	198.47
Miscellaneous Expenses	1,121.45	883.17
<b>Total</b>	<b>36,593.91</b>	<b>28,556.57</b>

**37.1 Details of Payment to Auditors**

Particulars	(Rs. in lakhs)	
	For the Year Ended 31st March, 2023	For the Year Ended 31st March, 2022
<b>Payment to Auditors as:</b>		
For Statutory Audit	53.15	48.90
For Quarterly Review	12.00	12.00
For Tax Audit	19.75	18.50
For Taxation Matters	-	-
For Company Law Matters	-	-
For Certification	7.60	2.40
For Other Service	-	-
For Reimbursement of Expenses	0.04	-
<b>Total</b>	<b>92.54</b>	<b>81.80</b>

**37.2 Notes related to Corporate Social Responsibility expenditure (CSR):**

- (a) CSR amount required to be spent as per Section 135 of the Companies Act, 2013 read with Schedule VII thereof by the respective company during the year is Rs. 147.14 lakhs (Previous Year Rs. 94.70 lakhs).
- (b) Expenditure related to Corporate Social Responsibility is Rs. 147.50 lakhs (Previous year Rs. 106.00 lakhs) and Rs. Nil (Previous year Rs. Nil) remained unspent.

Details of expenditure towards CSR given below:

Particulars	(Rs. in lakhs)	
	For the Year Ended 31st March, 2023	For the Year Ended 31st March, 2022
Promotion of health care including preventive health care	25.00	25.00
Training to promote Olympic Sports	100.00	50.00
Promoting education, employment enhancing vocational skills and livelihood enhancement projects	14.00	-
Promoting gender equality, empowering women	2.50	25.00
Eradicating hunger, poverty and malnutrition	6.00	6.00
	<b>147.50</b>	<b>106.00</b>
Less:- Excess CSR spent for offset against future obligations *	-	11.00
	<b>147.50</b>	<b>95.00</b>

\* The Company has decided to continue to carry forward excess CSR spent of Rs. 11.00 lakhs of previous year 2021-22 to offset in any of three immediately succeeding financial years and has recognised the same as an asset in the balance sheet.

**Note 38 - Exceptional Items**

Particulars	(Rs. in lakhs)	
	For the Year Ended 31st March, 2023	For the Year Ended 31st March, 2022
Loss due to Fire and Heavy Rain	-	646.50
Provision for Impairment	-	474.67
Insurance Claim Received	(933.33)	-
<b>Total</b>	<b>(933.33)</b>	<b>1,121.17</b>

- 38.1** Exceptional items for the year ended 31st March, 2023 represents receipt of claim amount from the Insurance Company, as a full settlement of the claim with respect to loss of property due to fire at the Company's warehouse situated at Bharuch and for the year ended 31st March, 2022 represents provision for impairment in respect of Capital work in progress & Investment Properties and loss of properties due to fire / flood at the Company's warehouses.

**Note 39 - Earnings Per Equity Share (EPS)**

Particulars	(Rs. in lakhs)	
	For the Year Ended 31st March, 2023	For the Year Ended 31st March, 2022
Net profit for the year attributable to Equity Shareholders for Basic EPS (Rs. in lakhs)	8,984.52	8,373.03
Add: Share Based Payments (net of tax) (Rs. In lakhs)	200.36	101.85
Net profit for the year attributable to Equity Shareholders for Diluted EPS (Rs. in lakhs)	9,184.88	8,474.88
Weighted average number of equity shares outstanding during the year for Basic EPS (in Nos.)	11,42,91,716	11,41,29,996
Weighted average number of equity shares outstanding during the year for Diluted EPS (in Nos.)	11,46,55,767	11,44,09,793
Earnings per share of Re. 1/- each (in Rs.)		
- Basic	7.86	7.34
- Diluted *	7.86	7.34
Face Value per Equity Share (in Rs.)	1.00	1.00

\* As the Diluted Earning per share is anti-dilutive, Basic Earning per share has been considered as Diluted Earning per share.

**BOROSIL LIMITED****Notes to the Consolidated Financial Statements for the year ended 31st March, 2023****Note 40 - Contingent Liabilities and Commitments**

Particulars	(Rs. in lakhs)	
	As at 31st March, 2023	As at 31st March, 2022
<b>40.1 Contingent Liabilities (To the extent not provided for) Claims against the Group not acknowledged as debts</b>		
<b>Disputed Liabilities in Appeal (No Cash outflow is expected in the near future)</b>		
- Sales Tax (amount paid under protest is Rs. 17.84 lakhs (Previous Year Rs. 17.84 lakhs))	17.84	17.84
<b>Guarantees</b>		
- Bank Guarantees	280.14	129.42
<b>Others</b>		
- Letter of Credits	5,126.38	5,564.87

40.2 Management is of the view that above litigations will not impact the financial position of the Group.

**40.3 Commitments**

Particulars	(Rs. in lakhs)	
	As at 31st March, 2023	As at 31st March, 2022
Estimated amount of Contracts remaining to be executed on Capital Account not provided for (cash outflow is expected on execution of such capital contracts)		
- Related to Property, plant and equipment	12,843.48	17,270.53
- Related to Intangible Assets	165.17	6.17
Commitments towards Investments (cash outflow is expected on execution of such commitments)	22.50	32.50
Commitment towards EPCG License	73.14	-

**Note 41- Employee Benefits**

41.1 As per Ind AS 19 'Employee Benefits', the disclosure of Employee benefits as defined in the Ind AS are given below:

**(a) Defined Contribution Plan:**

Contribution to Defined Contribution Plan, recognized as expense for the years are as under:

Particulars	(Rs. in lakhs)	
	2022-23	2021-22
Employer's Contribution to Provident Fund	340.91	232.98
Employer's Contribution to Pension Scheme	141.02	128.82
Employer's Contribution to Superannuation Fund	9.18	3.94
Employer's Contribution to ESIC	5.16	6.70
Employer's Contribution to MLWF & GLWF	0.20	0.22

The contribution to provident fund and pension scheme is made to Employees' Provident Fund managed by Provident Fund Commissioner. Employees' Superannuation Fund is managed by Life Insurance Corporation of India. The contribution towards ESIC made to Employees' State Insurance Corporation. The contribution towards MLWF is made to Maharashtra Labour welfare Fund and GLWF is made to Gujarat Labour welfare Fund. The obligation of the Group is limited to the amount contributed and it has no further contractual nor any constructive obligation.

**BOROSIL LIMITED**
**Notes to the Consolidated Financial Statements for the year ended 31st March, 2023**
**(b) Defined Benefit Plan:**

The Gratuity benefits of the Group are funded as well as unfunded.

The employees' Gratuity Fund of the Company is managed by the Life Insurance Corporation of India as well as Aditya Birla Sun Life Insurance Company Ltd. The present value of obligation is determined based on actuarial valuation using the Projected Unit Credit Method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

Particulars	Gratuity	
	As at 31st March, 2023	As at 31st March, 2022
<b>Actuarial assumptions</b>		
Mortality Table	Indian Assured Lives Mortality (2012-14) Ult	Indian Assured Lives Mortality (2012-14) Ult
Salary growth	9.00%	8.50% to 9.00%
Discount rate	7.45%	6.95%
Expected returns on plan assets	7.45%	6.95%
Withdrawal Rates	10.00% p.a at younger ages reducing to 2.00% p.a. at older ages	10.00% p.a at younger ages reducing to 2.00% p.a. at older ages

(Rs. in lakhs)

Particulars	Gratuity	
	2022-23	2021-22
<b>Movement in present value of defined benefit obligation</b>		
Obligation at the beginning of the year	1,070.99	910.05
Current service cost	140.24	121.89
Interest cost	72.94	59.72
Benefits paid	(54.87)	(36.18)
Actuarial (gains) / losses on obligation	(4.12)	15.51
<b>Obligation at the end of the year</b>	<b>1,225.18</b>	<b>1,070.99</b>
<b>Movement in fair value of plan assets</b>		
Fair value at the beginning of the year	636.66	315.97
Interest Income	47.33	23.98
Expected Return on Plan Assets	(8.32)	2.97
Contribution	46.99	306.54
Benefits paid	(37.26)	(12.80)
<b>Fair value at the end of the year</b>	<b>685.40</b>	<b>636.66</b>
<b>Amount recognised in the Consolidated statement of profit and loss</b>		
Current service cost	136.71	121.89
Interest cost	25.61	35.74
<b>Total</b>	<b>162.32</b>	<b>157.63</b>

Amount recognised in the consolidated statement of profit and loss for the year ended 31st March 2023 excludes amount of Rs. 3.53 Lakhs (Previous Year Rs. Nil) being capital expenditures.

Amount recognised in the consolidated statement of profit and loss - Funded	114.21	114.64
Amount recognised in the consolidated statement of profit and loss - Unfunded	48.11	42.99

**Amount recognised in the consolidated other comprehensive income Components of actuarial (gains) or losses on obligations:**

Due to Change in financial assumptions	(40.95)	(28.44)
Due to change in demographic assumption	-	-
Due to experience adjustments	36.83	43.95
Return on plan assets excluding amounts included in interest income	8.32	(2.97)
<b>Total</b>	<b>4.20</b>	<b>12.54</b>

Amount recognised in the consolidated other comprehensive income - Funded	16.28	24.83
Amount recognised in the consolidated other comprehensive income - Unfunded	(12.08)	(12.29)

**(c) Fair Value of plan assets**

(Rs. in lakhs)

Class of assets	Fair value of plan asset	
	2022-23	2021-22
Life Insurance Corporation of India	238.40	222.79
Aditya Birla Sunlife Insurance Co. Ltd.	444.68	411.55
Bank Balance	2.32	2.32
<b>Total</b>	<b>685.40</b>	<b>636.66</b>

**BOROSIL LIMITED**
**Notes to the Consolidated Financial Statements for the year ended 31st March, 2023**
**(d) Net Liability Recognised in the Balance Sheet**

Particulars	(Rs. in lakhs)	
	As at 31st March, 2023	As at 31st March, 2022
Present value of obligations at the end of the year	1,225.18	1,070.99
Less: Fair value of plan assets at the end of the year	685.40	636.66
<b>Net liability recognized in the balance sheet</b>	<b>539.78</b>	<b>434.33</b>
Current Provisions (Funded)	221.60	134.56
Current Provisions (Unfunded)	16.88	19.42
Non-current Provisions (Unfunded)	301.30	280.35

- (e) The estimate of rate of escalation in Salary considered in actuarial valuation, takes into account inflation, seniority, promotion and other retirement factors including supply & demand in the employment market. The above information is certified by the actuary.

**41.2 Sensitivity analysis:**

Particulars	Changes in assumptions	(Rs. in lakhs)
		Effect on Gratuity obligation - (Increase / (Decrease))
<b>For the year ended 31st March, 2023</b>		
Salary growth rate	+0.50%	37.32
	-0.50%	(37.41)
Discount rate	+0.50%	(63.33)
	-0.50%	68.74
Withdrawal rate (W.R.)	W.R. X 110%	3.47
	W.R. X 90%	(4.53)
<b>For the year ended 31st March, 2022</b>		
Salary growth rate	+0.50%	38.79
	-0.50%	(37.76)
Discount rate	+0.50%	(58.32)
	-0.50%	63.48
Withdrawal rate (W.R.)	W.R. X 110%	1.80
	W.R. X 90%	(2.75)

The above sensitivity analysis is based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. In presenting the above sensitivity analysis, the present value of defined benefit obligation has been calculated using the projected unit credit method at the end of reporting period, which is the same as that applied in calculating the defined obligation liability recognized in the consolidated balance sheet.

**41.3 Risk exposures**
**A. Actuarial Risk:**

It is the risk that benefits will cost more than expected. This can arise due to one of the following reasons:

**Adverse Salary Growth Experience:** Salary hikes that are higher than the assumed salary escalation will result into an increase in Obligation at a rate that is higher than expected.

**Variability in mortality rates:** If actual mortality rates are higher than assumed mortality rate then Gratuity benefits will be paid earlier than expected. Since there is no condition of vesting on the death benefit, the acceleration of cash flow will lead to an actuarial loss or gain depending on the relative values of the assumed salary growth and discount rate.

**Variability in withdrawal rates:** If actual withdrawal rates are higher than assumed withdrawal rate then the Gratuity benefits will be paid earlier than expected. The impact of this will depend on whether the benefits are vested as at the resignation date.

**B. Investment Risk:**

For funded plans that rely on insurers for managing the assets, the value of assets certified by the insurer may not be the fair value of instruments backing the liability. In such cases, the present value of the assets is independent of the future discount rate. This can result in wide fluctuations in the net liability or the funded status if there are significant changes in the discount rate during the inter-valuation period.

**C. Liquidity Risk:**

Employees with high salaries and long durations or those higher in hierarchy accumulate significant level of benefits. If some of such employees resign/retire from the Group, there can be strain on the cash flows.

**D. Market Risk:**

Market risk is a collective term for risks that are related to the changes and fluctuations of the financial markets. One actuarial assumption that has a material effect is the discount rate. The discount rate reflects the time value of money. An increase in discount rate leads to decrease in Defined Benefit Obligation of the plan benefits & vice versa. This assumption depends on the yields on the corporate/government bonds and hence the valuation of liability is exposed to fluctuations in the yields as at the valuation date.

**E. Legislative Risk:**

Legislative risk is the risk of increase in the plan liabilities or reduction in the plan assets due to change in the legislation/regulation. The government may amend the Payment of Gratuity Act thus requiring the companies to pay higher benefits to the employees. This will directly affect the present value of the Defined Benefit Obligation and the same will have to be recognized immediately in the year when any such amendment is effective.

**41.4 Details of Asset-Liability Matching Strategy:**

Gratuity benefits liabilities of the Group are Funded as well as unfunded.

In case where gratuity is funded, there are no minimum funding requirements for a Gratuity benefits plan in India and there is no compulsion on the part of the Company to fully or partially pre-fund the liabilities under the Plan. The trustees of the plan have outsourced the investment management of the fund to insurance companies which are regulated by IRDA. Due to the restrictions in the type of investments that can be held by the fund, it may not be possible to explicitly follow an asset-liability matching strategy to manage risk actively in a conventional fund.

In case where gratuity is unfunded, there is no Asset-Liability Matching strategy devised for the plan.

**BOROSIL LIMITED****Notes to the Consolidated Financial Statements for the year ended 31st March, 2023**

41.5 The expected payments towards contributions to the defined benefit plan within one year is Rs. 221.60 lakhs (Previous year Rs. 134.56 lakhs).

**41.6 The following payments are expected towards Gratuity in future years:**

Year ended	(Rs. in lakhs)
	Cash flow
31st March, 2024	75.33
31st March, 2025	60.56
31st March, 2026	72.80
31st March, 2027	70.23
31st March, 2028	67.33
31st March, 2029 to 31st March, 2033	464.04

41.7 The average duration range of the defined benefit plan obligation at the end of the reporting period is 9.64 years to 15.56 years (Previous year 9.91 years to 16.20 years).

**Note 42 - Share Based Payments****Employee Stock Option Schemes of Borosil Limited (BL)**

The Company offers equity based award plan to its employees through the Company's stock option plan.

**42.1 'Borosil Limited - Special Purpose Employee Stock Option Plan 2020' ("ESOP 2020")**

Pursuant to the Composite Scheme of Amalgamation and Arrangement ("the Composite Scheme") approved by the Hon'ble National Company Law Tribunals, Mumbai Bench ("NCLT") on 15th January, 2020, Employees of Borosil Renewables Limited who were granted options under "Borosil Employee Stock Option Scheme 2017" ("ESOS 2017"), were issued equal number of options in the Company, irrespective of whether these options were vested or not under ESOS 2017.

Accordingly, with a view to restore the value of the employee stock options ("Options") pre and post demerger by providing fair adjustment in respect of Options granted under ESOS 2017, the Company had adopted and implemented a new Employee Stock Option Plan namely 'Borosil Limited - Special Purpose Employee Stock Option Plan 2020' ("ESOP 2020").

**The details of options granted under ESOP 2020 for the year ended 31st March 2023 is as under:**

Particulars	ESOP 2020	
	31st March, 2023	31st March, 2022
<b>Options as at 1st April</b>	<b>3,40,258</b>	<b>3,83,458</b>
Options granted during the year	-	-
Options forfeited during the year	-	-
Options exercised during the year	(2,08,630)	(43,200)
<b>Options outstanding as at 31st March</b>	<b>1,31,628</b>	<b>3,40,258</b>
<b>Number of option exercisable at the end of the year</b>	<b>1,31,628</b>	<b>3,40,258</b>

The fair value of options has been determined at the date of grant of the options. This fair value, adjusted by the Company's estimate of the number of options that will eventually vest, is expensed over the vesting period.

The fair values were calculated using the Black-Scholes Model for tenure based awards. The inputs to the model include the share price at the date of grant, exercise price, expected life, expected volatility, expected dividends and the risk free rate of interest. Expected volatility has been calculated using historical return on share price. All options are assumed to be exercised within six months from the date of respective vesting.

**Basic features of ESOP 2020**

Particulars	ESOP 2020
Date of Shareholder's Approval	The Composite Scheme of Amalgamation and Arrangement (Composite Scheme) including provisions for forming of the ESOP scheme, was approved by the Shareholders on 15th May, 2019 and by virtue of the Composite Scheme, the authority to formulate the ESOP Scheme was given to the Board of Directors. Accordingly, the Board of Directors, had approved the 'Borosil Limited - Special Purpose Employee Stock Option Plan 2020' on 3rd February, 2020.
Number of Options granted	4,43,388
Vesting Requirements	Time based vesting depending on completion of Service period, starting from 1st year after the date of original grant. Pursuant to the Composite Scheme and to provide fair and reasonable adjustment, the completed vesting period under the ESOS 2017 was considered, while calculating such vesting period.
The pricing Formula	The Exercise price was decided by the Nomination and Remuneration Committee after considering the fair adjustments required pursuant to the Composite Scheme.
Maximum Term of options granted	8 years (Vesting period + Exercise Period)
Method of Settlements	Equity Settled
Sources of Shares	Primary issuance of shares
Variation in terms of ESOP	Exercise price has been adjusted in effect to the Corporate Action
Method of Accounting	Fair Value Method



**BOROSIL LIMITED****Notes to the Consolidated Financial Statements for the year ended 31st March, 2023**

The assumptions used in the calculations of fair value as on the grant date of the options are set out below:

Particulars	ESOP 2020 (Grant date - 06.06.2020)	ESOP 2020 (Grant date - 06.06.2020)
Number of Options granted	3,63,708	79,680
Exercise Price	Rs. 127.75	Rs. 162.25
Share Price at the date of grant	Rs. 165.04	Rs. 165.04
Vesting Period	1) 33% of the option on completion of 1 year from original grant date i.e. 02.11.2017 2) 33% of the option on completion of 2 years from original grant date i.e. 02.11.2017 3) 34% of the option on completion of 3 years from original grant date i.e. 02.11.2017	1) 50% of the option on completion of 1 year from original grant date i.e. 24.07.2018 2) 50% of the option on completion of 2 years from original grant date i.e. 24.07.2018
Expected Volatility	38.60%	37.72%
Expected option life	6 months	6 months
Expected dividends	0.28%	0.26%
Risk free interest rate	6.70%	7.50%
Fair value per option granted	1) Rs.65.91 on vesting of shares on completion of 1 year from grant date 2) Rs.81.41 on vesting of shares on completion of 2 years from grant date 3) Rs.94.22 on vesting of shares on completion of 3 years from grant date	1) Rs.77.49 on vesting of shares on completion of 1 year from grant date 2) Rs.97.99 on vesting of shares on completion of 2 years from grant date

Since there are no pending unvested options for the ESOP 2020 and all the options have already been vested, no expenditure has been recognised for the year ended 31st March, 2023 and for the year ended 31st March, 2022.

**42.2 Borosil Limited Employee Stock Option Scheme 2020 ("NEW ESOS 2020")**

In order to provide equity settled incentive to specific employees of the Group. The Company has introduced NEW ESOS 2020. The NEW ESOS 2020 includes tenure-based stock options. The specific employees to whom these Options are granted and their eligibility criteria are determined by the Nomination and Remuneration Committee.

During the year on 09th May 2022, 3,34,100 Options and on 11th July 2022, 54,100 Options (previous year on 27th May 2021, 4,62,000 Options) were granted to the eligible employees at an exercise price of Rs. 293 per option and of Rs. 259 per option respectively (previous year of Rs. 221 per option). Exercise period is 5 years from the date of vesting of the respective options.

The details of options granted under NEW ESOS 2020 for the year ended 31st March 2023 is as under:

Particulars	NEW ESOS 2020	
	31st March, 2023	31st March, 2022
Options as at 1st April	4,62,000	-
Options granted during the year	3,88,200	4,62,000
Options forfeited during the year	(28,410)	-
Options exercised during the year	(43,190)	-
<b>Options outstanding as at 31st March</b>	<b>7,78,600</b>	<b>4,62,000</b>
<b>Number of option exercisable at the end of the year</b>	<b>1,04,980</b>	<b>-</b>

The fair value of options has been determined at the date of grant of the options. This fair value, adjusted by the Company's estimate of the number of options that will eventually vest, is expensed over the vesting period.

The fair values were calculated using the Black-Scholes Model for tenure based awards. The inputs to the model include the share price at date of grant, exercise price, expected life, expected volatility, expected dividends and the risk free rate of interest. Expected volatility has been calculated using historical return on share price. All are assumed to be exercised within 2.51 years from the date of respective vesting.

**Basic features of New ESOS 2020**

Particulars	New ESOS 2020
Date of Shareholder's Approval	29th September, 2020
Number of Options granted	8,50,200
Vesting Requirements	Options under NEW ESOS 2020 would Vest within maximum of 5 (five) years from the date of grant of Options. Vesting of Options would be subject to continued employment with the Company, its Subsidiary Company, as the case may be and thus the Options would vest essentially on passage of time.
The pricing Formula	The exercise price shall be market price of share or discount upto 10% or premium upto 10% to the market price, as may be decided by Nomination and Remuneration Committee from time to time.  "Market Price" means the latest available closing price on the Stock Exchange having higher trading volume in the equity shares of the Company on the date immediately prior to the date of grant.
Maximum Term of options granted	8 years (Vesting period + Exercise Period)
Method of Settlements	Equity Settled
Sources of Shares	Primary issuance of shares
Variation in terms of ESOP	Shareholders of the Company at their AGM held on 26th August, 2021 had approved modification to the NEW ESOS 2020 pursuant to which maximum vesting period has been revised from 3 years to 5 years. Options granted under NEW ESOS 2020 would vest after 1 (one) year but not later than 5 (five) years from the date of grant of options as may be determined by the Nomination and Remuneration Committee.
Method of Accounting	Fair Value Method

**BOROSIL LIMITED**
**Notes to the Consolidated Financial Statements for the year ended 31st March, 2023**

Accordingly, the assumptions used in the calculations of original grant date fair value of the options are set out below:

Particulars	New ESOS 2020 (Grant date - 27.05.2021)	New ESOS 2020 (Grant date - 09.05.2022)	New ESOS 2020 (Grant date - 11.07.2022)
Number of Options granted	4,62,000	3,34,100	54,100
Exercise Price	Rs. 221.00	Rs. 293.00	Rs. 259.00
Share Price at the date of grant	Rs. 245.30	Rs. 323.00	Rs. 322.20
Vesting Period	1) 33% of the option on completion of 1 year from the grant date i.e. 27.05.2021 2) 33% of the option on completion of 2 years from the grant date i.e. 27.05.2021 3) 34% of the option on completion of 3 years from the grant date i.e. 27.05.2021	1) 33% of the option on completion of 1 year from the grant date i.e. 09.05.2022 2) 33% of the option on completion of 2 years from the grant date i.e. 09.05.2022 3) 34% of the option on completion of 3 years from the grant date i.e. 09.05.2022	1) 33% of the option on completion of 1 year from the grant date i.e. 11.07.2022 2) 33% of the option on completion of 2 years from the grant date i.e. 11.07.2022 3) 34% of the option on completion of 3 years from the grant date i.e. 11.07.2022
Expected Volatility	25.00%	25.00%	25.00%
Expected option life	2.51 years	2.51 years	2.51 years
Expected dividends	0.40%	0.00%	0.00%
Risk free interest rate	4.13%	6.53%	6.90%
Fair value per option granted	1) Rs. 49.17 on vesting of shares on completion of 1 year from grant date 2) Rs. 62.31 on vesting of shares on completion of 2 years from grant date 3) Rs. 74.23 on vesting of shares on completion of 3 years from grant date	1) Rs. 71.46 on vesting of shares on completion of 1 year from grant date 2) Rs. 91.08 on vesting of shares on completion of 2 years from grant date 3) Rs. 108.01 on vesting of shares on completion of 3 years from grant date	1) Rs. 94.78 on vesting of shares on completion of 1 year from grant date 2) Rs. 112.87 on vesting of shares on completion of 2 years from grant date 3) Rs. 128.71 on vesting of shares on completion of 3 years from grant date

The Company has recognized total expenses of Rs. 267.76 lakhs (Previous year Rs. 136.11 lakhs) related to above equity settled share-based payment transactions for the year ended 31st March, 2023. During the year, the Company has granted 3,900 options (Previous Year 43,000 options) to the employees of Klass Pack Limited (Subsidiary Company) and 23,300 options (Previous Year Nil) to the employees of Borosil Technologies Limited (Subsidiary Company).

**42.3 Employee Stock Option Scheme of Borosil Renewables Limited (BRL)**

The Company recognized total expenses of Rs. Nil (Previous Year Rs. Nil) related to equity settled share-based payment transactions for the year ended 31st March, 2023 with respect to stock options granted by BRL to the employees of the Company, who were transferred from BRL to the Company pursuant to the Composite Scheme as approved by the Hon'ble NCLT vide its order dated 15th January, 2020. The liability recognised on account of this will be paid to BRL upon exercise of the options by such employees. Total outstanding amount to be payable on account of pending exercise is Rs. 2.23 Lakhs (Previous Year Rs. 4.65 lakhs) as at 31st March, 2023.

**Note 43 - Provisions**

**Disclosures as required by Ind AS 37 Provisions, Contingent Liabilities and Contingent Assets:**

**Movement in provisions:**

Nature of provision	(Rs. in lakhs)		
	Provision for Doubtful Deposits and Advances	Provision for Credit Impaired	Total
<b>As at 1st April, 2021</b>	<b>180.77</b>	<b>440.93</b>	<b>621.70</b>
Provision during the year	6.00	61.17	<b>67.17</b>
Reversal of Provision	(1.03)	(44.59)	<b>(45.62)</b>
<b>As at 31st March, 2022</b>	<b>185.74</b>	<b>457.51</b>	<b>643.25</b>
Provision during the year	-	-	-
Reversal of Provision	(163.71)	(16.62)	<b>(180.33)</b>
<b>As at 31st March, 2023</b>	<b>22.03</b>	<b>440.89</b>	<b>462.92</b>

## Note 44 - Segment reporting

## 44.1 Information about primary segment:

The Group has identified following three reportable segments as primary segment. Segments have been identified and reported taking into account nature of products and services, the differing risks and returns and the internal business reporting systems.

a) **Scientificware:** Comprising of manufacturing and trading of items used in laboratories, scientific ware and pharmaceutical packaging.

b) **Consumerware:** Comprising of manufacturing and trading of items for domestic use.

c) **Investments:** Comprising of investment activities. As the investments are not held as stock in trade, the income from investment activities has not been considered as segment revenue and accordingly not disclosed.

## 44.2 Segment revenue, results, assets and liabilities:

Revenue and results have been identified to a segment on the basis of relationship to operating activities of the segment. Revenue and expenses which is related to enterprise as a whole and are not allocable to a segment on reasonable basis have been disclosed as "Unallocable".

Segment assets and segment liabilities represent assets and liabilities in respective segments. Segment assets include all operating assets used by the operating segment and mainly includes trade receivable, inventories and other receivables. Segment liabilities primarily include trade payables and other liabilities. Common assets and liabilities which cannot be allocated to any of the segments are shown as a part of unallocable assets and liabilities.

44.3 The chief operational decision maker monitors the operating results of its Business Segments separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on profit or loss and is measured consistently with profit or loss in the financial statements. Operating segment have been identified on the basis of the nature of products / services and have been identified as per the quantitative criteria specified in Ind AS.

## 44.4 Segmental Information as at and for the year ended 31st March, 2023 is as follows:

Particulars					(Rs. in lakhs)
	Scientificware	Consumerware	Investments	Unallocated	Grand Total
<b>Revenue from operation</b>					
Revenue from external sales	28,530.13	74,182.00	-	-	1,02,712.13
Inter segment sales	-	-	-	-	-
<b>Total Revenue from operation</b>	<b>28,530.13</b>	<b>74,182.00</b>	<b>-</b>	<b>-</b>	<b>1,02,712.13</b>
<b>Segment Results</b>	<b>4,197.10</b>	<b>5,970.58</b>	<b>194.02</b>	<b>-</b>	<b>10,361.70</b>
Depreciation and amortisation expenses	-	-	-	(250.88)	(250.88)
Finance costs	-	-	-	(239.50)	(239.50)
Exceptional Items (Refer Note 38)	-	-	-	933.33	933.33
Other unallocable Income (net)	-	-	-	1,080.85	1,080.85
<b>Profit before tax</b>	<b>4,197.10</b>	<b>5,970.58</b>	<b>194.02</b>	<b>1,523.80</b>	<b>11,885.50</b>
Income tax and deferred tax	-	-	-	2,864.83	2,864.83
<b>Net Profit for the Year</b>	<b>4,197.10</b>	<b>5,970.58</b>	<b>194.02</b>	<b>(1,341.03)</b>	<b>9,020.67</b>

Particulars					(Rs. in lakhs)
	Scientificware	Consumerware	Investments	Unallocated	Grand Total
<b>Segment Assets</b>	<b>25,286.94</b>	<b>61,933.31</b>	<b>17,891.79</b>	<b>-</b>	<b>1,05,112.04</b>
Corporate property, plant and equipment including asset held for sale	-	-	-	6,844.99	6,844.99
Art works	-	-	-	233.55	233.55
Income tax and deferred tax	-	-	-	1,517.02	1,517.02
Goodwill	-	-	-	6,767.07	6,767.07
Other unallocated corporate assets	-	-	-	852.45	852.45
<b>Total Assets</b>	<b>25,286.94</b>	<b>61,933.31</b>	<b>17,891.79</b>	<b>16,215.08</b>	<b>1,21,327.12</b>

**BOROSIL LIMITED**
**Notes to the Consolidated Financial Statements for the year ended 31st March, 2023**

<b>Segment Liabilities</b>	<b>5,757.68</b>	<b>13,676.04</b>	<b>79.52</b>	<b>-</b>	<b>19,513.24</b>
Borrowings	-	-	-	9,706.16	<b>9,706.16</b>
Income tax and deferred tax	-	-	-	3,969.21	<b>3,969.21</b>
Other unallocated corporate liabilities	-	-	-	138.97	<b>138.97</b>
<b>Total Liabilities</b>	<b>5,757.68</b>	<b>13,676.04</b>	<b>79.52</b>	<b>13,814.34</b>	<b>33,327.58</b>

**Other Disclosures**

Capital expenditure	3,145.33	22,806.38	-	913.55	<b>26,865.26</b>
Depreciation and amortisation expenses	1,057.56	2,612.85	-	250.88	<b>3,921.28</b>
Other Non-cash expenditure	-	-	-	-	-

**44.5 Segmental Information as at and for the year ended 31st March, 2022 is as follows:**

Particulars					(Rs. in lakhs)
	Scientificware	Consumerware	Investments	Unallocated	Grand Total
<b>Revenue from operation</b>					
Revenue from external sales	26,686.01	57,300.15	-	-	<b>83,986.16</b>
Inter segment sales	-	-	-	-	-
<b>Total Revenue from operation</b>	<b>26,686.01</b>	<b>57,300.15</b>	<b>-</b>	<b>-</b>	<b>83,986.16</b>
<b>Segment Results</b>	<b>5,053.50</b>	<b>7,290.61</b>	<b>1,365.40</b>	<b>-</b>	<b>13,709.51</b>
Depreciation and amortisation expenses	-	-	-	(323.71)	<b>(323.71)</b>
Finance costs	-	-	-	(111.63)	<b>(111.63)</b>
Exceptional Items (Refer Note 38)	-	-	-	(1,121.17)	<b>(1,121.17)</b>
Other unallocable Income	-	-	-	48.28	<b>48.28</b>
<b>Profit before tax</b>	<b>5,053.50</b>	<b>7,290.61</b>	<b>1,365.40</b>	<b>(1,508.23)</b>	<b>12,201.28</b>
Income tax and deferred tax				3,678.23	<b>3,678.23</b>
<b>Net Profit for the Year</b>	<b>5,053.50</b>	<b>7,290.61</b>	<b>1,365.40</b>	<b>(5,186.46)</b>	<b>8,523.05</b>

Particulars					(Rs. in lakhs)
	Scientificware	Consumerware	Investments	Unallocated	Grand Total
<b>Segment Assets</b>	<b>22,264.00</b>	<b>33,547.02</b>	<b>20,354.69</b>	<b>-</b>	<b>76,165.71</b>
Corporate property, plant and equipment	-	-	-	8,907.92	<b>8,907.92</b>
Art works	-	-	-	240.80	<b>240.80</b>
Income tax and deferred tax	-	-	-	877.58	<b>877.58</b>
Goodwill	-	-	-	6,767.07	<b>6,767.07</b>
Other unallocated corporate assets	-	-	-	2,730.43	<b>2,730.43</b>
<b>Total Assets</b>	<b>22,264.00</b>	<b>33,547.02</b>	<b>20,354.69</b>	<b>19,523.80</b>	<b>95,689.51</b>
<b>Segment Liabilities</b>	<b>5,432.12</b>	<b>9,163.08</b>	<b>54.92</b>	<b>-</b>	<b>14,650.12</b>
Income tax and deferred tax	-	-	-	2,574.35	<b>2,574.35</b>
Other unallocated corporate liabilities	-	-	-	139.98	<b>139.98</b>
<b>Total Liabilities</b>	<b>5,432.12</b>	<b>9,163.08</b>	<b>54.92</b>	<b>2,714.33</b>	<b>17,364.45</b>
<b>Other Disclosures</b>					
Capital expenditure	2,709.66	5,688.78	-	264.26	<b>8,662.70</b>
Depreciation and amortisation expenses	957.91	2,101.85	-	323.71	<b>3,383.47</b>
Other Non-cash expenditure	28.13	81.29	-	474.67	<b>584.09</b>

**BOROSIL LIMITED****Notes to the Consolidated Financial Statements for the year ended 31st March, 2023****44.6 Revenue from external sales**

Particulars	(Rs. in lakhs)	
	For the Year Ended 31st March, 2023	For the Year Ended 31st March, 2022
India	95,415.83	78,902.72
Outside India	7,296.30	5,083.44
<b>Total Revenue as per consolidated statement of profit and loss</b>	<b>1,02,712.13</b>	<b>83,986.16</b>

**44.7 Non-current assets:**

The following is details of the carrying amount of non-current assets, which do not include deferred tax assets, income tax assets, financial assets and Goodwill, by the geographical area in which the assets are located:

Particulars	(Rs. in lakhs)	
	As at 31st March, 2023	As at 31st March, 2022
India	52,483.38	27,656.98
Outside India	89.17	122.88
<b>Total</b>	<b>52,572.55</b>	<b>27,779.86</b>

**44.8** Revenue of Rs. Nil (Previous year Rs. Nil) from a customer represents more than 10% of the Group's revenue for the year ended 31st March, 2023.

**BOROSIL LIMITED****Notes to the Consolidated Financial Statements for the year ended 31st March, 2023****Note 45 - Related party disclosure**

In accordance with the requirements of Ind AS 24, "Related Party Disclosures", name of the related party, related party relationship, transactions and outstanding balances including commitments where control exists and with whom transactions have taken place during reported periods, are as detailed below:

**45.1 List of Related Parties:****(a) Key Management Personnel**

Mr. Shreevar Kheruka – Managing Director & Chief Executive Officer  
 Mr. Rajesh Kumar Chaudhary - Whole-time Director  
 Mr. Anand Sultania - Chief Financial Officer  
 Mr. Manoj Dere - Company Secretary (upto 12.11.2021)  
 Mrs. Anshu Agarwal - Company Secretary (w.e.f. 12.11.2021)

**(b) Relative of Key Management Personnel**

Late Mr. Bajrang Lal Kheruka (expired on 12.12.2021) - Relative of Mr. Shreevar Kheruka  
 Mr. P.K.Kheruka - Relative of Mr. Shreevar Kheruka.  
 Mrs. Priyanka Kheruka - Relative of Mr. Shreevar Kheruka.  
 Mrs. Kiran Kheruka - Relative of Mr. Shreevar Kheruka.  
 Mrs. Rekha Kheruka - Relative of Mr. Shreevar Kheruka.

**(c) Enterprises over which persons described in (a) & (b) above are able to exercise significant influence (Other Related Parties) with whom transactions have taken place:**

Sonargaon Properties LLP  
 Windows Glass Limited  
 Borosil Renewables Limited  
 Cycas Trading LLP  
 Croton Trading Private Limited  
 Gujarat Fusion Glass LLP  
 Spartan Trade Holdings LLP  
 Associated Fabricators LLP  
 Borosil Holdings LLP

**(d) Trust under Common control**

Name of the entity	Country of incorporation	Principal Activities
Borosil Limited Employees Gratuity Fund	India	Company's employee gratuity trust
Borosil Limited Management Employees Pension Fund	India	Company's employee superannuation trust

**45.2 Transactions with Related Parties:**

Nature of Transactions	Name of the Related Party	(Rs. in lakhs)	
		2022-23	2021-22
Sale of Goods	Borosil Renewables Limited	8.95	11.62
Rent Income	Borosil Renewables Limited	13.20	13.20
	Window Glass Limited	0.95	0.95
Rent Expenses	Sonargaon Properties LLP	120.60	15.28
	Cycas Trading LLP	9.24	2.64
Reimbursement of expenses from	Borosil Renewables Limited	10.99	30.29
Professional Fees Paid	Mrs. Priyanka Kheruka	36.00	28.80
Directors Sitting Fees	Mr. P. K. Kheruka	6.20	5.70
Commission to Non-Executive Directors	Mr. P. K. Kheruka	16.00	12.00
Remuneration of Key Management Personnel	Mr. Shreevar Kheruka	989.17	641.68
	Mr. Rajesh Kumar Chaudhary	141.31	119.53
	Ms. Manoj Dere	-	20.44
	Mr. Anand Sultania	50.22	42.37
	Mrs. Anshu Agarwal	57.09	23.80
Dividend Paid	Mr. P. K. Kheruka	-	132.34
	Mrs. Kiran Kheruka	-	164.02
	Mr. Shreevar Kheruka	-	19.52
	Mrs. Rekha Kheruka	-	164.32
	Late Mr. Bajrang Lal Kheruka	-	138.68
	Croton Trading Private Limited	-	130.87
	Gujarat Fusion Glass LLP	-	31.36
	Spartan Trade Holdings LLP	-	11.47
	Associated Fabricators LLP	-	2.34
	Borosil Holdings LLP	-	9.18
	Sonargaon Properties LLP (Rs.18)	-	0.00
Share Based Payment	Mr. Rajesh Kumar Chaudhary	17.15	-
	Mr. Anand Sultania	4.88	6.78
	Mrs. Anshu Agarwal	5.40	-
Amount received on exercise of ESOS	Mr. Rajesh Kumar Chaudhary	129.28	-
Contribution towards Gratuity Fund	Borosil Limited Employees Gratuity Fund	46.99	306.54

**BOROSIL LIMITED**
**Notes to the Consolidated Financial Statements for the year ended 31st March, 2023**

Nature of Transactions	Name of the Related Party	(Rs. in lakhs)	
		As at 31st March, 2023	As at 31st March, 2022
Trade Receivable	Borosil Renewables Limited	11.73	-
Trade Payable	Sonargaon Properties LLP	10.85	-
Current Financial Assets - Others	Borosil Renewables Limited	2.29	2.29
Current Financial Liabilities - Others	Borosil Renewables Limited	2.23	4.65

**45.3 Compensation to key management personnel of the Group**
**(Rs. in lakhs)**

Nature of transaction	2022-23	2021-22
Short-term employee benefits	1,273.41	860.87
Post-employment benefits	1.46	1.42
<b>Total compensation paid to key management personnel</b>	<b>1,274.86</b>	<b>862.29</b>

**45.4** The transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at year-end are unsecured, unless specified and settlement occurs in cash. This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

**Note 46 - Fair Values**
**46.1 Financial Instruments by category:**

Set out below is a comparison by class of the carrying amounts and fair value of the Group's financial assets and liabilities that are recognised in the financial statements.

**a) Financial Assets measured at fair value:**
**(Rs. in lakhs)**

Particulars	As at 31st March, 2023	As at 31st March, 2022
<b>Financial Assets designated at fair value through profit or loss:</b>		
- Investments	17,878.48	19,692.50

**b) Financial Assets / Liabilities measured at amortised cost:**
**(Rs. in lakhs)**

Particulars	As at 31st March, 2023		As at 31st March, 2022	
	Carrying Value	Fair Value	Carrying Value	Fair Value
<b>Financial Assets designated at amortised cost:</b>				
- Trade Receivables	9,209.50	9,209.50	7,430.91	7,430.91
- Cash and cash equivalents	864.00	864.00	2,254.07	2,254.07
- Bank Balances other than cash and cash equivalents	264.00	264.00	609.80	609.80
- Loans	66.94	66.94	1,571.43	1,571.43
- Others	1,075.71	1,075.71	1,094.57	1,094.57
<b>Total</b>	<b>11,480.15</b>	<b>11,480.15</b>	<b>12,960.78</b>	<b>12,960.78</b>
<b>Financial Liabilities designated at amortised cost:</b>				
- Borrowings	9,706.16	9,706.16	-	-
- Lease Liabilities	822.84	822.84	119.06	119.06
- Trade Payables	6,200.87	6,200.87	5,709.78	5,709.78
- Other Financial Liabilities	9,645.13	9,645.13	6,951.45	6,951.45
<b>Total</b>	<b>26,375.00</b>	<b>26,375.00</b>	<b>12,780.29</b>	<b>12,780.29</b>

**46.2 Fair Valuation techniques used to determine fair value**

The Group maintains procedures to value financial assets or financial liabilities using the best and most relevant data available. The fair values of the financial assets and liabilities are included at the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The following methods and assumptions were used to estimate the fair values:

- Fair value of trade receivable, cash and cash equivalents, other bank balances, trade payables, loans, current borrowings, deposits and other financial assets and liabilities are approximate at their carrying amounts largely due to the short-term maturities of these instruments.
- The fair values of non-current loan, borrowings, fixed deposits, security deposits and Non-current Borrowings are approximate at their carrying amount due to interest bearing features of these instruments.
- The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.
- Fair values of quoted financial instruments are derived from quoted market prices in active markets.
- The fair value for level 3 instruments is valued using inputs based on information about market participants assumptions and other data that are available.
- The fair value of the remaining financial instruments is determined using discounted cash flow analysis and/or direct sales comparison approach.

**46.3 Fair value hierarchy**

The Group uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation techniques:

- Level 1** :- Quoted prices / published NAV (unadjusted) in active markets for identical assets or liabilities. It includes fair value of financial instruments traded in active markets and are based on quoted market prices at the balance sheet date and financial instruments like mutual funds for which net assets value (NAV) is published by mutual fund operators at the balance sheet date.
- Level 2** :- Inputs, other than quoted prices included within level 1, that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices). It includes fair value of the financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined by using valuation techniques. These valuation techniques maximise the use of observable market data where it is available and rely as little as possible on the Company specific estimates. If all significant inputs required to fair value an instrument are observable then instrument is included in level 2.
- Level 3** :- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs). If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

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**Notes to the Consolidated Financial Statements for the year ended 31st March, 2023**

The following table provides hierarchy of the fair value measurement of Group's asset and liabilities, grouped into Level 1 (Quoted prices in active markets), Level 2 (Significant observable inputs) and Level 3 (Significant unobservable inputs) as described below:

Particulars	(Rs. in lakhs)		
	As at 31st March, 2023		
	Level 1	Level 2	Level 3
<b>Financial Assets designated at fair value through profit or loss:</b>			
- Listed debentures*	-	3,179.37	-
- Mutual funds	10,922.69	-	-
- Alternative Investment Funds**	-	3,668.00	-
- Unlisted equity investments	-	-	3.92
- Unlisted bonds and debentures	-	104.50	-
<b>Total</b>	<b>10,922.69</b>	<b>6,951.87</b>	<b>3.92</b>

Particulars	(Rs. in lakhs)		
	As at 31st March, 2022		
	Level 1	Level 2	Level 3
<b>Financial Assets designated at fair value through profit or loss:</b>			
- Listed debentures*	-	5,523.21	-
- Mutual funds	10,049.61	-	-
- Alternative Investment Funds**	-	3,962.26	-
- Unlisted equity investments	-	-	3.70
- Unlisted bonds and debentures	-	153.72	-
<b>Total</b>	<b>10,049.61</b>	<b>9,639.19</b>	<b>3.70</b>

\* Listed debentures are classified as Level 2 in the absence of active market for such investments.

\*\* The Group invests in various venture capital funds and alternative investment funds and these funds further invests into various companies. Group has considered the fair value on the basis of valuation provided by respective funds.

There were no transfers between Level 1 and Level 2 during the year.

**46.4 Description of the inputs used in the fair value measurement:**

Following table describes the valuation techniques used and key inputs to valuation for level 3 of the fair value hierarchy as at 31st March, 2023 and 31st March, 2022 respectively:

Particulars	As at 31st March, 2023	Valuation Technique	Inputs used	(Rs. in lakhs)
				Sensitivity
<b>Financial Assets designated at fair value through profit or loss:</b>				
- Unlisted equity investments	3.92	Book Value	Financial statements	No material impact on fair valuation

Particulars	As at 31st March, 2022	Valuation Technique	Inputs used	(Rs. in lakhs)
				Sensitivity
<b>Financial Assets designated at fair value through profit or loss:</b>				
- Unlisted equity investments	3.70	Book Value	Financial statements	No material impact on fair valuation

**46.5 Reconciliation of fair value measurement categorised within level 3 of the fair value hierarchy:**

Financial Assets designated at fair value through profit or loss - Investments.

Particulars	(Rs. in lakhs)
<b>Fair value as at 1st April, 2021</b>	<b>3.72</b>
Gain / (Loss) on financial instruments measured at fair value through profit or loss (net)	(0.02)
Purchase / (Sale) of financial instruments	-
Amount transferred to / (from) Level 3	-
<b>Fair value as at 1st April, 2022</b>	<b>3.70</b>
Gain / (Loss) on financial instruments measured at fair value through profit or loss (net)	0.22
Purchase / (Sale) of financial instruments	-
Amount transferred to / (from) Level 3	-
<b>Fair value as at 31st March, 2023</b>	<b>3.92</b>



**BOROSIL LIMITED**
**Notes to the Consolidated Financial Statements for the year ended 31st March, 2023**
**46.6 Description of the valuation processes used by the Group for fair value measurement categorised within level 3:**

At each reporting date, the Group analyses the movements in the values of financial assets and liabilities which are required to be remeasured or reassessed as per the accounting policies. For this analysis, the Group verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents.

The Group also compares the change in the fair value of each financial asset and liability with relevant external sources to determine whether the change is reasonable. The Group also discusses of the major assumptions used in the valuations.

For the purpose of fair value disclosures, the Group has determined classes of financial assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

**Note 47 :- Financial Risk Management - Objectives and Policies:**

The Group is exposed to market risk, credit risk and liquidity risk. Risk management is carried out by the Group under policies approved by the board of directors of respective Company. This Risk management plan defines how risks associated with the respective Company will be identified, analysed, and managed. It outlines how risk management activities will be performed, recorded, and monitored by the respective Company in the Group and provides templates and practices for recording and prioritising risks. The basic objective of risk management plan is to implement an integrated risk management approach to ensure all significant areas of risks are identified, understood and effectively managed, to promote a shared vision of risk management and encourage discussion on risks at all levels of the organization to provide a clear understanding of risk/benefit trade-offs, to deploy appropriate risk management methodologies and tools for use in identifying, assessing, managing and reporting on risks, and to determine the appropriate balance between cost and control of risk and deploy appropriate resources to manage/optimize key risks. Activities are developed to provide feedback to management and other interested parties (e.g. Audit committee, Board etc.). The results of these activities ensure that risk management plan is effective in the long term.

**47.1 Market risk**

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market prices comprise three types of risk: foreign currency rate risk, interest rate risk and other price risks, such as equity price risk and commodity risk. Financial instruments affected by market risk include loans and borrowings, deposits and investments.

The sensitivity analysis is given relate to the position as at 31st March 2023 and 31st March 2022.

The sensitivity analysis excludes the impact of movements in market variables on the carrying value of post-employment benefit obligations, provisions and on the non-financial assets and liabilities. The sensitivity of the relevant statement of profit and loss item is the effect of the assumed changes in the respective market risks. The Group's activities expose it to a variety of financial risks, including the effects of changes in foreign currency exchange rates and interest rates. This is based on the financial assets and financial liabilities held as at 31st March, 2023 and 31st March, 2022.

**(a) Foreign exchange risk and sensitivity**

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Group's exposure to the risk of changes in foreign exchange rates relates primarily to the Group's operating activities. The Group transacts business primarily in USD, EURO, GBP and AED. The Group has foreign currency trade payables, trade receivables and other current financial assets and liabilities and is therefore, exposed to foreign exchange risk. The Group regularly reviews and evaluates exchange rate exposure arising from foreign currency transactions.

The following table demonstrates the sensitivity mainly in the USD, EURO, GBP, HKD, CNY and AED to the Indian Rupee with all other variables held constant. The impact on the Group's profit before tax due to changes in the fair values of monetary assets and liabilities is given below:

Unhedged Foreign currency exposure as at 31st March, 2023	Currency	Amount in FC	Rs. in lakhs
Trade Receivables	USD	3,42,450	275.45
Trade Receivables	EURO	73,909	65.48
Trade and Other Payables	USD	15,78,441	1,329.91
Trade and Other Payables	EURO	2,63,682	241.75
Trade and Other Payables	GBP	1,200	1.25
Other Current Financial Liabilities	USD	55,037	46.02
Other Current Financial Liabilities	EURO	1,46,077	133.56
Other Current Financial Assets	USD	200	0.16
Other Current Financial Assets	EURO	1,820	1.60
Other Current Financial Assets	HKD	18	0.00
Other Current Financial Assets	CNY	3,826	0.46

Unhedged Foreign currency exposure as at 31st March, 2022	Currency	Amount in FC	Rs. in lakhs
Trade Receivables	USD	3,65,989	275.90
Trade and Other Payables	USD	21,85,289	1,666.72
Trade and Other Payables	EURO	5,06,077	432.84
Other Current Financial Liabilities	EURO	1,47,589	126.23
Other Current Financial Assets	AED	41,257	8.62
Other Current Financial Assets	USD	600	0.45
Other Current Financial Assets	EURO	730	0.62
Other Current Financial Assets	Others- CNY,	CNY3,826,	0.46
Other Current Financial Assets	HKD	HKD 18	

1% increase or decrease in foreign exchange rates will have the following impact on profit before tax (PBT):

Particulars	(Rs. in lakhs)			
	2022-23		2021-22	
	1% Increase	1% Decrease	1% Increase	1% Decrease
USD	(10.93)	10.93	(13.90)	13.90
EURO	(3.08)	3.08	(4.32)	4.32
AED	-	-	0.09	(0.09)
Others	(0.01)	0.01	-	-
<b>Increase / (Decrease) in profit before tax</b>	<b>(14.02)</b>	<b>14.02</b>	<b>(18.13)</b>	<b>18.13</b>

**BOROSIL LIMITED****Notes to the Consolidated Financial Statements for the year ended 31st March, 2023****b) Interest rate risk and sensitivity:**

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group has long term borrowings in the form of Term Loan as well as short term borrowings in the form of Working Capital Loan. Due to floating rate of interest of terms loan and working capital loan, the Group has exposure towards interest rate risk.

The table below illustrates the impact of a 2% increase in interest rates on interest on financial liabilities assuming that the changes occur at the reporting date and has been calculated based on risk exposure outstanding as of date. The year end balances are not necessarily representative of the average debt outstanding during the year. This analysis also assumes that all other variables, in particular foreign currency rates, remain constant.

Particulars	(Rs. in lakhs)			
	2022-23		2021-22	
	2% Increase	2% Decrease	2% Increase	2% Decrease
Term Loan	136.88	(136.88)	-	-
Working Capital Loan	57.25	(57.25)	-	-
<b>Decrease / (Increase) in Profit before Tax</b>	<b>194.12</b>	<b>(194.12)</b>	-	-

The assumed movement in basis points for interest rate sensitivity analysis is based on the currently observable market environment at that time.

**c) Commodity price risk:**

The Group is exposed to the movement in price of key traded materials in domestic and international markets. The Group has a robust framework and governance mechanism in place to ensure that the organisation is adequately protected from the market volatility in terms of prices and availability.

**d) Equity price risk:**

The Group does not have any exposure towards equity securities price risk arises from investments held by the company.

**47.2 Credit risk**

Credit risk is the risk that a counter party will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Group is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and other financial instruments.

The Group considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis through each reporting period. To assess whether there is a significant increase in credit risk, the Group compares the risk of default occurring on asset as at the reporting date with the risk of default as at the date of initial recognition. It considers reasonable and supportive forwarding-looking information such as:

- Actual or expected significant adverse changes in business,
- Actual or expected significant changes in the operating results of the counterparty,
- Financial or economic conditions that are expected to cause a significant change to the counterparty's ability to meet its obligations,
- Significant increase in credit risk on other financial instruments of the same counterparty,
- Significant changes in the value of the collateral supporting the obligation or in the quality of the third-party guarantees or credit enhancements.

Financial assets are written off when there is no reasonable expectation of recovery, such as a debtor failing to engage in a repayment plan with the Group. Where loans or receivables have been written off, the Group continues to engage in enforcement activity to attempt to recover the receivable due. Where recoveries are made, these are recognized as income in the consolidated statement of profit and loss. The Group measures the expected credit loss of trade receivables based on historical trend, industry practices and the business environment in which the entity operates. Loss rates are based on actual credit loss experience and past trends. Based on the historical data, loss on collection of receivable is not material hence no additional provision considered.

**a) Trade Receivables:**

The Group extends credit to customers in normal course of business. The Group considers factors such as credit track record in the market and past dealings with the Group for extension of credit to customers. The Group monitors the payment track record of the customers. Outstanding customer receivables are regularly monitored. The Group evaluates the concentration of risk with respect to trade receivables as low, as its customers are located in several jurisdictions and industries and operate in largely independent markets. The Group has also taken security deposits in certain cases from its customers, which mitigate the credit risk to some extent. Further, the Group has policy of provision for doubtful debts. Revenue of Rs. Nil (Previous year Rs. Nil) from a customer represents more than 10% of the Group revenue for the year ended 31st March, 2023. The Group does not expect any material risk on account of non-performance by any of the Group's counterparties.

The Group has used practical expedient by computing the expected credit loss allowance for trade receivables based on provision matrix. The provision matrix taken into account historical credit loss experience and adjusted for forward looking information. The expected credit loss allowance is based on ageing of the days the receivables are due.

The following table summarizes the Gross carrying amount of the trade receivable and provision made.

Particulars	(Rs. in lakhs)			
	As at 31st March, 2023		As at 31st March, 2022	
	Gross Carrying Amount	Loss Allowance	Gross Carrying Amount	Loss Allowance
Trade Receivable	9,650.39	440.89	7,888.44	457.53

**b) Financial instruments and cash deposits:**

The Group considers factors such as track record, size of the institution, market reputation and service standards to select the banks with which balances are maintained. Credit risk from balances with bank is managed by the respective Company's finance department. Investment of surplus funds are also managed by finance department. The Group does not maintain significant cash in hand. Excess balance of cash other than those required for its day to day operations is deposited into the bank.

For other financial instruments, the finance department assesses and manage credit risk based on internal assessment. Internal assessment is performed for each class of financial instrument with different characteristics.

**47.3 Liquidity risk**

Liquidity risk is the risk that the Group may not be able to meet its present and future cash and collateral obligations without incurring unacceptable losses. The Group's objective is to, at all times, maintain optimum levels of liquidity to meet its cash and collateral requirements. The Group relies operating cash flows and short term borrowings in the form of working capital loan to meet its needs for funds. Respective Company does not breach any covenants (where applicable) on any of its borrowing facilities. The respective Company has access to a sufficient variety of sources of funding as per requirement. The Company has also the sanctioned limit from the banks.

**BOROSIL LIMITED****Notes to the Consolidated Financial Statements for the year ended 31st March, 2023**

The table below provides undiscounted cash flows towards financial liabilities into relevant maturity based on the remaining period at the balance sheet to the contractual maturity date.

Particulars						(Rs. in lakhs)
	On demand	Maturity				Total
		0 - 3 Months	3 - 6 Months	6 - 12 months	More than 1 year	
<b>As at 31st March, 2023</b>						
Borrowings	2,862.39	348.71	348.71	697.45	5,448.90	<b>9,706.16</b>
Lease Liabilities	-	42.11	42.11	84.23	654.39	<b>822.84</b>
Trade Payables	-	6,200.87	-	-	-	<b>6,200.87</b>
Other Financial Liabilities	-	9,528.59	-	116.54	-	<b>9,645.13</b>
<b>Total</b>	<b>2,862.39</b>	<b>16,120.28</b>	<b>390.82</b>	<b>898.22</b>	<b>6,103.29</b>	<b>26,375.00</b>
<b>As at 31st March, 2022</b>						
Lease Liabilities	-	0.16	0.16	0.33	118.41	<b>119.06</b>
Trade Payables	-	5,709.78	-	-	-	<b>5,709.78</b>
Other Financial Liabilities	-	6,743.75	-	207.70	-	<b>6,951.45</b>
<b>Total</b>	<b>-</b>	<b>12,453.69</b>	<b>0.16</b>	<b>208.03</b>	<b>118.41</b>	<b>12,780.29</b>

**47.4 Competition and price risk**

The Group faces competition from local and foreign competitors. Nevertheless, it believes that it has competitive advantage in terms of high quality products and by continuously upgrading its expertise and range of products to meet the needs of its customers.

**Note 48: Impairment testing of Goodwill**

**48.1** Goodwill of Rs. 5,931.84 lakhs is recognised on account of composite scheme of amalgamation and arrangement and Rs. 835.23 lakhs is recognised on account of first time consolidation.

**48.2** Goodwill is tested for impairment on annual basis and whenever there is an indication that the recoverable amount of a cash generating unit (CGU) is less than its carrying amount based on a number of factors including business plan, operating results, future cash flows and economic conditions. The recoverable amount of cash generating units is determined based on higher of value in use and fair value less cost to sell. For the purpose of impairment testing, goodwill is allocated to a CGU representing the lowest level within the Group at which Goodwill is monitored for internal management purposes, and which is not higher than the Group's operating segment.

**48.3 Goodwill is allocated to the following CGU for impairment testing purpose**

Particulars	(Rs. in lakhs)	
	As at 31st March, 2023	As at 31st March, 2022
Goodwill relating to Consumerware	1,815.14	1,815.14
Goodwill relating to Scientificware	4,951.93	4,951.93
<b>Total</b>	<b>6,767.07</b>	<b>6,767.07</b>

**48.4** The Group uses discounted cash flow methods to determine the recoverable amount. These discounted cash flow calculations use five year projections that are based on financial forecasts. Cash flow projections take into account past experience and represent management's best estimate about future developments.

**48.5** Management estimates discount rates using pre-tax rates that reflect current market assessments of the risks specific to the CGU, taking into consideration the time value of money and individual risks of the underlying assets that have not been incorporated in the cash flow estimates. The discount rate calculation is based on the specific circumstances of the respective Company and its operating segments and is derived from its weighted average cost of capital (WACC).

**BOROSIL LIMITED****Notes to the Consolidated Financial Statements for the year ended 31st March, 2023****Note 49: Leases**

As per Ind AS 116 'Leases', the disclosures of lease are given below:

(i) Following are the amounts recognised in Consolidated Statement of Profit & Loss:

Particulars	(Rs. in lakhs)	
	For the year ended 31st March, 2023	For the year ended 31st March, 2022
Depreciation expense for right-of-use assets	121.51	10.51
Interest expense on lease liabilities	43.80	10.22
<b>Total amount recognised</b>	<b>165.31</b>	<b>20.73</b>

(ii) The following is the movement in lease liabilities during the year:

Particulars	(Rs. in lakhs)	
	For the year ended 31st March, 2023	For the year ended 31st March, 2022
Opening Balance	119.06	124.48
Addition during the year	797.60	-
Finance cost accrued during the year	43.80	10.22
Interest on security deposit	-	(0.26)
Payment of lease liabilities	(137.62)	(15.38)
<b>Closing Balance</b>	<b>822.84</b>	<b>119.06</b>

(iii) The following is the contractual maturity profile of lease liabilities:

Particulars	(Rs. in lakhs)	
	For the year ended 31st March, 2023	For the year ended 31st March, 2022
Less than one year	168.45	0.65
One year to five years	544.32	8.34
More than five years	110.07	110.07
<b>Closing Balance</b>	<b>822.84</b>	<b>119.06</b>

(iv) Lease liabilities carry an effective interest rate is in the range of 8% - 8.50%. The average lease term are in the range of 3-20 years.

**Note 50: Capital Management**

For the purpose of Group's capital management, capital includes issued capital, all other equity reserves and debts. The primary objective of the Group's capital management is to maximise shareholders value. The Group manages its capital structure and makes adjustments in the light of changes in economic environment and the requirements of the financial covenants.

The Group monitors capital using gearing ratio, which is net debt divided by total capital (equity plus net debt). Net debt are non-current and current debts as reduced by cash and cash equivalents and current investments. Equity comprises all components including other comprehensive income.

Particulars	(Rs. in lakhs)	
	As at 31st March, 2023	As at 31st March, 2022
Total Debt	9,706.16	-
Less:- Cash and cash equivalent	864.00	2,254.07
Less:- Current Investments	14,206.56	15,726.55
<b>Net Debt</b>	<b>-</b>	<b>-</b>
<b>Total Equity (Equity Share Capital plus Other Equity)</b>	<b>86,360.01</b>	<b>76,722.80</b>
<b>Total Capital (Total Equity plus net debt)</b>	<b>86,360.01</b>	<b>76,722.80</b>
<b>Gearing ratio</b>	<b>NA</b>	<b>NA</b>

**Note 51: Assets held for Sale**

51.1 Description of the assets held for sale	(Rs. in lakhs)	
	As at 31st March, 2023	As at 31st March, 2022
Property, Plant and Equipment - Land	-	1,419.87
Property, Plant and Equipment - Building	3,614.76	4,717.63
Property, Plant and Equipment - Plant and Equipment	35.00	-
<b>Total</b>	<b>3,649.76</b>	<b>6,137.50</b>

**51.2** In accordance with the approval of the Board of Directors given at its meeting held on 12th November, 2021, during the year, the Company has disposed off the land and building, which were classified as assets held for sale, having carrying value of Rs.2,522.74 lakhs. The Company is taking the efforts to dispose off the remaining assets held for sale of Rs. 3,614.76 lakhs and the Company expects to dispose it within a period of next one year, hence the same is continued to disclose as assets held for sale. Further, there is an addition of Rs. 35.00 lakhs under the head of assets held for sale related to Plant and equipment, which is also expected to be disposed off within a period of next one year.

**BOROSIL LIMITED**
**Notes to the Consolidated Financial Statements for the year ended 31st March, 2023**
**Note 52: Interests in other entities**

52.1 The consolidation of financial statements of the Group includes subsidiaries listed in the table below:

Name	Principal Activities	Country of Incorporation	% equity interest	
			As at 31st March, 2023	As at 31st March, 2022
Klass Pack Limited	Manufacturer of Glass Ampoules and Tabular Glass Vials	India	82.49%	82.49%
Borosil Technologies Limited	Manufacturer of Scientific Instruments	India	100.00%	100.00%
Acalypha Realty Limited	Real estate business	India	100.00%	100.00%

52.2 **Non-controlling interests (NCI)**

Financial information of subsidiaries that have material non-controlling interests is provided below:

**Proportion of equity interest held by non-controlling interests:**

Name	Country of Incorporation	% equity interest	
		As at 31st March, 2023	As at 31st March, 2022
Klass Pack Limited	India	17.51%	17.51%

**Summarised financial information:**

Summarised financial information for each subsidiary that has non-controlling interest that are material to the Group. The amounts disclosed for each subsidiary are before inter-company eliminations.

Summarised Balance Sheet	(Rs. in lakhs)	
	Klass Pack Limited	
	As at 31st March, 2023	As at 31st March, 2022
Current assets	7,407.30	4,692.61
Current Liabilities	2,526.38	1,823.85
<b>Net current assets</b>	<b>4,880.92</b>	<b>2,868.76</b>
Non-current assets	8,595.23	6,547.08
Non-current liabilities	4,112.79	265.29
<b>Net non-current assets</b>	<b>4,482.44</b>	<b>6,281.79</b>
<b>Net assets</b>	<b>9,363.36</b>	<b>9,150.55</b>
<b>Accumulated NCI</b>	<b>1,639.53</b>	<b>1,602.26</b>

Summarised Statement of profit and loss	(Rs. in lakhs)	
	Klass Pack Limited	
	For the year ended 31st March, 2023	For the year ended 31st March, 2022
Revenue from operations	9,804.29	10,619.97
Profit / (Loss) for the year	206.43	856.75
Other Comprehensive income	6.38	9.83
<b>Total comprehensive income</b>	<b>212.81</b>	<b>866.58</b>
Profit / (Loss) allocated to NCI	37.27	151.74
Dividends paid to NCI	-	-

Summarised Statement of cash flow	(Rs. in lakhs)	
	Klass Pack Limited	
	For the year ended 31st March, 2023	For the year ended 31st March, 2022
Cash flow from / (used in) operating activities	(142.63)	921.95
Cash flow from / (used in) investing activities	(4,390.60)	(2,216.23)
Cash flow from / (used in) financing activities	4,540.99	1,234.12
<b>Net increase / (decrease) in cash and cash equivalents</b>	<b>7.76</b>	<b>(60.16)</b>

**BOROSIL LIMITED****Notes to the Consolidated Financial Statements for the year ended 31st March, 2023****Note 53 Other Statutory Information:**

- i) There is no balance outstanding on account of any transaction with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.
- ii) The Group has not advanced or loaned or invested fund to any other persons or entities including foreign entities (intermediary) with the understanding (whether recorded in writing or otherwise) that intermediary shall :
  - a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (ultimate beneficiary) or
  - b) provided any guarantee, security or the like to or on behalf of the ultimate beneficiaries.
- iii) The Group has not received any fund from any person or entities including foreign entities (funding party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
  - a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the funding party (ultimate beneficiaries) or
  - b) provide any guarantee, security or the like on behalf of the ultimate beneficiaries.
- iv) The Group does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income tax Act, 1961.
- v) The Group has not declared wilful defaulter by any bank or financial institution or other lender.
- vi) There are no charges or satisfaction thereof which are yet to be registered with ROC beyond the statutory period.

**Note 54 Disclosure on Composite Scheme of Arrangement and accounting as per Ind AS 103**

The Board of Directors at its meeting held on 7th February, 2022, had approved a Composite Scheme of Arrangement amongst the Company and Klass Pack Ltd ("KPL"), a subsidiary of the Company, and Borosil Technologies Ltd ("BTL"), a wholly owned subsidiary of the Company ('Scheme') inter alia for: (a) reduction and reorganization of share capital of KPL; (b) demerger of Scientific and Industrial Product Business from the Company into KPL and consequent issue of shares by KPL; and (c) amalgamation of BTL with KPL. The Appointed Date for the Scheme is 1st April, 2022. Post receipt of Observation letters from stock exchanges and approvals from equity shareholders and unsecured creditors at their respective meetings convened as per the directions of Hon'ble NCLT Mumbai bench ("NCLT"), the Company filed a petition with NCLT for seeking its approval on the Scheme. The said petition has been admitted for final hearing. Pending necessary approvals on the Scheme, no effects have been given in the above financial statements.

**Note 55 :- Acquisition of Goel Scientific Glass Works Limited**

Subsequent to year end, Klass Pack Limited ("KPL"), a 82.49% subsidiary of the Company, has on 27th April, 2023, acquired 90.17% stake (representing 32,91,330 equity shares) of Goel Scientific Glass Works Limited ("Goel Scientific") from the then majority shareholders of Goel Scientific ("Sellers"). An amount of Rs. 2,300.00 lakhs has been paid as an upfront consideration and such upfront consideration will be adjusted / supplemented with additional amounts in accordance with the terms of the Share Purchase Agreement dated 31st March, 2023 executed amongst KPL, Goel Scientific and the Sellers. With this acquisition, effective 27th April 2023, Goel Scientific has become a subsidiary of KPL and in turn a step-down subsidiary of the Company.

**Note 56**

- 56.1** During the pervious year, the Company has decided to exercise the option permitted under Section 115BAA of the Income-tax Act, 1961 as introduced by the Taxation Laws (Amendment) Ordinance, 2019 and accordingly, the Company has recognised the tax provision for the year ended 31st March, 2022 and remeasured the deferred tax assets/liabilities based on the rates prescribed in that section during the perious year. The impact of this change has been recognised as tax expense.
- 56.2** The Finance Act 2021 has discontinued the depreciation allowance on goodwill from Financial Year 2020-21 onwards. This has resulted into onetime incremental deferred tax expense of Rs. 839.77 lakhs for the year ended 31st March, 2022.

**Note 57**

Previous year figures have been regrouped and rearranged wherever necessary.

**BOROSIL LIMITED**

Notes to the Consolidated Financial Statements for the year ended 31st March, 2023

**Note 58 Additional Information, as required under Schedule III to the Companies Act, 2013, of entity consolidated as Subsidiary**

Name of the entity in the Group	Net Assets i.e. Total Assets minus Total Liabilities		Share in Profit or Loss		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
	As % of Consolidated Net Assets	Rs. in lakhs	As % of Consolidated Statement of Profit and Loss	Rs. in lakhs	As % of Consolidated Other Comprehensive Income	Rs. in lakhs	As % of Consolidated Total Comprehensive Income	Rs. in lakhs
<b>Parent</b>								
Borosil Limited	98.65%	86,809.31	104.76%	9,412.34	269.47%	(12.18)	104.68%	9,400.16
<b>Indian Subsidiaries</b>								
Klass Pack Limited	10.64%	9,363.36	2.30%	206.43	-141.15%	6.38	2.37%	212.81
Borosil Technologies Limited	0.24%	209.29	-6.57%	(590.36)	-53.10%	2.40	-6.55%	(587.96)
Acalypha Realty Limited	0.00%	1.95	-0.01%	(0.47)	0.00%	-	-0.01%	(0.47)
<b>Non controlling Interest</b>	1.86%	1,639.53	-0.40%	(36.15)	24.78%	(1.12)	-0.42%	(37.27)
<b>Consolidation Adjustments / Elimination</b>	-11.39%	(10,023.90)	-0.08%	(7.27)	0.00%	-	-0.08%	(7.27)
<b>Total</b>	<b>100.00%</b>	<b>87,999.54</b>	<b>100.00%</b>	<b>8,984.52</b>	<b>100.00%</b>	<b>(4.52)</b>	<b>100.00%</b>	<b>8,980.00</b>

As per our Report of even date

For and on behalf of the Board of Directors

**For Chaturvedi & Shah LLP**

Chartered Accountants

(Firm Registration No. 101720W/W100355)

**Rajesh Kumar Chaudhary**

Whole-time Director

(DIN 07425111)

**Shreevar Kheruka**

Managing Director &amp; CEO

(DIN 01802416)

**Anuj Bhatia**

Partner

Membership No. 122179

**Anand Sultania**

Chief Financial Officer

**Anshu Agarwal**

Company Secretary

(Membership No. FCS-9921)

Date: 22nd May, 2023

**BOROSIL LIMITED**

Form No. AOC-1

**A. Salient Features of Financial Statements of Subsidiaries as per Companies Act, 2013****A-1. Subsidiary Company**

Sl. No.	Particulars	Subsidiary Companies		
		Klass Pack Limited	Borosil Technologies Limited	Acalypha Realty Limited
1	The date since when subsidiary was acquired.	12.02.2020	12.02.2020	12.02.2020
2	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	NA	NA	NA
3	Reporting Currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries.	NA	NA	NA
4	Share Capital (Rs. in lakhs)	1,632.95	958.40	10.00
5	Other Equity (Rs. in lakhs)	7,730.41	(749.11)	(8.05)
6	Total Assets (Rs. in lakhs)	16,002.53	1,345.88	2.10
7	Total Liabilities (Rs. in lakhs)	6,639.17	1,136.59	0.15
8	Investments (Rs. in lakhs)	3,241.46	-	-
9	Revenue From Operations (Rs. in lakhs)	9,804.29	1,060.47	-
10	Profit / (Loss) before Tax (Rs. in lakhs)	297.38	(613.01)	(0.47)
11	Provision for Taxation (Rs. in lakhs)	90.95	(22.65)	-
12	Profit / (Loss) After Taxation (Rs. in lakhs)	206.43	(590.36)	(0.47)
13	Proposed Dividend	-	-	-
14	% of shareholding	82.49%	100.00%	100.00%
15	Country	India	India	India

B. The above statement also indicates performance and financial position of each of the subsidiaries.

C. Acalypha Realty Limited is yet to commence its operations.

D. Other than above, there are no Subsidiaries which are yet to commence operations.

E. There are no Subsidiaries which have been liquidated or sold during the year.

For and on behalf of the Board of Directors

**Rajesh Kumar Chaudhary**

Whole-time Director  
(DIN 07425111)

**Shreevar Kheruka**

Managing Director & CEO  
(DIN 01802416)

**Anand Sultania**

Chief Financial Officer

**Anshu Agarwal**

Company Secretary  
(Membership No. FCS-9921)

Date: 22nd May, 2023



## INDEPENDENT AUDITOR'S REPORT

### TO THE MEMBERS OF BOROSIL LIMITED

#### Report on the Audit of Consolidated Financial Statements

##### Opinion

We have audited the accompanying consolidated financial statements of **BOROSIL LIMITED** (hereinafter referred to as the 'Holding Company/Parent') and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group"), which comprise the consolidated Balance Sheet as at 31<sup>st</sup> March, 2022, the consolidated statement of Profit and Loss including other comprehensive income, the consolidated statement of changes in equity and the consolidated cash flows Statement for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at 31<sup>st</sup> March, 2022, their consolidated profit including other comprehensive income, the consolidated statement of changes in equity and their consolidated cash flows for the year then ended.

##### Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the Group in accordance with the Code of Ethics issued by Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the financial statements under the provision of the act and rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and ICAI Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the consolidated financial statements.

##### Emphasis of Matter

We draw attention to Note 38.1 to the Consolidated Financial Statements, in respect of loss of property including fixed assets & inventories due to fire at Company's warehouse situated at Bharuch, Gujrat and loss of inventories due to heavy rain at the Company's warehouse situated at Bhiwandi, Maharashtra. Pending finalization of balance Insurance claim, loss of Rs. 646.50 lakhs for the year ended 31<sup>st</sup> March, 2022 has been recognised as per Company's estimates. Our opinion is not modified in respect of this matter.

##### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the year ended 31<sup>st</sup> March, 2022. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For the matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matter described below to be the key audit matter to be communicated in our report. We have fulfilled the responsibilities described in the Auditors' responsibilities for the audit of the Consolidated Financial Statements section of our report, including in relation to that matter. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the Consolidated Financial Statements. The results of our audit procedures, including the procedures performed to address the matter below, provide the basis for our audit opinion on the accompanying Consolidated Financial Statements

Key Audit Matter	How our audit addressed the key audit matter
<b>Revenue</b>	
<p>Revenue is recognized net of discounts &amp; rebates earned by the customers on the Company's sales. The discounts &amp; rebates recognized based on sales made during the year.</p> <p>Revenue is recognized when control of the underlying products have been transferred along with satisfaction of performance obligation. The terms of sales arrangements, including the timing of transfer of control, the nature of discount and rebates arrangements and delivery specifications, create complexity and judgment in determining sales revenues.</p> <p>Further customer's rebate/discounts represent a material reduction in sales and process for calculating and recording the above involves significant manual process.</p> <p>Risk exists that revenue is recognised without substantial transfer of control and is not in accordance with IND AS115 'Revenue from contracts with customers', resulting into recognition of revenue in incorrect period.</p>	<p>We assessed the Company's processes and controls for recognizing revenue as part of our audit. Our audit procedures included the following :</p> <ul style="list-style-type: none"> <li>• Assessing the environment of the IT systems related to invoicing and measurement as well as other relevant systems supporting the accounting of revenue.</li> <li>• Performed sample tests of individual sales transaction and traced to sales invoices, sales orders shipping documents and other related documents. In respect of the samples selected, tested that the revenue has been recognized as per the sales orders;</li> <li>• We performed procedures to identify any significant transactions recorded manually and obtained evidence to support the recognition and timing of rebate/discount amounts based on the documents.</li> <li>• Verifying the completeness of disclosure in the financial statements as per Ind AS 115.</li> </ul>

**Information Other than the Consolidated Financial Statements and Auditor's Report Thereon**

The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual Report but does not include the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. Other information so far as it relates to the subsidiary companies not audited by us, is traced from their financial statements audited by the other auditor.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to communicate the matter to those charged with governance. We have nothing to report in this regard.

### **Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements**

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated statement of changes in equity and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate implementation and maintenance of accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those respective Boards of Directors of the companies included in the Group are responsible for overseeing the financial reporting process of the Group.

### **Auditor's Responsibilities for the Audit of the Consolidated Financial Statements**

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the Holding Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group of which we are the independent auditors and whose financial information we have audited, to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditor, such other auditor remains responsible for the direction, supervision and performance of the audit carried out by him. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements for the year ended 31<sup>st</sup> March, 2022 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### **Other Matters**

- (i) We did not audit the financial statements/financial information of 3 subsidiaries, whose financial statements/financial information reflect total assets of Rs. 12,199.54 lakhs as at 31<sup>st</sup> March, 2022, total revenues of Rs. 12,046.02 lakhs and net cash outflows amounting to Rs. 69.30 lakhs for the year ended on that date, as considered in the consolidated financial statements. These financial statements/ financial information have not been audited by us. These financial statements/financial information have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries is based solely on the reports of the other auditors.

Our opinion on the consolidated financial statements as above and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matter with respect to our reliance on the work done and the reports of the other auditors.

- (ii) Attention is drawn to the fact that the figures for the year ended 31<sup>st</sup> March, 2021 are based on previously issued consolidated financial statements that were audited by predecessor auditor, whose report dated 27<sup>h</sup> May, 2021 expressed an unmodified opinion. Our opinion is not modified in respect of above matter.

### **Report on Other Legal and Regulatory Requirements**

As required by Section 143(3) of the Act, based on our audit and on the consideration of the report of the other auditor on the separate financial statements, referred in the Other Matters paragraph above we report, to the extent applicable, that, we report, that:

- (a) We/the other auditors whose reports we have relied upon, have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
- (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of other auditors.
- (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Cash Flow Statement and Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
- (d) In our opinion, the aforesaid consolidated financial statements comply with the Indian Accounting Standards prescribed under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015.
- (e) On the basis of the written representations received from the directors of the Parent as on 31<sup>st</sup> March, 2022 and taken on record by the Board of Directors of the Parent and the reports of the statutory auditors of its subsidiaries companies incorporated in India, none of the directors of the Group companies, incorporated in India, is disqualified as on 31<sup>st</sup> March, 2022 from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) With respect to the adequacy of the internal financial controls with reference to financial statements and the operating effectiveness of such controls, refer to our separate Report in "ANNEXURE A", which is based on the auditor's reports of the Parent and subsidiaries, companies incorporated in India to whom internal financial controls with reference to financial statements is applicable.
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other statutory auditor of the subsidiaries incorporated in India, the managerial remuneration for the year ended 31<sup>st</sup> March, 2022 has been paid or provided by the Holding Company and its subsidiaries incorporated in India to their directors in accordance with the provisions of section 197 read with Schedule V to the Act. However remuneration paid by one of the subsidiary companies to Managing Director of that subsidiary company amounting to Rs. 49.46 lakhs, is subject to the shareholder's approval.

- (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
- i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group. Refer Note 40 to the consolidated financial statements.
  - ii. The Group did not have any material foreseeable losses on long-term contracts including derivative contracts.
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Group.
  - iv. a) The respective Managements of the Company and its subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries that, to the best of their knowledge and belief, as disclosed in the notes to the consolidated financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company or any of such subsidiaries to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company or any of such subsidiaries ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
  - b) The respective Managements of the Company and its subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries that, to the best of their knowledge and belief, as disclosed in the consolidated financial statements no funds have been received by the Company or any of such subsidiaries from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company or any of such subsidiaries shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
  - c) Based on the audit procedures that has been considered reasonable and appropriate in the circumstances performed by us and those performed by the auditors of the subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act, nothing has come to our or other auditor's notice that have caused us or the other auditors to believe that the representations under paragraph (2) (h) (iv) (a) and (b) above, contain any material misstatement.

- (v) The dividend paid by the Parent Company during the year is in accordance with section 123 of the Act to the extent applicable. The subsidiary companies incorporated in India has not declared or paid any dividend during the year.
- (vi) With respect to the matters specified in paragraphs 3(xxi) and 4 of the Companies (Auditor's Report) Order, 2020 ("the Order" or "CARO") issued by the Central Government in terms of Section 143(11) of the Act, to be included in the Auditor's report, according to the information and explanations given to us, and based on the CARO reports issued by us and the auditors of respective companies included in the consolidated financial statements of the Company, to which reporting under CARO is applicable, provided to us by the Management of the Company, we report that there are no qualification or adverse remarks by the respective auditors in the CARO report of the said companies included in the consolidated financial statements.

For **Chaturvedi & Shah LLP**  
Chartered Accountants  
(Firm's Registration No. 101720W/W100355)

**R. Koria**  
Partner  
(Membership No.35629)  
UDIN: - 22035629AIUAHA8291

Place: Mumbai  
Date: 9<sup>th</sup> May, 2022

## **“ANNEXURE A” TO THE INDEPENDENT AUDITOR’S REPORT**

**(Referred to in paragraph (f) under ‘Report on Other Legal and Regulatory Requirements’ section of our report of even date)**

### **Report on the Internal Financial Controls with reference to Financial Statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)**

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended 31<sup>st</sup> March, 2022, we have audited the internal financial controls with reference to financial statements of **BOROSIL LIMITED** (hereinafter referred to as “the Holding Company” / “Parent”) and its subsidiary companies, which are companies incorporated in India, as of that date.

#### **Management’s Responsibility for Internal Financial Controls**

The respective Board of Directors of the Parent and its subsidiary companies, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control with reference to financial statements criteria established by the respective companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

#### **Auditor’s Responsibility**

Our responsibility is to express an opinion on the internal financial controls with reference to financial statements of the Parent and its subsidiary companies, which are companies incorporated in India, based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditor of the subsidiary companies, which are companies incorporated in India, in terms of his report referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to the consolidated financial statements of the Parent Company.



### **Meaning of Internal Financial Controls With reference to Financial Statements**

A company's internal financial control with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

### **Inherent Limitations of Internal Financial Controls With reference to Financial Statements**

Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial control with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

### **Opinion**

In our opinion to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors referred to in the Other Matters paragraph below, the Parent and its subsidiary companies which are companies incorporated in India, have, in all material respects, an adequate internal financial controls with reference to Consolidated Financial Statements and such internal financial controls were operating effectively as at 31<sup>st</sup> March, 2022, based on the criteria for internal financial control with reference to consolidated financial statements established by the respective companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

### **Other Matters**

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to Consolidated Financial Statements in so far as it relates to 3 subsidiary companies, which are companies incorporated in India, is based solely on the corresponding reports of the auditors of such companies incorporated in India. Our opinion is not modified in respect of the above matters.

For **Chaturvedi & Shah LLP**

Chartered Accountants

(Firm's Registration No. 101720W/W100355)

**R. Koria**

Partner

(Membership No.35629)

UDIN: - 22035629AIUAHA8291

Place: Mumbai

Date: 9<sup>th</sup> May, 2022

Particulars	Note No.	As at	
		31st March, 2022	As at 31st March, 2021
<b>I. ASSETS</b>			
<b>1 Non-current Assets:</b>			
(a) Property, Plant and Equipment	6	20,699.21	27,811.47
(b) Capital Work-in-Progress	6	2,497.76	1,266.13
(c) Investment Property	7	105.59	167.63
(d) Goodwill	48	6,767.07	6,767.07
(e) Other Intangible Assets	8	37.20	51.39
(f) Financial Assets			
(i) Investments	9	3,965.95	4,681.49
(ii) Loans	10	23.44	23.10
(iii) Other Financial Assets	11	508.66	528.71
(g) Deferred Tax Assets (net)	25	226.11	354.05
(h) Art Works		240.80	240.80
(i) Non-current Tax Assets (net)		651.47	645.13
(j) Other Non-current Assets	12	4,199.30	62.38
		<b>39,922.56</b>	<b>42,599.35</b>
<b>2 Current Assets:</b>			
(a) Inventories	13	19,333.50	14,760.95
(b) Financial Assets			
(i) Investments	14	15,726.55	19,837.49
(ii) Trade Receivables	15	7,430.91	6,636.38
(iii) Cash and Cash Equivalents	16	2,254.07	652.30
(iv) Bank Balances Other than (iii) above	17	609.80	107.09
(v) Loans	18	1,547.99	54.50
(vi) Other Financial Assets	19	585.91	381.89
(c) Other Current Assets	20	2,140.72	1,230.25
(d) Assets held for Sale	51	6,137.50	-
		<b>55,766.95</b>	<b>43,660.85</b>
<b>TOTAL ASSETS</b>		<b>95,689.51</b>	<b>86,260.20</b>
<b>II. EQUITY AND LIABILITIES</b>			
<b>EQUITY:</b>			
(a) Equity Share Capital	21	1,141.63	1,141.19
(b) Other Equity	22	75,581.17	68,334.12
<b>Equity attributable to the Owners</b>		<b>76,722.80</b>	<b>69,475.31</b>
Non-controlling Interest		1,602.26	1,286.31
<b>Total Equity</b>		<b>78,325.06</b>	<b>70,761.62</b>
<b>LIABILITIES</b>			
<b>1 Non-current Liabilities:</b>			
(a) Financial Liabilities			
(i) Borrowings	23	-	59.94
(ii) Lease Liabilities	49	118.41	119.05
(b) Provisions	24	280.35	481.99
(c) Deferred Tax Liabilities (net)	25	2,088.65	1,503.23
		<b>2,487.41</b>	<b>2,164.21</b>
<b>2 Current Liabilities:</b>			
(a) Financial Liabilities			
(i) Borrowings	26	-	667.02
(ii) Lease Liabilities	49	0.65	5.43
(iii) Trade Payables	27		
A) Due to Micro and Small Enterprises		1,466.01	1,503.92
B) Due to Other than Micro and Small Enterprises		4,243.77	3,659.63
		<b>5,709.78</b>	<b>5,163.55</b>
(iv) Other Financial Liabilities	28	6,951.45	5,463.40
(b) Other Current Liabilities	29	796.14	970.66
(c) Provisions	30	933.32	745.23
(d) Current Tax Liabilities (net)		485.70	319.08
		<b>14,877.04</b>	<b>13,334.37</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>95,689.51</b>	<b>86,260.20</b>
Significant Accounting Policies and Notes to Consolidated Financial Statements	1 to 57		

As per our Report of even date

For and on behalf of Board of Directors

**For Chaturvedi & Shah LLP**Chartered Accountants  
(Firm Registration No. 101720W/W100355)**Rajesh Kumar Chaudhary**  
Whole-time Director  
(DIN 07425111)**Shreevar Kheruka**  
Managing Director & CEO  
(DIN 01802416)**R. Koria**Partner  
Membership No. 35629**Anand Sultania**  
Chief Financial Officer  
F-144**Anshu Agarwal**  
Company Secretary  
(Membership No. FCS-9921)Place : Mumbai  
Date: 09.05.2022

## CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2022

(Rs. in lakhs)

Particulars	Note No.	(Rs. in lakhs)	
		For the Year Ended 31st March, 2022	For the Year Ended 31st March, 2021
<b>I. Income</b>			
Revenue from Operations	31	83,986.16	58,476.93
Other Income	32	2,457.48	1,684.29
<b>Total Income (I)</b>		<b>86,443.64</b>	<b>60,161.22</b>
<b>II. Expenses:</b>			
Cost of Materials Consumed		13,227.47	8,315.55
Purchases of Stock-in-Trade		22,767.04	12,276.61
Changes in Inventories of Work-in-Progress, Finished Goods and Stock-in-Trade	33	(5,202.35)	3,739.06
Employee Benefits Expense	34	10,277.36	8,423.70
Finance Costs	35	111.63	241.69
Depreciation and Amortisation Expense	36	3,383.47	3,547.81
Other Expenses	37	28,556.57	17,492.86
<b>Total Expenses (II)</b>		<b>73,121.19</b>	<b>54,037.28</b>
<b>III. Profit Before Share in Profit of Associate, Exceptional Items and Tax (I - II)</b>		<b>13,322.45</b>	<b>6,123.94</b>
IV. Share in Profit of Associates		-	-
<b>V. Profit Before Exceptional Items and Tax (III + IV)</b>		<b>13,322.45</b>	<b>6,123.94</b>
VI. Exceptional Items	38	1,121.17	-
<b>VII. Profit Before Tax (V - VI)</b>		<b>12,201.28</b>	<b>6,123.94</b>
<b>VIII. Tax Expense:</b>	25		
(1) Current Tax		2,962.06	1,059.42
(2) Deferred Tax Expenses		716.17	828.97
<b>Total Tax Expenses</b>		<b>3,678.23</b>	<b>1,888.39</b>
<b>IX. Profit for the Year (VII - VIII)</b>		<b>8,523.05</b>	<b>4,235.55</b>
<b>X. Other Comprehensive Income (OCI)</b>			
<b>Items that will not be reclassified to profit or loss:</b>			
Re-measurement gains / (losses) on Defined Benefit Plans		(12.54)	40.24
Income Tax effect on above		2.81	(11.65)
<b>Total Other Comprehensive Income</b>		<b>(9.73)</b>	<b>28.59</b>
<b>XI. Total Comprehensive Income for the Year (IX + X)</b>		<b>8,513.32</b>	<b>4,264.14</b>
<b>XII. Profit attributable to</b>			
Owners of the Company		8,373.03	4,210.43
Non-controlling Interest		150.02	25.12
		<b>8,523.05</b>	<b>4,235.55</b>
<b>XIII. Other Comprehensive Income attributable to</b>			
Owners of the Company		(11.45)	28.27
Non-controlling Interest		1.72	0.32
		<b>(9.73)</b>	<b>28.59</b>
<b>XIV. Total Comprehensive Income attributable to</b>			
Owners of the Company		8,361.58	4,238.70
Non-controlling Interest		151.74	25.44
		<b>8,513.32</b>	<b>4,264.14</b>
<b>XV. Earnings per Equity Share of Re.1/- each (in Rs.)</b>	39		
- Basic		7.34	3.69
- Diluted		7.34	3.69
Significant Accounting Policies and Notes to Consolidated Financial Statements	1 to 57		

As per our Report of even date

For and on behalf of Board of Directors

**For Chaturvedi & Shah LLP**

Chartered Accountants

(Firm Registration No. 101720W/W100355)

**Rajesh Kumar Chaudhary**

Whole-time Director

(DIN 07425111)

**Shreevar Kheruka**

Managing Director &amp; CEO

(DIN 01802416)

**R. Koria**

Partner

Membership No. 35629

**Anand Sultania**

Chief Financial Officer

**Anshu Agarwal**

Company Secretary

(Membership No. FCS-9921)

Place : Mumbai

Date: 09.05.2022

## CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH, 2022

## A. Equity Share Capital

Particulars	(Rs. in lakhs)				
	As at 1st April, 2020	Changes during 2020-21	As at 31st March, 2021	Changes during 2021-22	As at 31st March, 2022
Equity Share Capital (Refer Note 21.2)	1,140.60	0.59	1,141.19	0.44	1,141.63

## B. Other Equity

Particulars	Attributable to equity owners							Total Other Equity	Non-controlling Interest	Total
	Reserves and Surplus						Items of Other Comprehensive Income			
	Capital Reserve	Capital Reserve on Business Combination	General Reserve	Securities premium	Share Based Payment Reserve	Retained Earnings	Remeasurement of Defined Benefit Plans			
<b>Balance as at 1st April, 2020</b>	<b>15.00</b>	<b>8,597.08</b>	<b>500.00</b>	<b>-</b>	<b>0.65</b>	<b>54,674.37</b>	<b>(134.52)</b>	<b>63,652.58</b>	<b>1,260.87</b>	<b>64,913.45</b>
Total Comprehensive Income	-	-	-	-	-	4,210.43	28.27	4,238.70	25.44	4,264.14
Share based payment (Refer Note 42)	-	-	-	-	366.88	-	-	366.88	-	366.88
Exercise of Employee Stock option (Refer Note 21.2)	-	-	-	117.74	(41.78)	-	-	75.96	-	75.96
<b>Balance as at 31st March, 2021</b>	<b>15.00</b>	<b>8,597.08</b>	<b>500.00</b>	<b>117.74</b>	<b>325.75</b>	<b>58,884.80</b>	<b>(106.25)</b>	<b>68,334.12</b>	<b>1,286.31</b>	<b>69,620.43</b>
Total Comprehensive Income	-	-	-	-	-	8,373.03	(11.45)	8,361.58	151.74	8,513.32
Dividend Paid	-	-	-	-	-	(1,141.19)	-	(1,141.19)	-	(1,141.19)
Share based payment (Refer Note 42)	-	-	-	-	136.11	-	-	136.11	-	136.11
Options cancelled during the year (Refer Note 42)	-	-	-	-	(4.29)	4.29	-	-	-	-
Exercise of Employee Stock option (Refer Note 21.2)	-	-	-	84.47	(29.71)	-	-	54.76	-	54.76
Transferred to Non-controlling Interest (NCI) on account of changes in Ownership Interest	-	-	-	-	-	(164.21)	-	(164.21)	164.21	-
<b>Balance as at 31st March, 2022</b>	<b>15.00</b>	<b>8,597.08</b>	<b>500.00</b>	<b>202.21</b>	<b>427.86</b>	<b>65,956.72</b>	<b>(117.70)</b>	<b>75,581.17</b>	<b>1,602.26</b>	<b>77,183.43</b>

As per our Report of even date

For and on behalf of the Board of Directors

## For Chaturvedi &amp; Shah LLP

Chartered Accountants  
(Firm Registration No. 101720W/W100355)Rajesh Kumar Chaudhary  
Whole-time Director  
(DIN 07425111)Shreevar Kheruka  
Managing Director & CEO  
(DIN 01802416)

## R. Koria

Partner  
Membership No. 35629Anand Sultania  
Chief Financial OfficerAnshu Agarwal  
Company Secretary  
(Membership No. FCS-9921)Place : Mumbai  
Date: 09.05.2022

## CONSOLIDATED STATEMENT OF CASH FLOW FOR THE YEAR ENDED 31ST MARCH, 2022

Particulars	(Rs. in lakhs)	
	For the Year Ended 31st March, 2022	For the Year Ended 31st March, 2021
<b>A. Cash Flow from Operating Activities</b>		
<b>Profit Before Tax as per Consolidated Statement of Profit and Loss</b>	<b>12,201.28</b>	<b>6,123.94</b>
<b>Adjusted for :</b>		
Depreciation and Amortisation Expense	3,383.47	3,547.81
Loss / (Gain) on Foreign Currency Transactions and Translations (net)	1.82	(7.99)
Dividend Income	(0.07)	-
Interest Income	(192.99)	(196.62)
Gain on Sale of Investments (net)	(1.12)	(323.10)
Gain on Financial Instruments measured at fair value through profit or loss (net)	(1,362.45)	(546.93)
Loss / (Gain) on Sale / discarding of Property, Plant and Equipment (net)	40.97	3.30
Investment Advisory Charges	32.17	1.37
Share Based Payment Expense	136.11	391.40
Finance Costs	111.63	241.69
Sundry Balances / Excess Provision Written Back (net)	(223.30)	(172.11)
Loss due to Fire (related to Property, Plant and Equipments)	92.13	-
Provision for Impairment of Non-Current Assets	474.67	-
Bad Debts	46.90	61.63
Provision for Credit Impaired / Doubtful Advances (net)	21.55	156.07
<b>Operating Profit before Working Capital Changes</b>	<b>14,762.77</b>	<b>9,280.46</b>
<b>Adjusted for :</b>		
Trade and Other Receivables	(1,887.07)	5,432.26
Inventories	(4,572.55)	3,627.55
Trade and Other Payables	2,155.38	1,122.51
<b>Cash generated from Operations</b>	<b>10,458.53</b>	<b>19,462.78</b>
Direct Taxes Paid (net)	(2,801.78)	(894.07)
<b>Net Cash from Operating Activities</b>	<b>7,656.75</b>	<b>18,568.71</b>
<b>B. Cash Flow from Investing Activities</b>		
Purchase of Property, Plant and Equipment	(8,788.56)	(2,159.17)
Sale of Property, Plant and Equipment	332.00	131.20
Purchase of Investments	(23,525.98)	(14,810.25)
Sale of Investments	29,716.02	3,034.23
Movement in Loans (net)	(1,500.00)	-
Investment Advisory Charges Paid	(62.45)	(1.37)
Income / Interest on Investment / Loans	129.84	135.94
Dividend Received	0.07	-
<b>Net Cash (Used in) Investing Activities</b>	<b>(3,699.06)</b>	<b>(13,669.42)</b>
<b>C. Cash Flow from Financing Activities</b>		
Proceeds from issue of Share Capital	55.20	76.55
Repayment of Non-current Borrowings	(126.96)	(71.27)
Movement in Current Borrowings (net)	(600.00)	(4,261.20)
Margin Money (net)	(415.26)	(8.53)
Lease Payments	(15.38)	(31.73)
Dividend Paid	(1,141.19)	-
Interest Paid	(112.38)	(211.46)
<b>Net Cash (used in) Financing Activities</b>	<b>(2,355.97)</b>	<b>(4,507.64)</b>
<b>Net Increase / (Decrease) in Cash and Cash Equivalents (A+B+C)</b>	<b>1,601.72</b>	<b>391.65</b>
<b>Opening Balance of Cash and Cash Equivalents</b>	<b>652.30</b>	<b>260.76</b>
Unrealised Gain / (loss) on Foreign Currency Transactions (net)	(0.11)	-
<b>Opening Balance of Cash and Cash Equivalents</b>	<b>652.41</b>	<b>260.76</b>
<b>Closing Balance of Cash and Cash Equivalents</b>	<b>2,254.07</b>	<b>652.30</b>
Unrealised Gain / (loss) on Foreign Currency Transactions (net)	(0.06)	(0.11)
<b>Closing Balance of Cash and Cash Equivalents</b>	<b>2,254.13</b>	<b>652.41</b>

**BOROSIL LIMITED****CONSOLIDATED STATEMENT OF CASH FLOW FOR THE YEAR ENDED 31ST MARCH, 2022****Notes :****1 Changes in liabilities arising from financing activities on account of Non-current and Current Borrowings:**

<b>Particulars</b>	<b>(Rs. in lakhs)</b>	
	<b>For the Year ended 31st March, 2022</b>	<b>For the Year ended 31st March, 2021</b>
Opening balance of liabilities arising from financing activities	726.96	5,059.43
Add: Changes from financing cash flows	(726.96)	(4,332.47)
Closing balance of liabilities arising from financing activities	-	726.96

2 Bracket indicates cash outflow.

3 Previous Year figures have been regrouped and rearranged wherever necessary.

4 The above consolidated statement of cash flow has been prepared under the "Indirect Method" as set out in Ind AS 7 "Statement of Cash Flow".

As per our Report of even date

For and on behalf of the Board of Directors

**For Chaturvedi & Shah LLP**

Chartered Accountants

(Firm Registration No. 101720W/W100355)

**Rajesh Kumar Chaudhary**

Whole-time Director

(DIN 07425111)

**Shreevar Kheruka**

Managing Director & CEO

(DIN 01802416)

**R. Koria**

Partner

Membership No. 35629

**Anand Sultania**

Chief Financial Officer

**Anshu Agarwal**

Company Secretary

(Membership No. FCS-9921)

Place : Mumbai

Date: 09.05.2022

**Note 1 CORPORATE INFORMATION:**

The Consolidated Financial Statements comprise financial statements of Borosil Limited ("BL") ("the company") and its subsidiaries namely, Klass Pack Limited ("KPL"), Borosil Technologies Limited ("BTL") and Acalypha Realty Limited ("ARL") (collectively, "the Group") for the year ended 31st March, 2022. The Company is a public limited company domiciled and incorporated in India. Its shares are publicly traded on the BSE Limited and National Stock Exchange of India Limited in India. The registered office of the Company is situated at 1101, 11th Floor Crescenzo, G-Block, Opp. MCA Club, Bandra Kurla Complex, Bandra (East), Mumbai 400 051.

Group is engaged in the business of manufacturing and trading of Scientific & Industrial Products (SIP) and Consumer Products (CP). SIP consist of laboratory glassware, instruments, disposable plastics, liquid handling systems, explosion proof lighting glassware, glass ampoules and tabular glass vials. CP consist of microwavable and flameproof kitchenware, glass tumblers, hydra bottles, tableware and dinnerware, appliances, storage products and steel serve fresh.

The Consolidated Financial Statements for the year ended 31st March, 2022 were approved and adopted by Board of Directors in their meeting held on 9th May, 2022.

**Note 2 BASIS OF PREPARATION:**

The consolidated financial statements of the Group have been prepared in accordance with Indian Accounting Standards (Ind AS), as notified under section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules, 2015.

The consolidated financial statements have been prepared and presented on going concern basis and at historical cost basis, except for the following assets and liabilities, which have been measured as indicated below:

- Certain financial assets and liabilities at fair value (refer accounting policy regarding financial instruments).
- Assets held for disposal is measured at the lower of its carrying amount and fair value less cost to sell.
- Employee's Defined Benefit Plans measured as per actuarial valuation.
- Employee Stock Option Plans measured at fair value.

The consolidated financial statements are presented in Indian Rupees (Rs.), which is the Company's functional and presentation currency and all values are rounded to the nearest lakhs, except when otherwise indicated.

**Note 3 BASIS OF CONSOLIDATION:**

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries as at 31st March, 2022. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.

Generally, there is a presumption that a majority of voting rights result in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including the contractual arrangement with the other vote holders of the investee, rights arising from other contractual arrangements, the Group's voting rights and potential voting rights and the size of the Group's holding of voting rights relative to the size and dispersion of the holdings of the other voting rights holders.

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired during the year are included in the consolidated financial statements from the date the Group obtains control and assets, liabilities, income and expenses of a subsidiary disposed off during the year are included in the consolidated financial statements till the date the Group ceases to control the subsidiary.

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee, but has no control or joint control over those policies.

**Consolidation procedure:**

a) Combine like items of assets, liabilities, equity, income, expenses and cash flows of the parent with those of its subsidiaries. For this purpose, income and expenses of the subsidiary are based on the amounts of the assets and liabilities recognised in the consolidated financial statements at the acquisition date.

b) Offset (eliminate) the carrying amount of the parent's investment in each subsidiary and the parent's portion of equity of each subsidiary. The difference between the cost of investment in the subsidiaries and the Parent's share of net assets at the time of acquisition of control in the subsidiaries is recognised in the consolidated financial statement as goodwill. However, resultant gain (bargain purchase) is recognized in other comprehensive income on the acquisition date and accumulated to capital reserve in equity.

c) Intra-Group balances and transactions, and any unrealized income and expenses arising from intra Group transactions, are eliminated in preparing the consolidated financial statements.

d) In the case of foreign subsidiaries, being non-integral foreign operations, revenue items are consolidated at the average exchange rates prevailing during the year. All assets and liabilities are converted at rates prevailing at the end of the year. Components of equity are translated at closing rate. Any gain / (loss) on exchange difference arising on consolidation is recognized in the Foreign Currency Translation Reserve (FCTR) through OCI.

e) Consolidated statement of profit and loss and each component of OCI are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance.

f) For the acquisitions of additional interests in subsidiaries, where there is no change in the control, the Group recognises a reduction to the non-controlling interest of the respective subsidiary with the difference between this figure and the cash paid, inclusive of transaction fees, being recognised in equity. In addition, upon dilution of controlling interests, the difference between the cash received from sale or listing of the subsidiary shares and the increase to non-controlling interest is also recognised in equity. If the Group loses control over a subsidiary, it derecognises the related assets (including goodwill), liabilities, non-controlling interest and other components of equity, while any resultant gain or loss is recognised in consolidated statement of profit and loss. Any investment retained is recognised at fair value. The results of subsidiaries acquired or disposed off during the year are included in the consolidated statement of Profit and Loss from the effective date of acquisition or up to the effective date of disposal, as appropriate.

g) Interest in associates are consolidated using equity method as per Ind AS 28 – 'Investment in Associates and Joint Ventures'. The investment in associates is initially recognised at cost. Subsequently, under the equity method, post-acquisition attributable profit/losses and other comprehensive income are adjusted in the carrying value of investment to the extent of the Group's investment in the associates. Goodwill relating to the associate is included in the carrying amount of the investment and is not tested for impairment individually.

h) Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If an entity of the group uses accounting policies other than those adopted in the consolidated financial statements for like transactions and events in similar circumstances, appropriate adjustments are made to that Group member's financial statements in preparing the consolidated financial statements to ensure conformity with the Group's accounting policies.

i) Consolidated financial statements of all entities used for the purpose of consolidation are drawn up to same reporting date as that of the parent company. When the end of the reporting period of the parent is different from that of a subsidiary, if any, the subsidiary prepares, for consolidation purposes, additional financial information as of the same date as the consolidated financial statements of the parent to enable the parent to consolidate the financial information of the subsidiary, unless it is impracticable to do so.



**Note 4 SIGNIFICANT ACCOUNTING POLICIES****4.1 Business Combination and Goodwill/Capital Reserve:**

The Group uses the pooling of interest method of accounting to account for common control business combination and acquisition method of accounting to account for other business combinations.

The acquisition date is the date on which control is transferred to the acquirer. Judgement is applied in determining the acquisition date and determining whether control is transferred from one party to another. Control exists when the Group is exposed to, or has rights to variable returns from its involvement with the entity and has the ability to affect those returns through power over the entity. In assessing control, potential voting rights are considered only if the rights are substantive.

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests, and any previous interest held, over the net identifiable assets acquired and liabilities assumed. If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Group re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognised at the acquisition date. If the re-assessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognised in Other Comprehensive Income (OCI) and accumulated in other equity as capital reserve. However, if there is no clear evidence of bargain purchase, the entity recognises the gain directly in other equity as capital reserve, without routing the same through OCI.

Consideration transferred includes the fair values of the assets transferred, liabilities incurred by the Group to the previous owners of the acquiree, and equity interests issued by the Group. Consideration transferred also includes the fair value of any contingent consideration. Consideration transferred does not include amounts related to the settlement of pre-existing relationships. Any goodwill that arises on account of such business combination is tested annually for impairment.

Any contingent consideration is measured at fair value at the date of acquisition. If an obligation to pay contingent consideration that meets the definition of a financial instrument is classified as equity, then it is not re-measured and the settlement is accounted for within other equity. Otherwise, other contingent consideration is re-measured at fair value at each reporting date and subsequent changes in the fair value of the contingent consideration are recorded in the Consolidated Statement of Profit and Loss.

A contingent liability of the acquiree is assumed in a business combination only if such a liability represents a present obligation and arises from a past event, and its fair value can be measured reliably. On an acquisition-by-acquisition basis, the Group recognises any non-controlling interest in the acquiree either at fair value or at the non-controlling interest's proportionate share of the acquiree's identifiable net assets. Transaction costs that the Group incurs in connection with a business combination, such as Stamp Duty for title transfer in the name of the Group, finder's fees, legal fees, due diligence fees and other professional and consulting fees, are expensed as incurred.

In case of Pooling of interest method of accounting, the assets and liabilities of the combining entities recognise at their carrying amounts. No adjustment is made to reflect the fair value or recognise any new assets and liabilities. The financial information in the consolidated financial statements in respect of prior periods restates as if the business combination had occurred from the beginning of the preceding period. The difference, if any, between the amount recorded as share capital issued plus any additional consideration in the form of cash or other assets and the amount of share capital of the transferor is transferred to capital reserve and presented separately from other capital reserves.

Transaction costs that the Group incurs in connection with a business combination such as finders' fees, legal fees, due diligence fees, and other professional and consulting fees are expensed as incurred.

**4.2 Property, Plant and Equipment:**

Property, plant and equipment are carried at cost, net of recoverable taxes, trade discount and rebates less accumulated depreciation, amortisation and impairment losses, if any. Cost includes purchase price, borrowing cost and any cost directly attributable to the bringing the assets to its working condition for its intended use. In case of Property, Plant and Equipment, the Group has availed the carrying value as deemed cost on the date of transition i.e. 1st April, 2015.

Depreciation on the property, plant and equipment is provided using straight line method over the useful life of assets as specified in schedule II to the Companies Act, 2013 except in respect of depreciation of following assets where the useful life is different as per technical evaluation than those prescribed in Schedule II.

<b>Particulars</b>		<b>Useful life considered for depreciation</b>
Certain Buildings	:-	16-19 Years
Certain Plant and Equipment	:-	3 Years
Furnace	:-	2 Years
Moulds	:-	3-5 Years
Plastic Pallet	:-	3 Years

Depreciation on property, plant and equipment which are added / disposed off during the year is provided on pro-rata basis with reference to the date of addition / deletion. Freehold land is not depreciated.

The assets' residual values, useful lives and method of depreciation are reviewed at each financial year end and are adjusted prospectively, if appropriate.

Capital work-in-progress includes cost of property, plant and equipment under installation / under development as at the balance sheet date.

Property, plant and equipment are eliminated from consolidated financial statement, either on disposal or when retired from active use. Profits / losses arising in the case of retirement / disposal of property, plant and equipment are recognised in the consolidated statement of profit and loss in the year of occurrence.

Leasehold land is amortised over the period of lease. Buildings constructed on leasehold land are depreciated based on the useful life specified in schedule II to the Companies Act, 2013, where the lease period of land is beyond the life of the building. In other cases, buildings constructed on leasehold lands is amortised over the primary lease period of the land.

#### **4.3 Investment Properties:**

Investment properties are measured initially at cost, including transaction costs and net of recoverable taxes, trade discounts and rebates. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and impairment losses, if any. In case of Investment properties, the Group has availed the carrying value as deemed cost on the date of transition i.e. 1st April, 2015.

Depreciation on investment properties is provided using straight line method over the estimated useful lives as specified in Schedule II to the Companies Act, 2013. Residual values, useful lives and method of depreciation of investment properties are reviewed at each financial year end and are adjusted prospectively, if appropriate. The effects of any revision are included in the consolidated statement of profit and loss when the changes arises.

Though the Group measures investment properties using cost based measurement, the fair value of investment property is disclosed in the notes.

Investment properties are derecognised either when they have been disposed of or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in consolidated statement of profit and loss in the period of derecognition.

#### **4.4 Intangible Assets:**

Intangible assets are carried at cost, net of recoverable taxes, trade discount and rebates less accumulated amortisation and impairment losses, if any. Cost includes expenditure that is directly attributable to the acquisition of the intangible assets. In case of Intangible Assets, the Group has availed the carrying value as deemed cost on the date of transition i.e. 1st April, 2015.

Identifiable intangible assets are recognised when it is probable that future economic benefits attributed to the asset will flow to the Group and the cost of the asset can be reliably measured.

Computer softwares are capitalised at the amounts paid to acquire the respective license for use and are amortised over the period of useful lives or period of three years, whichever is less. The assets' useful lives are reviewed at each financial year end.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the consolidated statement of profit and loss when the asset is derecognised.

#### **4.5 Art Works:**

Art Works are carried at cost, net of recoverable taxes, trade discounts and rebates, less impairment losses, if any. Cost includes expenditure that is directly attributable to the acquisition of the items. Profit / loss arising from retirement / disposal of Art Works are recognised in the consolidated statement of profit and loss in the year of occurrence.

#### **4.6 Leases:**

Group evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116. Identification of a lease requires significant judgement. Group uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate. Group determines the lease term as the non-cancellable period of a lease, together with both periods covered by an options to extend the lease if the Group is reasonably certain to exercise that options; and periods covered by an option to terminate the lease if Group is reasonably certain not to exercise that options. In assessing whether the group is reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a lease, it considers all relevant facts and circumstances that create an economic incentive for Group to exercise the option to extend the lease, or not to exercise the option to terminate the lease. Group revises the lease term if there is a change in the non-cancellable period of a lease. The discount rate is generally based on the incremental borrowing rate specific to the lease being evaluated or for a portfolio of leases with similar characteristics.

**Group as a lessee**

Group's lease asset classes primarily consist of leases for land and buildings. Group assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, Group assesses whether: (i) the contract involves the use of an identified asset (ii) Group has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) Group has the right to direct the use of the asset.

At the date of commencement of the lease, Group recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, Group recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements includes the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Group changes its assessment if whether it will exercise an extension or a termination option.

The discount rate is generally based on the incremental borrowing rate specific to the lease being evaluated or for a portfolio of leases with similar characteristics.

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

**Group as a lessor**

Leases for which the Group is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

When the Group is an intermediate lessor, it accounts for its interests in the head lease and the sublease separately. The sublease is classified as a finance or operating lease by reference to the right- of-use asset arising from the head lease.

For operating leases, rental income is recognized on a straight line basis over the term of the relevant lease.

**4.7 Inventories:**

Inventories are valued at the lower of cost and net realizable value except scrap (cullet), which is valued at raw material cost, where it is re-usable, otherwise at net realisable value. Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale. The cost of inventories comprises of cost of purchase, cost of conversion and other costs incurred in bringing the inventories to their respective present location and condition. Cost of packing materials and stores, spares and consumables are computed on the weighted average basis. Cost of work in progress, finished goods and Stock-in-trade is determined on absorption costing method.

**4.8 Cash and cash equivalents:**

Cash and cash equivalent in the balance sheet comprise cash at banks, cash on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Group's cash management.

**4.9 Impairment of non-financial assets - property, plant and equipment and intangible assets:**

The Group assesses at each reporting date as to whether there is any indication that any property, plant and equipment and intangible assets or group of assets, called cash generating units (CGU) may be impaired. If any such indication exists the recoverable amount of an asset or CGU is estimated to determine the extent of impairment, if any. When it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the CGU to which the asset belongs.

An impairment loss is recognised in the consolidated Statement of Profit and Loss to the extent, asset's carrying amount exceeds its recoverable amount. The recoverable amount is higher of an asset's fair value less cost of disposal and value in use. Value in use is based on the estimated future cash flows, discounted to their present value using pre-tax discount rate that reflects current market assessments of the time value of money and risk specific to the assets.

The impairment loss recognised in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

**4.10 Impairment of Goodwill:**

Goodwill is tested for impairment on an annual basis and whenever there is an indication that goodwill may be impaired, relying on a number of factors including operating results, business plans and future cash flows. For the purpose of impairment testing, goodwill acquired in a business combination is allocated to the Group's cash generating units (CGU) or groups of CGU's expected to benefit from the synergies arising from the business combination. A CGU is the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or group of assets. Impairment occurs when the carrying amount of a CGU including the goodwill, exceeds the estimated recoverable amount of the CGU. The recoverable amount of a CGU is the higher of its fair value less cost to sell and its value-in-use. Value-in-use is the present value of future cash flows expected to be derived from the CGU. Total impairment loss of a CGU is allocated first to reduce the carrying amount of goodwill allocated to the CGU and then to the other assets of the CGU pro-rata on the basis of the carrying amount of each asset in the CGU. An impairment loss on goodwill is recognized in net profit in the statement of comprehensive income and is not reversed in the subsequent period.

**4.11 Discontinued operation and non-current assets (or disposal groups) held for sale:****Discontinued operation:**

A discontinued operation is a component of the Group that has been disposed of or is classified as held for sale and that represents a separate major line of business or geographical area of operations, is part of a single co-ordinated plan to dispose of such a line of business or area of operations, or is a subsidiary acquired exclusively with a view to resale. The results of discontinued operations are presented separately in the consolidated statement of profit and loss.

**Non-current assets (or disposal groups) held for sale:**

Non-current assets are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. This condition is regarded as met only when a sale is highly probable from the date of classification, management are committed to the sale and the asset is available for immediate sale in its present condition. Non-current assets are classified as held for sale from the date these conditions are met and are measured at the lower of carrying amount and fair value less cost to sell. Any resulting impairment loss is recognised in the Consolidated Statements of Profit and Loss as a separate line item. On classification as held for sale, the assets are no longer depreciated. Assets and liabilities classified as held for sale are presented separately as current items in the balance sheet.

**4.12 Financial instruments – initial recognition, subsequent measurement and impairment:**

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

**l) Financial assets -Initial recognition and measurement:**

All financial assets are initially recognized at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets, which are not at fair value through profit or loss, are adjusted to the fair value on initial recognition. Financial assets are classified, at initial recognition, as financial assets measured at fair value or as financial assets measured at amortised cost.

**Financial assets - Subsequent measurement:**

For the purpose of subsequent measurement, financial assets are classified in two broad categories:-

- a) Financial assets at fair value
- b) Financial assets at amortised cost

Where assets are measured at fair value, gains and losses are either recognised entirely in the consolidated statement of profit and loss (i.e. fair value through profit or loss), or recognised in other comprehensive income (i.e. fair value through other comprehensive income).

A financial asset that meets the following two conditions is measured at **amortised cost** (net of any write down for impairment) unless the asset is designated at fair value through profit or loss under the fair value option.

**a) Business model test:** The objective of the Group's business model is to hold the financial asset to collect the contractual cash flow.

**b) Cash flow characteristics test:** The contractual terms of the financial asset give rise on specified dates to cash flow that are solely payments of principal and interest on the principal amount outstanding.

A financial asset that meets the following two conditions is measured at **fair value through other comprehensive income** unless the asset is designated at fair value through profit or loss under the fair value option.

**a) Business model test:** The financial asset is held within a business model whose objective is achieved by both collecting contractual cash flow and selling financial assets.

**b) Cash flow characteristics test:** The contractual terms of the financial asset give rise on specified dates to cash flow that are solely payments of principal and interest on the principal amount outstanding.

All other financial asset is measured at fair value through profit or loss.

**Financial assets - Derecognition:**

A financial assets (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the Group's consolidated statement of financial position) when:

- a) The rights to receive cash flows from the asset have expired, or
- b) The Group has transferred its rights to receive cash flow from the asset.

**Impairment of financial assets**

In accordance with Ind AS 109, the Group uses 'Expected Credit Loss' (ECL) model, for evaluating impairment of financial assets other than those measured at fair value through profit and loss (FVTPL).

Expected credit losses are measured through a loss allowance at an amount equal to:

- a) The 12-months expected credit losses (expected credit losses that result from those default events on the financial instrument that are possible within 12 months after the reporting date); or
- b) Full lifetime expected credit losses (expected credit losses that result from all possible default events over the life of the financial instrument).

For trade receivables Group applies 'simplified approach' which requires expected lifetime losses to be recognised from initial recognition of the receivables. The Group uses historical default rates to determine impairment loss on the portfolio of trade receivables. At every reporting date these historical default rates are reviewed and changes in the forward looking estimates are analysed.

For other assets, the Group uses 12 month ECL to provide for impairment loss where there is no significant increase in credit risk. If there is significant increase in credit risk full lifetime ECL is used.

**II) Financial liabilities - Initial recognition and measurement:**

The financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

**Financial liabilities - Subsequent measurement:**

Financial liabilities are subsequently carried at amortized cost using the effective interest method. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate at their fair value due to the short maturity of these instruments.

**Financial Liabilities - Financial guarantee contracts:**

Financial guarantee contracts issued by the Group are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined and the amount recognised less cumulative amortisation.

**Financial Liabilities - Derecognition:**

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another, from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the consolidated statement of profit and loss.

**4.13 Provisions, Contingent Liabilities, Contingent assets and Commitments:**

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. If the effect of the time value of money is material, provisions are discounted using equivalent period government securities interest rate. Unwinding of the discount is recognised in the consolidated statement of profit and Loss as a finance cost. Provisions are reviewed at each balance sheet date and are adjusted to reflect the current best estimate.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made. Information on contingent liability is disclosed in the Notes to the consolidated financial statements. Contingent assets are not recognised. However, when the realisation of income is virtually certain, then the related asset is no longer a contingent asset, but it is recognised as an asset.

**4.14 Dividend Distribution:**

Annual dividend distribution to the shareholders is recognised as a liability in the period in which the dividends are approved by the shareholders. Any interim dividend paid is recognised on approval by Board of Directors. Dividend payable is recognised directly in other equity.

**4.15 Revenue recognition and other income:****Sale of goods and Services:**

The Group derives revenues primarily from sale of products comprising of Scientific and Industrial Products (SIP) and Consumer Products (CP).

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration entitled in exchange for those goods or services. Generally, control is transferred upon shipment of goods to the customer or when the goods is made available to the customer, provided transfer of title to the customer occurs and the Group has not retained any significant risks of ownership or future obligations with respect to the goods shipped.

Revenue from rendering of services is recognised over the time by measuring the progress towards complete satisfaction of performance obligations at the reporting period.

Revenue is measured at the amount of consideration which the Group expects to be entitled to in exchange for transferring distinct goods or services to a customer as specified in the contract, excluding amounts collected on behalf of third parties (for example taxes and duties collected on behalf of the government). Consideration is generally due upon satisfaction of performance obligations and a receivable is recognized when it becomes unconditional.

The Group does not have any contracts where the period between the transfer of the promised goods or services to the customer and payment by the customer exceeds one year. As a consequence, it does not adjust any of the transaction prices for the time value of money.

Revenue is measured based on the transaction price, which is the consideration, adjusted for volume discounts, scheme discount and price concessions , if any, as specified in the contract with the customer. Revenue also excludes taxes collected from customers.

**Contract balances:****Trade receivables:**

A receivable represents the Group's right to an amount of consideration that is unconditional.

**Contract liabilities:**

A contract liability is the obligation to transfer goods or services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Group transfers goods or services to the customer, a contract liability is recognised when the payment is made. Contract liabilities are recognised as revenue when the Group performs under the contract.

**Other Income:**

Incentives on exports and other Government incentives related to operations are recognised in the consolidated statement of profit and loss after due consideration of certainty of utilization/receipt of such incentives.

**Interest Income:**

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Group and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

**Dividend Income:**

Dividend Income is recognised when the right to receive the payment is established.

**Rental income:**

Rental income arising from operating leases is accounted for on a straight-line basis over the lease terms and is included as other income in the consolidated statement of profit or loss.

**4.16 Foreign currency reinstatement and translation:**

Transactions in foreign currencies are recorded at the exchange rate prevailing on the date of transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency closing rates of exchange at the reporting date.

Exchange differences arising on settlement or translation of monetary items are recognised in consolidated statement of profit and loss except to the extent of exchange differences which are regarded as an adjustment to interest costs on foreign currency borrowings that are directly attributable to the acquisition or construction of qualifying assets, are capitalized as cost of assets.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the transaction. Non-monetary items carried at fair value that are denominated in foreign currencies are translated at the exchange rates prevailing at the date when the fair value was determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in OCI or profit or loss are also recognised in OCI or profit or loss, respectively).

Foreign exchange differences regarded as an adjustment to borrowing costs are presented in the consolidated statement of profit and loss, within finance costs. All other finance gains / losses are presented in the consolidated statement of profit and loss on a net basis.

In case of an asset, expense or income where a non-monetary advance is paid/received, the date of transaction is the date on which the advance was initially recognized. If there were multiple payments or receipts in advance, multiple dates of transactions are determined for each payment or receipt of advance consideration.

**4.17 Employee Benefits:**

Short term employee benefits are recognized as an expense in the consolidated statement of profit and loss of the year in which the related services are rendered.

Leave encashment is accounted as Short-term employee benefits and is determined based on projected unit credit method, on the basis of actuarial valuations carried out by third party actuaries at each Balance Sheet date.

Contribution to Provident Fund, a defined contribution plan, is made in accordance with the statute, and is recognised as an expense in the year in which employees have rendered services.

Contribution to Superannuation fund, a defined contribution plan, is made in accordance with the respective Company's policy, and is recognised as an expense in the year in which employees have rendered services.

The cost of providing gratuity, a defined benefit plans, is determined using the Projected Unit Credit Method, on the basis of actuarial valuations carried out by third party actuaries at each Balance Sheet date. Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to other comprehensive income in the period in which they arise. Other costs are accounted in consolidated statement of profit and loss.

Remeasurements of defined benefit plan in respect of post employment and other long term benefits are charged to the other comprehensive income in the year in which they occur. Remeasurements are not reclassified to consolidated statement of profit and loss in subsequent periods.

**4.18 Share-based payments:**

The cost of equity-settled transactions with employees is measured at fair value at the date at which they are granted. The fair value of share awards are determined with the assistance of an external valuer and the fair value at the grant date is expensed on a proportionate basis over the vesting period based on the Group's estimate of shares that will eventually vest. The estimate of the number of stock options likely to vest is reviewed at each balance sheet date up to the vesting date at which point the estimate is adjusted to reflect the current expectations.

**BOROSIL LIMITED****Notes to the consolidated financial statements for the year ended 31st March, 2022****4.19 Taxes on Income:**

Income tax expense represents the sum of current tax (including income tax for earlier years) and deferred tax. Tax is recognised in the consolidated statement of profit and loss, except to the extent that it relates to items recognised directly in equity or other comprehensive income, in such cases the tax is also recognised directly in equity or in other comprehensive income. Any subsequent change in direct tax on items initially recognised in equity or other comprehensive income is also recognised in equity or other comprehensive income.

Current tax provision is computed for Income calculated after considering allowances and exemptions under the provisions of the applicable Income Tax Laws. Current tax assets and current tax liabilities are off set, and presented as net.

Deferred tax is recognised on differences between the carrying amounts of assets and liabilities in the Balance sheet and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences, and deferred tax assets are generally recognised for all deductible temporary differences, carry forward tax losses, unutilised tax credits and allowances to the extent that it is probable that future taxable profits will be available against which those deductible temporary differences, carry forward tax losses, unutilised tax credits and allowances can be utilised. Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates that have been enacted or substantively enacted by the end of the reporting period. The carrying amount of Deferred tax liabilities and assets are reviewed at the end of each reporting period.

**4.20 Borrowing Costs:**

Borrowing costs specifically relating to the acquisition or construction of qualifying assets that necessarily takes a substantial period of time to get ready for its intended use are capitalized (net of income on temporarily deployment of funds) as part of the cost of such assets. Borrowing costs consist of interest and other costs that the Group incurs in connection with the borrowing of funds. For general borrowing used for the purpose of obtaining a qualifying asset, the amount of borrowing costs eligible for capitalization is determined by applying a capitalization rate to the expenditures on that asset. The capitalization rate is the weighted average of the borrowing costs applicable to the borrowings of the Group that are outstanding during the period, other than borrowings made specifically for the purpose of obtaining a qualifying asset. The amount of borrowing costs capitalized during a period does not exceed the amount of borrowing cost incurred during that period. All other borrowing costs are expensed in the period in which they occur.

**4.21 Earnings per share:**

Basic earnings per share is computed using the net profit or loss for the year attributable to the shareholders' and weighted average number of equity shares outstanding during the year.

Diluted earnings per share is computed using the net profit or loss for the year attributable to the shareholder' and weighted average number of equity and potential equity shares outstanding during the year including share options, convertible preference shares and debentures, except where the result would be anti-dilutive. Potential equity shares that are converted during the year are included in the calculation of diluted earnings per share, from the beginning of the year or date of issuance of such potential equity shares, to the date of conversion.



**4.22 Current and non-current classification:**

The Group presents assets and liabilities in statement of financial position based on current/non-current classification.

The Group has presented non-current assets and current assets before equity, non-current liabilities and current liabilities in accordance with Schedule III, Division II of Companies Act, 2013 notified by MCA.

**An asset is classified as current when it is:**

- a) Expected to be realised or intended to be sold or consumed in normal operating cycle,
- b) Held primarily for the purpose of trading,
- c) Expected to be realised within twelve months after the reporting period, or
- d) Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

**A liability is classified as current when it is:**

- a) Expected to be settled in normal operating cycle,
- b) Held primarily for the purpose of trading,
- c) Due to be settled within twelve months after the reporting period, or
- d) There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents. Deferred tax assets / liabilities are classified as non-current assets / liabilities. The Group has identified twelve months as its normal operating cycle.

**4.23 Fair value measurement:**

The Group measures financial instruments at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- a) In the principal market for the asset or liability, or
- b) In the absence of a principal market, in the most advantageous market for the asset or liability

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the consolidated financial statements are categorised within the fair value hierarchy.

**4.24 Government Grant:**

Government grants are recognized only if there is reasonable assurance as to its receipt and that the conditions attached there to shall be complied with and are recognised and shown under the head "Other Income".

**4.25 Off-setting financial Instrument:**

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable rights to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable rights must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or counterparty.

**4.26 Recent Accounting pronouncements:**

On 23rd March, 2022, the Ministry of Corporate Affairs (MCA) has notified certain amendment to existing Ind AS. These amendments shall be applicable to the Company from 1st April, 2022.

Amendment to Existing issued Ind AS :

The MCA has carried out amendments of the following accounting standards

- i) Ind AS 101- First time adoption of Indian Accounting Standards
- ii) Ind AS 103 – Business Combinations
- iii) Ind AS 109 - Financial Instruments
- iv) Ind AS 16 – Property, Plant and Equipment
- v) Ind AS 37 – Provisions, Contingent Liabilities and Contingent Assets
- vi) Ind AS 41 - Agriculture

The above amendments of standards are not expected to have any significant impact on the Company's financial statements.

**Note 5 SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS:**

The preparation of the consolidated financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets, liabilities, the accompanying disclosures and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods. The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Group based its assumptions and estimates on parameters available when the consolidated financial statements were prepared. However, existing circumstances and assumptions about future developments may change due to market changes or circumstances arising that are beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

**5.1 Property, Plant and Equipment, Investment Properties and Other Intangible Assets:**

Management reviews the estimated useful lives and residual values of the assets annually in order to determine the amount of depreciation to be recorded during any reporting period. The useful lives and residual values as per schedule II of the Companies Act, 2013 or are based on the Group's historical experience with similar assets and taking into account anticipated technological changes, whichever is more appropriate.

**5.2 Income Tax:**

Group reviews at each balance sheet date the carrying amount of deferred tax assets. The factors used in estimates may differ from actual outcome which could lead to an adjustment to the amounts reported in the financial statements. The Group has carry forward tax losses that are available for offset against future taxable profit. Deferred tax assets are recognised only to the extent that it is probable that taxable profit will be available against which the unused tax losses or tax credits can be utilised. This involves an assessment of when those assets are likely to reverse, and a judgement as to whether or not there will be sufficient taxable profits available to offset the assets. This requires assumptions regarding future profitability, which is inherently uncertain. To the extent assumptions regarding future profitability change, there can be an increase or decrease in the amounts recognised in respect of deferred tax assets and consequential impact in the consolidated statement of profit and loss.

**5.3 Contingencies:**

Management has estimated the possible outflow of resources at the end of each annual reporting financial year, if any, in respect of contingencies/claim/litigations against the Group as it is not possible to predict the outcome of pending matters with accuracy.

**5.4 Impairment of financial assets:**

The impairment provisions for financial assets are based on assumptions about risk of default and expected cash loss. The Group uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on Group's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

**5.5 Impairment of non-financial assets:**

The Group assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or Cash Generating Units (CGU) fair value less costs of disposal and its value in use. It is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent to those from other assets or groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less cost of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples or other available fair value indicators.

**5.6 Defined benefits plans:**

The Cost of the defined benefit plan and other post-employment benefits and the present value of such obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, mortality rates and attrition rate. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

**5.7 Recoverability of trade receivable:**

Judgements are required in assessing the recoverability of overdue trade receivables and determining whether a provision against those receivables is required. Factors considered include the credit rating of the counterparty, the amount and timing of anticipated future payments and any possible actions that can be taken to mitigate the risk of non-payment.

**5.8 Revenue Recognition:**

The Group's contracts with customers could include promises to transfer multiple products and services to a customer. The Group assesses the products / services promised in a contract and identify distinct performance obligations in the contract. Identification of distinct performance obligation involves judgement to determine the deliverables and the ability of the customer to benefit independently from such deliverables.

Judgement is also required to determine the transaction price for the contract. The transaction price could be either a fixed amount of customer consideration or variable consideration with elements such as volume discounts, price concessions and incentives. Any consideration payable to the customer is adjusted to the transaction price, unless it is a payment for a distinct product or service from the customer. The estimated amount of variable consideration is adjusted in the transaction price only to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur and is reassessed at the end of each reporting period. The Group allocates the elements of variable considerations to all the performance obligations of the contract unless there is observable evidence that they pertain to one or more distinct performance obligations.

The Group uses judgement to determine an appropriate standalone selling price for a performance obligation. The Group allocates the transaction price to each performance obligation on the basis of the relative standalone selling price of each distinct product or service promised in the contract. Where standalone selling price is not observable, the Group uses the expected cost plus margin approach to allocate the transaction price to each distinct performance obligation.

**5.9 Provisions:**

Provisions and liabilities are recognized in the period when it becomes probable that there will be a future outflow of funds resulting from past operations or events and the amount of cash outflow can be reliably estimated. The timing of recognition and quantification of the liability require the application of judgement to existing facts and circumstances, which can be subject to change. Since the cash outflows can take place many years in the future, the carrying amounts of provisions and liabilities are reviewed regularly and adjusted to take account of changing facts and circumstances.

**5.10 Fair value measurement of financial instruments:**

When the fair value of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the Discounted Cash Flow (DCF) model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

**5.11 Classification of Leases:**

The Group evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116. Identification of a lease requires significant judgement. The Group uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate. The Group determines the lease term as the non-cancellable period of a lease, together with both periods covered by an options to extend the lease if the Group is reasonably certain to exercise that options; and periods covered by an option to terminate the lease if the Group is reasonably certain not to exercise that options. In assessing whether the Group is reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a lease, it considers all relevant facts and circumstances that create an economic incentive for the Group to exercise the option to extend the lease, or not to exercise the option to terminate the lease. The Group revises the lease term if there is a change in the non-cancellable period of a lease. The discount rate is generally based on the incremental borrowing rate specific to the lease being evaluated or for a portfolio of leases with similar characteristics.

**BOROSIL LIMITED**

Notes to the consolidated financial statements for the year ended 31st March, 2022

**Note 6: Property, Plant and Equipment and Capital Work-in-Progress**

(Rs. in lakhs)

Particulars	Leasehold Improvements	Right to use - Building	Leasehold Land	Freehold Land	Buildings	Plant and Equipment	Furniture and Fixtures	Vehicles	Office Equipments	Total	Capital Work in Progress
<b>GROSS BLOCK:</b>											
<b>As at 1st April, 2020</b>	<b>417.14</b>	<b>55.42</b>	<b>363.91</b>	<b>4,524.24</b>	<b>9,319.95</b>	<b>16,809.34</b>	<b>1,202.08</b>	<b>802.72</b>	<b>1,046.70</b>	<b>34,541.50</b>	
Additions	14.92	124.92	-	-	1,570.25	3,777.93	28.24	15.36	74.04	5,605.66	
Disposals	-	-	-	-	-	-	-	41.93	1.14	43.07	
<b>As at 31st March, 2021</b>	<b>432.06</b>	<b>180.34</b>	<b>363.91</b>	<b>4,524.24</b>	<b>10,890.20</b>	<b>20,587.27</b>	<b>1,230.32</b>	<b>776.15</b>	<b>1,119.60</b>	<b>40,104.09</b>	
Additions	10.10	-	-	143.66	388.58	1,790.40	8.84	267.53	184.46	2,793.57	
Transfer to Assets held for Sale (Refer Note 51)	-	-	363.91	1,095.73	5,444.46	-	-	-	-	6,904.10	
Disposals / Adjustments	-	-	-	-	185.87	463.74	288.28	120.88	165.22	1,223.99	
<b>As at 31st March, 2022</b>	<b>442.16</b>	<b>180.34</b>	<b>-</b>	<b>3,572.17</b>	<b>5,648.45</b>	<b>21,913.93</b>	<b>950.88</b>	<b>922.80</b>	<b>1,138.84</b>	<b>34,769.57</b>	
<b>DEPRECIATION AND AMORTISATION:</b>											
<b>As at 1st April, 2020</b>	<b>128.49</b>	<b>25.58</b>	<b>30.05</b>	<b>-</b>	<b>1,055.70</b>	<b>6,035.35</b>	<b>599.03</b>	<b>329.83</b>	<b>640.07</b>	<b>8,844.10</b>	
Depreciation / Amortisation	134.33	27.66	6.01	-	243.70	2,684.91	140.40	90.09	159.48	3,486.58	
Disposals	-	-	-	-	-	-	-	37.02	1.04	38.06	
<b>As at 31st March, 2021</b>	<b>262.82</b>	<b>53.24</b>	<b>36.06</b>	<b>-</b>	<b>1,299.40</b>	<b>8,720.26</b>	<b>739.43</b>	<b>382.90</b>	<b>798.51</b>	<b>12,292.62</b>	
Depreciation / Amortisation	128.60	10.51	3.70	-	223.47	2,651.23	80.53	97.01	152.09	3,347.14	
Transfer to Assets held for Sale (Refer Note 51)	-	-	39.76	-	726.84	-	-	-	-	766.60	
Disposals / Adjustments	-	-	-	-	37.30	365.34	189.72	67.17	143.27	802.80	
<b>As at 31st March, 2022</b>	<b>391.42</b>	<b>63.75</b>	<b>-</b>	<b>-</b>	<b>758.73</b>	<b>11,006.15</b>	<b>630.24</b>	<b>412.74</b>	<b>807.33</b>	<b>14,070.36</b>	
<b>NET BLOCK:</b>											
<b>As at 31st March, 2021</b>	<b>169.24</b>	<b>127.10</b>	<b>327.85</b>	<b>4,524.24</b>	<b>9,590.80</b>	<b>11,867.01</b>	<b>490.89</b>	<b>393.25</b>	<b>321.09</b>	<b>27,811.47</b>	<b>1,266.13</b>
<b>As at 31st March, 2022</b>	<b>50.74</b>	<b>116.59</b>	<b>-</b>	<b>3,572.17</b>	<b>4,889.72</b>	<b>10,907.78</b>	<b>320.64</b>	<b>510.06</b>	<b>331.51</b>	<b>20,699.21</b>	<b>2,497.76</b>

**BOROSIL LIMITED****Notes to the consolidated financial statements for the year ended 31st March, 2022**

**6.1** In accordance with the Indian Accounting Standard (Ind AS -36 ) "Impairment of Assets", the management during the year carried out an exercise of identifying the assets that may have been impaired in accordance with the said Ind AS. On the basis of this review carried out by the management, there was no impairment loss on property, plant and equipment during the year ended 31st March, 2022 except as disclosed in Note 38.2.

**6.2** Certain property, plant and equipment were pledged as collateral against borrowings, the details related to which have been described in note 23.

**6.3** Gross Block of Plant and Equipments includes Rs. 7.18 lakhs (Previous year Rs. 7.18 lakhs) being the amount spent for laying Power Line, the ownership of which vests with the Government Authorities.

**6.4 Details of Capital work in Progress (CWIP) aging and completion schedule as at 31st March, 2022 and 31st March, 2021 are as below:**

(A) CWIP ageing schedule as at 31st March, 2022

(Rs. in lakhs)

Capital Work in Progress	Amount in CWIP for a period of				
	Less than 1 year	1-2 years	2-3 Years	More than 3 years	Total
Project in Progress	2,436.60	-	-	61.16	2,497.76
Project Temporarily Suspended	-	-	-	412.91	412.91
Less: Provision for Impairment (Refer Note 38.2)	-	-	-	(412.91)	(412.91)
<b>Total</b>	<b>2,436.60</b>	<b>-</b>	<b>-</b>	<b>61.16</b>	<b>2,497.76</b>

(B) CWIP ageing schedule as at 31st March, 2021

(Rs. in lakhs)

Capital Work in Progress	Amount in CWIP for a period of				
	Less than 1 year	1-2 years	2-3 Years	More than 3 years	Total
Project in Progress	534.36	246.81	72.06	-	853.23
Project Temporarily Suspended	-	-	-	412.91	412.91
<b>Total</b>	<b>534.36</b>	<b>246.81</b>	<b>72.06</b>	<b>412.91</b>	<b>1,266.13</b>

**BOROSIL LIMITED**

**Notes to the consolidated financial statements for the year ended 31st March, 2022**

**6.5. Title deeds of Immovable Properties not held in name of the Company as at 31st March, 2022 and 31st March, 2021**

A) Title deeds of Immovable Properties not held in name of the Company as at 31st March, 2022

Relevant line item in the Balance sheet	Description of item of property	Gross carrying value (Rs. in lakhs)	Title deeds held in the name of	Whether title deed holder is a promoter, director or relative of promoter/director of employee of promoter/director	Property held since which date	Reason for not being held in the name of the company
Property, Plant and Equipments	Freehold Land at Govindgarh, Dist Jaipur	1,555.26	Borosil Renewables Ltd (Formerly known as Borosil Glass Works Ltd)	No	12.02.2020	The said transfer was pursuant to the Composite Scheme of Amalgamation and Arrangement as approved by the Hon'ble National Company Law Tribunal Vide its order dated 15th January, 2020, which has become effective from 12th February, 2020 and the same is in the process of adjudication.
Investment Properties	Freehold Land at Roorkee, Dist Haridwar	110.86 *	Borosil Renewables Ltd (Formerly known as Borosil Glass Works Ltd)	No	12.02.2020	

\* Provision for Impairment Loss has been provided (Refer Note 38.2)

B) Title deeds of Immovable Properties not held in name of the Company as at 31st March, 2021

Relevant line item in the Balance sheet	Description of item of property	Gross carrying value (Rs. in lakhs)	Title deeds held in the name of	Whether title deed holder is a promoter, director or relative of promoter/director of employee of promoter/director	Property held since which date	Reason for not being held in the name of the company
Property, Plant and Equipments	Freehold Land at Govindgarh, Dist Jaipur	1,555.26	Borosil Renewables Ltd (Formerly known as Borosil Glass Works Ltd)	No	12.02.2020	The said transfer was pursuant to the Composite Scheme of Amalgamation and Arrangement as approved by the Hon'ble National Company Law Tribunal Vide its order dated 15th January, 2020, which has become effective from 12th February, 2020 and the same is in the process of adjudication.
Investment Properties	Freehold Land at Roorkee, Dist Haridwar	110.86	Borosil Renewables Ltd (Formerly known as Borosil Glass Works Ltd)	No	12.02.2020	
Property, Plant and Equipments	Freehold Land - Bharuch	451.96	Borosil Renewables Ltd (Formerly known as Borosil Glass Works Ltd)	No	12.02.2020	
Investment Properties	Freehold Land - Bharuch	47.66	Borosil Renewables Ltd (Formerly known as Borosil Glass Works Ltd)	No	12.02.2020	

**BOROSIL LIMITED****Notes to the consolidated financial statements for the year ended 31st March, 2022**

6.6 Details of pre-operative expenditure included in capital work in progress and its capitalisation during the year:

<b>Particulars</b>	<b>(Rs. in lakhs)</b>	
	<b>31st March 2022</b>	<b>31st March 2021</b>
<b>Pre-operative Expenditure carried forward from previous year</b>	-	<b>52.38</b>
Salaries, Wages & Allowances	21.94	8.64
Bank Charges	31.64	-
Professional Fees	44.90	-
Power and Fuel	-	29.34
Miscellaneous Expenses	5.70	-
<b>Total</b>	<b>104.18</b>	<b>90.36</b>
Capitalised during the year	-	<b>90.36</b>
<b>Balance pre-operative expenses included in Capital work in Progress</b>	<b>104.18</b>	-

6.7 There are no proceedings initiated or pending against the company for holding any Benami Property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and the rules made thereunder.

6.8 The Company does not have any capital work in progress or Intangible assets under development whose completion is overdue or has exceeded its cost compared to original plan.

**BOROSIL LIMITED****Notes to the consolidated financial statements for the year ended 31st March, 2022****Note 7: Investment Property**

Particulars	(Rs. in lakhs)
	Investment Properties
<b>GROSS BLOCK:</b>	
<b>As at 1st April, 2020</b>	<b>158.52</b>
Additions / Transfer (Refer note 51.3)	9.11
Disposals	-
<b>As at 31st March, 2021</b>	<b>167.63</b>
Additions	-
Disposals	-
<b>As at 31st March, 2022</b>	<b>167.63</b>
<b>DEPRECIATION AND AMORTISATION:</b>	
<b>As at 1st April, 2020</b>	<b>-</b>
Depreciation	-
Disposals	-
<b>As at 31st March, 2021</b>	<b>-</b>
Depreciation	0.27
Provision for Impairment (Refer note 38.2)	61.77
Disposals	-
<b>As at 31st March, 2022</b>	<b>62.04</b>
<b>NET BLOCK:</b>	
<b>As at 31st March, 2021</b>	<b>167.63</b>
<b>As at 31st March, 2022</b>	<b>105.59</b>

**7.1 Information regarding income and expenditure of investment properties:**

There is no Income derived / Expenses incurred by the Company from investment properties.

**7.2** The Company's investment properties as at 31st March, 2022 consists of land and building held for undetermined future use.

**7.3** The fair values of the properties are Rs. 727.50 lakhs (Previous Year Rs. 936.94 lakhs). These valuations are based on valuations performed by an accredited independent valuer, who is a specialist in valuing these types of properties. The fair value of the assets is determined using Comparison Method under the Market Approach. The fair value measurement is categorised in Level 3 fair value hierarchy. For the purpose of the valuation under comparison method, a comparison is made with similar properties that have recently been sold in the market. The significant unobservable inputs are (i) monthly market rent, taking into account the difference in location and individual factors, such as frontage and size between the comparable and the properties. (ii) Capitalisation rate, taking into account the capitalisation of rental income potential, nature of property and the prevailing market condition.

**7.4** The fair values of the properties as at 31st March, 2022 are performed by an accredited independent registered valuer as defined under rule 2 of the Companies (Registered Valuers and Valuation) Rules, 2017 who is a specialist in valuing these types of properties.

**7.5** The Company has no restrictions on the realisability of its investment properties and no contractual obligations to purchase, construct or develop investment properties or for repairs, maintenance and enhancements.



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Notes to the consolidated financial statements for the year ended 31st March, 2022

**Note 8: Other Intangible assets**

Particulars	(Rs. in lakhs) Other Intangible assets
<b>GROSS BLOCK:</b>	
<b>As at 1st April, 2020</b>	<b>406.76</b>
Additions	12.18
Disposals	-
<b>As at 31st March, 2021</b>	<b>418.94</b>
Additions	21.87
Disposals	1.00
<b>As at 31st March, 2022</b>	<b>439.81</b>
<b>AMORTISATION:</b>	
<b>As at 1st April, 2020</b>	<b>306.32</b>
Amortisation	61.23
Disposals	-
<b>As at 31st March, 2021</b>	<b>367.55</b>
Amortisation	36.06
Disposals	1.00
<b>As at 31st March, 2022</b>	<b>402.61</b>
<b>NET BLOCK:</b>	
<b>As at 31st March, 2021</b>	<b>51.39</b>
<b>As at 31st March, 2022</b>	<b>37.20</b>

8.1 Other intangible assets represents Computer Softwares other than self generated.

**BOROSIL LIMITED**

Notes to the consolidated financial statements for the year ended 31st March, 2022

**Note 9 - Non-Current Investments**

Particulars	As at 31st March, 2022			As at 31st March, 2021		
	No. of Shares/Units	Face Value (in Rs.)	Rs. in lakhs	No. of Shares/Units	Face Value (in Rs.)	Rs. in lakhs
<b>(a) In Equity Instruments:</b>						
<b>Unquoted Partly Paid-Up</b>						
<b>Others</b>						
<b>Carried at fair value through profit and loss</b>						
Zoroastrian Co-operative Bank Ltd.	4,000	25	2.59	4,000	25	2.54
Bharat Co-operative Bank Ltd.	9,900	10	1.11	9,900	10	1.18
<b>Total Equity Instruments (a)</b>			<b>3.70</b>			<b>3.72</b>
<b>(b) In Others:</b>						
<b>1. Venture Capital Fund</b>						
<b>Unquoted Fully Paid-Up</b>						
<b>Carried at fair value through profit and loss</b>						
NV India Real Estate Fund	-	-	-	1,18,095	100	1,342.67
<b>2. Alternative Investment Fund</b>						
<b>Unquoted Fully Paid-Up</b>						
<b>Carried at fair value through profit and loss</b>						
ASK Real Estate Special Opportunities Fund - II - Class B	1,360	1,00,000	1,932.01	1,500	1,00,000	1,929.69
Edelweiss Stressed and Troubled Assets Revival Fund-1	10,000	2,444.32	68.09	10,000	2,491.15	60.08
IIFL Income Opportunities Fund Series-Special Situations (A Category II)	-	-	-	1,43,30,927	4.00	194.45
Fireside Ventures Investment Fund-1 - Class A	441	1,00,000	1,962.15	436	1,00,000	1,150.88
<b>Total Others (b)</b>			<b>3,962.25</b>			<b>4,677.77</b>
<b>Total Non Current Investments (a) + (b)</b>			<b>3,965.95</b>			<b>4,681.49</b>

**9.1 Aggregate amount of Investments and Market value thereof**

Particulars	As at 31st March, 2022		As at 31st March, 2021	
	Book Value	Market Value	Book Value	Market Value
Unquoted Investments	3,965.95		4,681.49	
	<b>3,965.95</b>		<b>4,681.49</b>	

**9.2 Category-wise Non-current Investment**

Particulars	As at 31st March, 2022	As at 31st March, 2021
Financial assets measured at fair value through Profit and Loss	<b>3,965.95</b>	<b>4,681.49</b>
<b>Total</b>	<b>3,965.95</b>	<b>4,681.49</b>

**Note 10 - Non-current Financial Assets - Loans**

Particulars	(Rs. in lakhs)	
	As at 31st March, 2022	As at 31st March, 2021
<b>Unsecured, Considered Good:</b>		
Loan to Employees	23.44	23.10
<b>Total</b>	<b>23.44</b>	<b>23.10</b>

**Note 11 - Non-current Financial Assets - Others**

Particulars	(Rs. in lakhs)	
	As at 31st March, 2022	As at 31st March, 2021
<b>Unsecured, Considered Good:</b>		
Fixed deposit with Banks having maturity more than 12 months	24.31	90.99
Security Deposits	484.35	437.72
<b>Total</b>	<b>508.66</b>	<b>528.71</b>

11.1 Fixed Deposit with Banks pledged for EPCG license.

**Note 12 - Other Non-current Assets**

Particulars	(Rs. in lakhs)	
	As at 31st March, 2022	As at 31st March, 2021
<b>Unsecured, Considered Good:</b>		
Capital Advances	4,181.24	34.47
Others	18.06	27.91
<b>Total</b>	<b>4,199.30</b>	<b>62.38</b>

12.1 Others include mainly Prepaid Expenses etc.

**Note 13 - Inventories**

Particulars	(Rs. in lakhs)	
	As at 31st March, 2022	As at 31st March, 2021
<b>Raw Materials:</b>		
Goods-in-Transit	455.00	172.05
Others	<u>3,873.48</u>	<u>2,585.68</u>
Work-in-Progress	1,010.49	1,219.00
<b>Finished Goods:</b>		
Goods-in-Transit	802.66	629.01
Others	<u>2,835.07</u>	<u>3,684.98</u>
<b>Stock-in-Trade:</b>		
Goods-in-Transit	2,072.16	905.76
Others	<u>6,699.36</u>	<u>4,227.35</u>
Stores, Spares and Consumables	812.22	676.18
Packing Material	736.70	633.00
Scrap(Cullet)	36.36	27.94
<b>Total</b>	<b>19,333.50</b>	<b>14,760.95</b>

13.1 The reversal of write-down of inventories (net) for the year is Rs. 358.79 lakhs (In previous year, the write-down of inventories (net) is of Rs. 304.76 lakhs). These are included in Changes in Inventories of Work-in-Progress, Finished Goods and Stock-in-Trade, in Packing Materials Consumed and Consumption Stores and Spares in the statement of profit and loss.

13.2 For mode of valuation, refer note no. 4.7.

## Note 14 - Current Investments

Particulars	As at 31st March, 2022			As at 31st March, 2021		
	No. of Shares/Units	Face Value (in Rs.)	Rs. in lakhs	No. of Shares/Units	Face Value (in Rs.)	Rs. in lakhs
<b>(a) In Debentures:</b>						
<b>Quoted Fully Paid-Up</b>						
<b>Carried at fair value through profit and loss</b>						
Unsecured Non Convertible Redeemable Debentures of Miraya Realty Pvt. Ltd.-Series II	81	1,00,000	81.00	81	1,00,000	88.69
Secured Non Convertible Redeemable Debentures of Sterling Habitats Pvt. Ltd.-Series II	45	1,00,000	48.54	45	1,00,000	81.24
Secured Non Convertible Redeemable Debentures of Genie Commercial Ventures Pvt. Ltd.-Tranche I	116	56,104	124.73	116	62,985	135.81
0% Secured Redeemable Non Convertible Debentures of HDB Financial Services Ltd. Series 2021 A0(ZC)163	100	10,00,000	1,053.32	-	-	-
0% Secured Redeemable Non Convertible Debentures of Axis Finance Ltd. Series 01/ 2021-22	100	10,00,000	941.97	-	-	-
0% Secured Redeemable Non Convertible Debentures of Aditya Birla Finance Ltd. Series C2	110	10,00,000	1,143.64	-	-	-
0% Secured Redeemable Non Convertible Debentures of Bajaj Finance Ltd. Series 230(II)	100	10,00,000	1,370.65	-	-	-
0% Secured Redeemable Non Convertible Debentures of Tata Capital Housing Finance Ltd. Series C FY. 2021-22	88	10,00,000	759.36	-	-	-
<b>Unquoted Fully Paid Up</b>						
<b>Carried at fair value through profit and loss</b>						
Unsecured Non Convertible Redeemable Debentures of Shriprop Dwellers Pvt. Ltd. Series II	-	-	-	76	523.00	11.69
Unsecured Non Convertible Redeemable Debentures of Miraya Realty Pvt. Ltd.-First Debentures	134	1,00,000	138.44	134	1,00,000	147.49
Secured Non Convertible Redeemable Debentures of Sterling Habitats Pvt. Ltd.-Series I B	47	28,364	15.28	47	64,449	47.86
<b>Total Debentures (a)</b>			<b>5,676.93</b>			<b>512.78</b>
<b>(b) Mutual Funds:</b>						
<b>Quoted Fully Paid Up</b>						
<b>Carried at fair value through profit and loss</b>						
HDFC FMP 1177D March 2018 (1) Direct Option Growth \$	-	-	-	1,00,00,000	10	1,278.79
<b>Unquoted Fully Paid-Up</b>						
<b>Carried at fair value through profit and loss</b>						
HDFC Liquid Fund Direct Plan Growth Option @	36,578	1,000	2,443.83	75,527	1,000	3,055.46
ICICI Prudential Liquid Fund Direct Plan Growth	2,91,117	100	917.76	22,01,780	100	6,709.62
HDFC Overnight Fund Direct Plan Growth option	254	100	8.01	1,11,124	100	3,398.25
ICICI Prudential Overnight Fund Direct Plan Growth	8,47,444	100	971.24	43,99,474	100	4,882.59
Edelweiss Arbitrage Fund Direct Plan Growth	94,82,334	10	1,563.02	-	-	-
IDFC Arbitrage Fund Growth Direct Plan	55,81,968	10	1,558.11	-	-	-
Nippon India Arbitrage Fund Direct Growth Plan Growth Option	68,40,945	10	1,561.65	-	-	-
Aditya Birla Sun Life Floating Rate Fund Growth Direct Plan	3,61,842	10	1,026.00	-	-	-
<b>Total Mutual Funds (b)</b>			<b>10,049.62</b>			<b>19,324.71</b>
<b>Total Current Investments = (a) + (b)</b>			<b>15,726.55</b>			<b>19,837.49</b>

## 14.1 Aggregate amount of Current Investments and Market value thereof

Particulars	As at 31st March, 2022		As at 31st March, 2021	
	Book Value	Market Value	Book Value	Market Value
Quoted Investments	5,523.21	5,523.21	1,584.53	1,584.53
Unquoted Investments	10,203.34	-	18,252.96	-
<b>Total</b>	<b>15,726.55</b>		<b>19,837.49</b>	

## 14.2 Category-wise Current Investment

Particulars	As at 31st March, 2022	As at 31st March, 2021
Financial assets measured at fair value through Profit and Loss	15,726.55	19,837.49
<b>Total</b>	<b>15,726.55</b>	<b>19,837.49</b>

**BOROSIL LIMITED**

Notes to the consolidated financial statements for the year ended 31st March, 2022

**Note 15 - Current Financial Assets - Trade Receivables**

Particulars	(Rs. in lakhs)	
	As at 31st March, 2022	As at 31st March, 2021
<b>Unsecured, Considered Good, unless otherwise stated:</b>		
Considered Good	7,430.91	6,636.38
Credit Impaired	457.53	440.93
	<u>7,888.44</u>	<u>7,077.31</u>
Less : Provision for Credit Impaired (Refer Note 43 and 47.2)	457.53	440.93
	7,430.91	6,636.38
<b>Total</b>	<b><u>7,430.91</u></b>	<b><u>6,636.38</u></b>

15.1 Trade Receivable Aging Schedule are as below:

Particulars	Not Due	(Rs. in lakhs)					Total
		Outstanding from due date of payment as at 31st March, 2022					
		Upto 6 Months	6 Months - 1 Year	1 - 2 Years	2 - 3 Years	More than 3 years	
Undisputed trade receivables – considered good	4,170.35	3,152.71	107.85	-	-	-	7,430.91
Undisputed trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
Undisputed trade receivables – credit impaired	-	-	4.24	190.53	16.12	4.47	215.36
Disputed trade receivables – considered good	-	-	-	-	-	-	-
Disputed trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed trade receivables – credit impaired	-	-	0.53	5.25	7.93	228.46	242.17
<b>Sub Total</b>	<b>4,170.35</b>	<b>3,152.71</b>	<b>112.62</b>	<b>195.78</b>	<b>24.05</b>	<b>232.93</b>	<b>7,888.44</b>
Less: Allowance for credit impaired	-	-	4.77	195.78	24.05	232.93	457.53
<b>Total</b>	<b>4,170.35</b>	<b>3,152.71</b>	<b>107.85</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>7,430.91</b>

Particulars	Not Due	(Rs. in lakhs)					Total
		Outstanding from due date of payment as at 31st March, 2021					
		Upto 6 Months	6 Months - 1 Year	1 - 2 Years	2 - 3 Years	More than 3 years	
Undisputed trade receivables – considered good	2,153.67	4,305.53	65.83	84.23	9.83	17.30	6,636.38
Undisputed trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
Undisputed trade receivables – credit impaired	-	-	136.94	7.69	-	-	144.63
Disputed trade receivables – considered good	-	-	-	-	-	-	-
Disputed trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed trade receivables – credit impaired	-	-	6.01	26.22	85.52	178.55	296.30
<b>Sub Total</b>	<b>2,153.67</b>	<b>4,305.53</b>	<b>208.78</b>	<b>118.14</b>	<b>95.35</b>	<b>195.85</b>	<b>7,077.31</b>
Less: Allowance for credit impaired	-	-	142.95	33.91	85.52	178.55	440.93
<b>Total</b>	<b>2,153.67</b>	<b>4,305.53</b>	<b>65.83</b>	<b>84.23</b>	<b>9.83</b>	<b>17.30</b>	<b>6,636.38</b>

**Note 16 - Cash and Cash Equivalents**

Particulars	(Rs. in lakhs)	
	As at 31st March, 2022	As at 31st March, 2021
Balances with Banks in current accounts	1,114.64	631.30
Fixed deposits with Banks - Having maturity less than 3 months	1,122.40	8.00
Cash on Hand	17.03	13.00
<b>Total</b>	<b><u>2,254.07</u></b>	<b><u>652.30</u></b>

16.1 For the purpose of the statement of cash flow, cash and cash equivalents comprise the followings:

Particulars	(Rs. in lakhs)	
	As at 31st March, 2022	As at 31st March, 2021
Balances with Banks in current accounts	1,114.64	631.30
Fixed deposits with Banks - Having maturity less than 3 months	1,122.40	8.00
Cash on Hand	17.03	13.00
<b>Total</b>	<b><u>2,254.07</u></b>	<b><u>652.30</u></b>

**BOROSIL LIMITED**
**Notes to the consolidated financial statements for the year ended 31st March, 2022**
**Note 17 - Bank Balances Other than Cash and Cash Equivalents**

Particulars	(Rs. in lakhs)	
	As at 31st March, 2022	As at 31st March, 2021
<b>Earmarked Balances with banks:</b>		
Unpaid Dividend Accounts	20.77	-
Fixed deposit with Banks - Having maturity less than 12 months	589.03	107.09
<b>Total</b>	<b>609.80</b>	<b>107.09</b>

17.1 Fixed deposit with Banks includes fixed deposits pledged for letter of credit facility from a bank, Rate Contract with Customers, Sales tax Deposit and for EPCG License.

**Note 18 - Current Financial Assets - Loans**

Particulars	(Rs. in lakhs)	
	As at 31st March, 2022	As at 31st March, 2021
<b>Unsecured, Considered Good:</b>		
Corporate deposits with Non-Banking Financial Company (NBFC)	1,500.00	-
Loan to Employees	47.99	54.50
<b>Total</b>	<b>1,547.99</b>	<b>54.50</b>

**Note 19 - Current Financial Assets - Others**

Particulars	(Rs. in lakhs)	
	As at 31st March, 2022	As at 31st March, 2021
<b>Unsecured, Considered Good, unless otherwise stated:</b>		
Interest Receivables	188.00	122.75
<b>Security Deposits:</b>		
Considered Good	59.37	59.42
Considered Doubtful	11.83	11.83
	71.20	71.25
Less : Provision for Doubtful Deposits (Refer Note 43)	(11.83)	(11.83)
<b>Others</b>		
Considered Good	338.54	199.72
Considered Doubtful	155.55	155.55
	494.09	355.27
Less : Provision for Doubtful (Refer Note 43)	(155.55)	(155.55)
<b>Total</b>	<b>585.91</b>	<b>381.89</b>

19.1 Others includes from portfolio managers and insurance claims and other receivables etc.

**Note 20 - Other Current Assets**

Particulars	(Rs. in lakhs)	
	As at 31st March, 2022	As at 31st March, 2021
<b>Unsecured, Considered Good, unless otherwise stated:</b>		
<b>Advances against supplies</b>		
Considered Good	637.50	410.18
Considered Doubtful	18.36	13.39
	655.86	423.57
Less : Provision for Doubtful Advances (Refer Note 43)	(18.36)	(13.39)
Export Incentives Receivable	103.85	83.19
Balance with Goods and Service Tax Authorities	539.12	262.70
Amount paid under Protest (Refer Note 40)	17.84	17.84
Others	842.41	456.34
<b>Total</b>	<b>2,140.72</b>	<b>1,230.25</b>

20.1 Others includes prepaid expenses, VAT refund, sales tax incentive receivable, licenses in hands, other receivable etc.

**BOROSIL LIMITED****Notes to the consolidated financial statements for the year ended 31st March, 2022****Note 21 - Equity Share Capital**

Particulars	(Rs. in lakhs)	
	As at 31st March, 2022	As at 31st March, 2021
<b>Authorised</b>		
<b>Equity Share Capital</b>		
27,00,00,000 (Previous Year 27,00,00,000) Equity Shares of Re. 1/- each	2,700.00	2,700.00
<b>Preference Share Capital</b>		
2,80,00,000 (Previous Year 2,80,00,000) Preference Shares of Rs. 10/- each	2,800.00	2,800.00
<b>Total</b>	<b>5,500.00</b>	<b>5,500.00</b>
<b>Issued, Subscribed &amp; Fully Paid up</b>		
11,41,62,667 (Previous Year 11,41,19,467) Equity Share of Re. 1/- each (Refer Note 21.2)	1,141.63	1,141.19
<b>Total</b>	<b>1,141.63</b>	<b>1,141.19</b>

**21.1 Reconciliation of number of Equity Shares outstanding at the beginning and at the end of the year:**

Particulars	As at 31st March, 2022		As at 31st March, 2021	
	(in Nos.)	(Rs. in lakhs)	(in Nos.)	(Rs. in lakhs)
Shares outstanding at the beginning of the year	11,41,19,467	1,141.19	11,40,59,537	1,140.60
Add : Shares issued on Exercise of Employee Stock Option (Refer Note 21.2 and 42)	43,200	0.44	59,930	0.59
<b>Shares outstanding at the end of the year</b>	<b>11,41,62,667</b>	<b>1,141.63</b>	<b>11,41,19,467</b>	<b>1,141.19</b>

**21.2** During the year, pursuant to exercise of the options under "Borosil Limited Special Purpose Employee Stock Option Plan 2020", the Company has made allotment of 43,200 Equity Shares (Previous Year 59,930 Equity Shares) of the face value of Re. 1/- each, which has resulted into increase of paid up Equity Share Capital by Rs. 0.44 lakhs (Previous Year Rs. 0.59 lakhs) and Securities Premium by Rs. 84.47 lakhs (Previous Year Rs.117.74 lakhs).

**21.3 Terms/Rights attached to Equity Shares:**

The Company has only one class of shares referred to as equity shares having a par value of Re.1/- per share. Holders of equity shares are entitled to one vote per share. The company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors, if any, is subject to the approval of the shareholders in the annual general meeting, except in case of interim dividend. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive any of the remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in the same proportion as the capital paid-up on the equity shares held by them bears to the total paid-up equity share capital of the Company.

**21.4 Details of Shareholder holding more than 5% of Equity Share Capital:**

Name of Shareholder	As at 31st March, 2022		As at 31st March, 2021	
	No. of Shares	% of Holding	No. of Shares	% of Holding
Rekha Kheruka	1,64,31,587	14.39%	1,64,31,587	14.40%
Kiran Kheruka	3,02,70,416	26.52%	1,64,02,366	14.37%
Late Bajrang Lal Kheruka *	-	-	1,38,68,050	12.15%
P. K. Kheruka	1,32,33,662	11.59%	1,32,33,662	11.60%
Croton Trading Pvt. Ltd.	1,30,87,339	11.46%	1,30,87,339	11.47%

\* Expired on 12th December, 2021.

**BOROSIL LIMITED****Notes to the consolidated financial statements for the year ended 31st March, 2022****21.5 Details of shares held by promoters and promoter group in the Company:**

Name of Promoters	As at 31st March, 2022		As at 31st March, 2021		% Change from 31st March, 2021 to 31st March, 2022
	No. of Shares	% of Holding	No. of Shares	% of Holding	
Late Bajrang Lal Kheruka (Promoter)*	-	-	1,38,68,050	12.15%	-12.15%
Shreevar Kheruka (Promoter)	19,51,747	1.71%	19,51,747	1.71%	0.00%
P. K. Kheruka (Promoter)	1,32,33,662	11.59%	1,32,33,662	11.60%	-0.01%
Kiran Kheruka (Promoter Group)	3,02,70,416	26.52%	1,64,02,366	14.37%	12.15%
Rekha Kheruka (Promoter Group)	1,64,31,587	14.39%	1,64,31,587	14.40%	-0.01%
Croton Trading Private Limited (Promoter Group)	1,30,87,339	11.46%	1,30,87,339	11.47%	-0.01%
Gujarat Fusion Glass LLP (Promoter Group)	31,36,404	2.75%	31,36,404	2.75%	0.00%
Sonargaon Properties LLP (Promoter Group)	18	0.00%	18	0.00%	0.00%
Borosil Holdings LLP (Promoter Group)	9,18,179	0.80%	9,18,179	0.80%	0.00%
Spartan Trade Holdings LLP (Promoter Group)	11,47,313	1.00%	11,47,313	1.01%	-0.01%
Associated Fabricators LLP (Promoter Group)	2,34,111	0.21%	2,34,111	0.21%	0.00%

\* Expired on 12th December, 2021.

**21.6** Under Borosil Limited - Special Purpose Employee Stock Option Plan 2020' ("ESOP 2020") , 4,43,388 options were reserved and out of this as at 31st March 2022, 4,43,388 (as at 31st March 2021, 4,43,388) options have been granted (Refer Note No 42). Further, under Borosil Limited – Employees Stock Option Scheme, 2020' ("NEW ESOS 2020"), 52,59,590 options are reserved, and out of this during the year 4,62,000 (as at 31st March 2021, Nil) options have been granted (Refer Note No 42).

**21.7** Dividend paid and proposed:

Particulars	(Rs. in lakhs)	
	As at 31st March, 2022	As at 31st March, 2021
<b>Proposed Dividends</b>		
Dividend proposed for the year ended on 31st March, 2021 at Re. 1/- per share (Face Value of Re. 1/- each)	-	1,141.19
<b>Dividend Paid</b>		
Dividend paid for the year ended on 31st March, 2021 at Re. 1/- per share (Face Value of Re. 1/- each)	1,141.19	-

Proposed dividends on equity shares are subject to approval at the annual general meeting and are not recognised as a liability as at 31st March.



## Note 22 - Other Equity

Particulars	(Rs. in lakhs)	
	As at 31st March, 2022	As at 31st March, 2021
<b>Capital Reserve</b>		
As per Last Balance Sheet	15.00	15.00
<b>Capital Reserve on Business Combination</b>		
As per Last Balance Sheet	8,597.08	8,597.08
<b>General Reserve</b>		
As per Last Balance Sheet	500.00	500.00
<b>Securities Premium</b>		
As per Last Balance Sheet	117.74	-
Add: Exercise of Employee Stock option (Refer Note 21.2)	84.47	202.21
		117.74
<b>Share Based Payment Reserve</b>		
As per Last Balance Sheet	325.75	0.65
Add: Share based payment (Refer Note 42)	136.11	366.88
Less: Options cancelled during the year (Refer note 42)	(4.29)	-
Less: Exercise of Employee Stock option (Refer Note 21.2)	(29.71)	(41.78)
	427.86	325.75
<b>Retained Earnings</b>		
As per Last Balance Sheet	58,884.80	54,674.37
Add: Profit for the year	8,373.03	4,210.43
Add: Options cancelled during the year (Refer Note 42)	4.29	-
Less: Dividend Paid	(1,141.19)	-
Less: Transferred to Non-controlling Interest (NCI) on account of changes in ownership Interest	(164.21)	-
	65,956.72	58,884.80
<b>Other Comprehensive Income (OCI)</b>		
As per Last Balance Sheet	(106.25)	(134.52)
Movements in OCI (net) during the year	(11.45)	28.27
	(117.70)	(106.25)
<b>Total</b>	<b>75,581.17</b>	<b>68,334.12</b>

## 22.1 Nature and Purpose of Reserve

## 1. Capital Reserve:

Capital reserve was created by way of subsidy received from State Industries Promotion Corporation of Tamilnadu. The reserve will be utilised in accordance with the provisions of the Companies Act, 2013.

## 2. Capital Reserve On Business Combination:

Capital Reserve is created on account of Business Combination. The reserve will be utilised in accordance with the provisions of the Companies Act, 2013.

## 3. General Reserve:

General Reserve is created from time to time by way of transfer of profits from retained earnings for appropriation purpose. This reserve is a distributable reserve.

## 4. Securities Premium:

Securities premium is created when shares issued at premium. The reserve will be utilised in accordance with the provisions of the Companies Act, 2013.

## 5. Share Based Payment Reserve:

Share based payment reserve is created against 'Borosil Limited - Special Purpose Employee Stock Option Plan 2020' ("ESOP 2020") and against 'Borosil Limited - Employee Stock Option Scheme 2020' ("NEW ESOS 2020") and will be utilised against exercise of the option on issuance of the equity shares of the Company.

## 6. Retained Earnings:

Retained earnings represents the accumulated profits / (losses) made by the Company over the years.

## 7. Other Comprehensive Income (OCI):

Other Comprehensive Income (OCI) includes remeasurements of defined benefit plans.

## Note 23 - Non-current Financial Liabilities - Borrowings

Particulars	(Rs. in lakhs)	
	As at 31st March, 2022	As at 31st March, 2021
<b>Secured Loan:</b>		
Term loan from a banks	-	59.94
<b>Total</b>	<b>-</b>	<b>59.94</b>

23.1 Term Loan (including current maturities of long-term borrowings (Refer note 26)) was primarily secured by respective machineries and collateral secured by all piece and parcel of land lying at Village Gonde Dumala, within the limit of Nashik Zilla Parishad, Taluka Igatpuri & District Nashik and further hypothecation charge over existing all machineries. The same was carrying interest rate @ 10.50% p.a.

## Note 24 - Non-current Financial Liabilities - Provisions

Particulars	(Rs. in lakhs)	
	As at 31st March, 2022	As at 31st March, 2021
<b>Provisions for Employee Benefits:</b>		
Provision for Gratuity (Unfunded) (Refer Note 41)	280.35	262.89
Provision for Gratuity (Funded) (Refer Note 41)	-	219.10
<b>Total</b>	<b>280.35</b>	<b>481.99</b>

**BOROSIL LIMITED****Notes to the consolidated financial statements for the year ended 31st March, 2022****Note 25 - Income Tax****25.1 Current Tax**

Particulars	(Rs. in lakhs)	
	For the Year Ended 31st March, 2022	For the Year Ended 31st March, 2021
Current Income Tax	2,958.71	1,126.93
Income Tax of earlier years	3.35	(67.51)
<b>Total</b>	<b>2,962.06</b>	<b>1,059.42</b>

**25.2** The major components of Income Tax Expenses for the year ended 31st March, 2022 and 31st March, 2021 are as follows:

Particulars	(Rs. in lakhs)	
	For the Year Ended 31st March, 2022	For the Year Ended 31st March, 2021
<b>Recognised in consolidated statement of Profit and Loss:</b>		
Current Income Tax (Refer Note 25.1)	2,962.06	1,059.42
Deferred Tax - Relating to origination and reversal of temporary differences	716.17	828.97
<b>Total Tax Expenses</b>	<b>3,678.23</b>	<b>1,888.39</b>

**25.3** Reconciliation between tax expenses and accounting profit multiplied by tax rate for the year ended 31st March, 2022 and 31st March, 2021:

Particulars	(Rs. in lakhs)	
	For the Year Ended 31st March, 2022	For the Year Ended 31st March, 2021
Accounting profit before tax and share in profit of associate	12,201.28	6,123.94
Applicable tax rate (Refer Note 55.1)	25.17%	29.12%
<b>Computed Tax Expenses</b>	<b>3,070.82</b>	<b>1,783.29</b>
<b>Tax effect on account of:</b>		
Lower tax rate, indexation and fair value changes etc.	(134.16)	(154.44)
Discontinuation of Depreciation allowance on Goodwill (Refer Note 55.2)	839.77	-
Expenses not allowed	44.57	19.42
Utilisation of LTCG Loss, on which Deferred Tax not recognised	(78.62)	-
Allowances of Expenses on payment basis	(26.67)	-
Tax losses for which no deferred tax recognised	1.18	2.46
Different tax rates of subsidiaries	37.03	(2.75)
Due to New Tax Regime (Refer note 55.1)	(55.53)	-
Changes in rates of Income Tax	(22.93)	320.86
Other deductions / allowances	(0.58)	(12.94)
Income tax for earlier years	3.35	(67.51)
<b>Income tax expenses recognised in consolidated statement of profit and loss</b>	<b>3,678.23</b>	<b>1,888.39</b>

**BOROSIL LIMITED**
**Notes to the consolidated financial statements for the year ended 31st March, 2022**
**25.4** Deferred tax relates to the following:

Particulars	Balance Sheet		(Rs. in lakhs) Consolidated Statement of profit and loss and Other Comprehensive Income	
	As at 31st March, 2022	As at 31st March, 2021	For the Year Ended 31st March, 2022	For the Year Ended 31st March, 2021
	<b>A) Deferred Tax Assets</b>			
Property, Plant and Equipment	(134.62)	(106.88)	(27.74)	(51.13)
Investments	(2.00)	0.13	(2.13)	0.57
Inventories	(9.18)	0.52	(9.70)	9.06
Trade Receivable	74.11	68.11	6.00	21.84
Other Assets	2.04	-	2.04	-
Other Liabilities & Provision	149.87	110.03	39.84	25.42
Lease Liabilities	-	0.21	(0.21)	(0.41)
MAT Credit Entitlement	98.81	-	98.81	-
Unabsorbed Depreciation	47.08	281.93	(234.85)	(17.92)
<b>Total</b>	<b>226.11</b>	<b>354.05</b>	<b>(127.94)</b>	<b>(12.56)</b>
<b>B) Deferred Tax Liabilities</b>				
Property, Plant and Equipment including assets held for sale	887.32	1,648.89	(761.57)	367.38
Investment Property	(61.05)	(43.50)	(17.55)	(24.10)
Goodwill on Amalgamation	1,492.93	906.86	586.07	151.14
Investments	582.41	755.67	(173.26)	270.50
Inventories	155.50	(17.87)	173.37	66.77
Trade Receivable	(564.40)	(541.33)	(23.07)	(328.27)
Other Assets	(12.10)	(29.36)	17.26	(5.12)
Other Liabilities & Provision	(306.27)	(454.03)	147.76	(164.89)
MAT Credit Entitlement	-	(484.17)	484.17	427.24
Deduction u/s 35DD of Income Tax Act 1961	(85.69)	(237.93)	152.24	60.33
<b>Total</b>	<b>2,088.65</b>	<b>1,503.23</b>	<b>585.42</b>	<b>820.98</b>

**25.5** Reconciliation of deferred tax liabilities / (assets) (net):

Particulars	(Rs. in lakhs)	
	As at 31st March, 2022	As at 31st March, 2021
<b>Opening balance as at 1st April</b>	<b>1,149.18</b>	<b>315.64</b>
Deferred Tax Expenses / (Credit) recognised in profit or loss	716.17	828.97
Deferred Tax Expenses / (Income) recognised in OCI	(2.81)	11.65
Income Tax for earlier years	-	(7.08)
<b>Closing balance as at 31st March</b>	<b>1,862.54</b>	<b>1,149.18</b>
<b>Deferred Tax Assets</b>	<b>226.11</b>	<b>354.05</b>
<b>Deferred Tax Liabilities</b>	<b>2,088.65</b>	<b>1,503.23</b>

**25.6** Amount and expiry date of unused tax losses for which no deferred tax asset is recognised:

Particulars	(Rs. in lakhs)	
	As at 31st March, 2022	As at 31st March, 2021
Unused tax losses for which no deferred tax assets has been recognised	44.28	380.70

**25.7** The Group has not recognised any deferred tax liabilities for taxes that would be payable on the Group's share in unremitted earnings of certain of its subsidiaries because the Group controls when the liability will be incurred and it is probable that the liability will not be incurred in the foreseeable future.

## Note 26 - Current Financial Liabilities - Borrowings

Particulars	(Rs. in lakhs)	
	As at 31st March, 2022	As at 31st March, 2021
<b>Secured Loan:</b>		
Working Capital Loan from a Bank	-	600.00
Current maturity of long term Borrowings	-	67.02
<b>Total</b>	<b>-</b>	<b>667.02</b>
<b>26.1</b> Working Capital Loan from a bank was secured by way of pledge of Debt Mutual Fund units (FMP) / Fixed deposits. The Rate of Interest of Working capital Loan is MCLR + Spread (Currently @ 6.90% p.a.)		

## Note 27 - Current Financial Liabilities - Trade Payables

Particulars	(Rs. in lakhs)	
	As at 31st March, 2022	As at 31st March, 2021
Micro, Small and Medium Enterprises	1,662.04	1,646.64
Others	4,047.74	3,516.91
<b>Total</b>	<b>5,709.78</b>	<b>5,163.55</b>
<b>27.1</b> Micro, Small and Medium Enterprises under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED 2006) have been determined based on the information available with the Company and the details of amount outstanding due to them are as given below:		

Particulars	(Rs. in lakhs)	
	As at 31st March, 2022	As at 31st March, 2021
a) the principal amount and the interest due thereon (to be shown separately) remaining unpaid to any supplier at the end of each accounting year;		
i) Principal amount outstanding	1,662.04	1,646.64
ii) Interest thereon	2.01	3.04
b) the amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 (27 of 2006), along with the amount of the payment made to the supplier beyond the appointed day during each accounting year;	-	-
c) the amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006;	-	-
d) the amount of interest accrued and remaining unpaid at the end of each accounting year;	2.01	3.04
e) the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	-	-

27.2 Trade Payables Ageing Schedule are as below:

Particulars	(Rs. in lakhs)					
	Outstanding from due date of payment as at 31st March, 2022					
	Not Due	Upto 1 Year	1 - 2 Years	2 - 3 Years	More than 3 years	Total
Total outstanding dues of micro, small & medium enterprises	1,488.92	173.12	-	-	-	1,662.04
Total outstanding dues of creditors other than micro, small & medium enterprises	3,545.16	502.52	0.06	-	-	4,047.74
Disputed dues of micro, small and medium enterprises	-	-	-	-	-	-
Disputed dues of creditors other than micro, small and medium enterprises	-	-	-	-	-	-
<b>Total</b>	<b>5,034.08</b>	<b>675.64</b>	<b>0.06</b>	<b>-</b>	<b>-</b>	<b>5,709.78</b>

Particulars	(Rs. in lakhs)					
	Outstanding from due date of payment as at 31st March, 2021					
	Not Due	Upto 1 Year	1 - 2 Years	2 - 3 Years	More than 3 years	Total
Total outstanding dues of micro, small & medium enterprises	1,317.83	324.37	3.63	0.44	0.37	1,646.64
Total outstanding dues of creditors other than micro, small & medium enterprises	3,136.08	354.81	15.31	7.99	2.72	3,516.91
Disputed dues of micro, small and medium enterprises	-	-	-	-	-	-
Disputed dues of creditors other than micro, small and medium enterprises	-	-	-	-	-	-
<b>Total</b>	<b>4,453.91</b>	<b>679.18</b>	<b>18.94</b>	<b>8.43</b>	<b>3.09</b>	<b>5,163.55</b>

## Note 28 - Current Financial Liabilities - Others

Particulars	(Rs. in lakhs)	
	As at 31st March, 2022	As at 31st March, 2021
Interest accrued but not due on Borrowing	-	1.64
Interest accrued but not due on Dealer Deposits	24.45	32.68
Interest accrued but not due on Others	2.01	3.04
Dealer Deposits	384.97	368.08
Unclaimed Dividends	20.77	-
Creditors for Capital Expenditure	336.94	392.90
Deposits	19.07	19.76
Other Payables	6,163.24	4,645.30
<b>Total</b>	<b>6,951.45</b>	<b>5,463.40</b>

28.1 Unclaimed dividends does not include any amounts, due and outstandings, to be credited to Investor Education and Protection Fund.

28.2 Other Payables includes outstanding liabilities for expenses, salary, wages, bonus, discount, rebates etc.

## Note 29 - Other Current Liabilities

Particulars	(Rs. in lakhs)	
	As at 31st March, 2022	As at 31st March, 2021
Advance from Customers	414.76	424.88
Statutory Liabilities	381.38	545.78
<b>Total</b>	<b>796.14</b>	<b>970.66</b>

## Note 30 - Current Provisions

Particulars	(Rs. in lakhs)	
	As at 31st March, 2022	As at 31st March, 2021
<b>Provisions for Employee Benefits:</b>		
Superannuation (Funded)	3.94	-
Gratuity (Funded) (Refer Note 41)	134.56	96.46
Gratuity (Unfunded) (Refer Note 41)	19.42	15.63
Leave Encashment (Unfunded)	775.40	633.14
<b>Total</b>	<b>933.32</b>	<b>745.23</b>

**Note 31 - Revenues from Operations**

Particulars	(Rs. in lakhs)	
	For the Year Ended 31st March, 2022	For the Year Ended 31st March, 2021
Sale of Products	83,986.16	58,476.93
<b>Revenue from Operations</b>	<b><u>83,986.16</u></b>	<b><u>58,476.93</u></b>

**31.1 Disaggregated Revenue:**

**(i) Revenue based on Geography:**

Particulars	(Rs. in lakhs)	
	For the Year Ended 31st March, 2022	For the Year Ended 31st March, 2021
Domestics	78,902.72	55,041.81
Export	5,083.44	3,435.12
<b>Revenue from Operations</b>	<b><u>83,986.16</u></b>	<b><u>58,476.93</u></b>

**(ii) Revenue by Business Segment**

Particulars	(Rs. in lakhs)	
	For the Year Ended 31st March, 2022	For the Year Ended 31st March, 2021
Scientificware	26,686.01	19,997.88
Consumerware	57,300.15	38,479.05
<b>Revenue from Operations</b>	<b><u>83,986.16</u></b>	<b><u>58,476.93</u></b>

**(iii) Reconciliation of Revenue from Operation with contract price:**

Particulars	(Rs. in lakhs)	
	For the Year Ended 31st March, 2022	For the Year Ended 31st March, 2021
Contract Price	85,601.49	59,235.49
Reduction towards variables considerations components *	(1,615.33)	(758.56)
<b>Revenue from Operations</b>	<b><u>83,986.16</u></b>	<b><u>58,476.93</u></b>

\* The reduction towards variable consideration comprises of volume discounts, scheme discounts, price concessions etc.

**Note 32 - Other Income**

Particulars	(Rs. in lakhs)	
	For the Year Ended 31st March, 2022	For the Year Ended 31st March, 2021
Interest Income from Financial Assets measured at fair value through profit or loss		
- Non-current Investments	65.19	127.17
- Current Investments	7.36	-
Interest Income from Financial Assets measured at amortised cost		
- Fixed Deposits with Banks	100.20	41.26
- Customers	67.76	58.78
- Others	20.24	28.19
Dividend Income from Financial Assets measured at fair value through profit or loss		
- Non-current Investments	0.07	-
Gain on Sale of Investments (net)		
- Non-current Investments	-	321.17
- Current Investments	199.59	1.93
Gain on Financial Instruments measured at fair value through profit or loss (net)	1,362.45	546.93
Rent Income	14.15	13.36
Gain on Foreign Currency Transactions (net)	102.44	77.36
Sundry Credit Balance Written Back (net)	249.37	172.11
Export Incentives	133.10	92.71
Insurance Claim Received	1.45	40.56
Miscellaneous Income *	134.11	162.76
<b>Total</b>	<b><u>2,457.48</u></b>	<b><u>1,684.29</u></b>

\* Includes government subsidy under Maharashtra Industrial Policy and Package Scheme and Rajasthan Investment Promotion Scheme of Rs. 4.05 lakhs (Previous Year Rs. 9.83 lakhs) and Rs. Nil (Previous Year Rs. 84.49 lakhs) respectively.

**Note 33 - Changes in Inventories of Work-in-Progress, Finished Goods and Stock-in-Trade**

Particulars	(Rs. in lakhs)	
	For the Year Ended 31st March, 2022	For the Year Ended 31st March, 2021
<b>At the end of the Year</b>		
Work-in-Progress	1,010.49	1,219.00
Finished Goods	3,637.73	4,313.99
Stock-in-Trade	8,771.52	5,133.11
Scrap (Cullet)	13.54	12.83
	<b>13,433.28</b>	<b>10,678.93</b>
<b>Inventory lost due to Fire / heavy Rain</b>		
Work-in-Progress	76.17	-
Finished Goods	1,465.22	-
Stock-in-Trade	906.60	-
	<b>2,447.99</b>	<b>-</b>
<b>At the beginning of the Year</b>		
Work-in-Progress	1,219.00	1,621.21
Finished Goods	4,313.99	6,630.89
Stock-in-Trade	5,133.11	6,151.82
Scrap (Cullet)	12.82	14.07
	<b>10,678.92</b>	<b>14,417.99</b>
<b>Changes in Inventories of Work-in-Progress, Finished Goods and Stock-in-Trade</b>	<b>(5,202.35)</b>	<b>3,739.06</b>

**Note 34 - Employee Benefits Expense**

Particulars	(Rs. in lakhs)	
	For the Year Ended 31st March, 2022	For the Year Ended 31st March, 2021
Salaries, Wages and Allowances	9,124.71	7,341.08
Contribution to Provident and Other Funds (Refer Note 41)	487.30	401.63
Share Based Payments (Refer Note 42)	136.11	391.40
Staff Welfare Expenses	486.25	251.21
Gratuity (Unfunded) (Refer Note 41)	42.99	38.38
<b>Total</b>	<b>10,277.36</b>	<b>8,423.70</b>

**Note 35 - Finance Costs**

Particulars	(Rs. in lakhs)	
	For the Year Ended 31st March, 2022	For the Year Ended 31st March, 2021
Interest Expenses on financial liabilities measured at amortised cost *	101.41	236.31
Interest Expenses on finance lease liabilities	10.22	5.38
<b>Total</b>	<b>111.63</b>	<b>241.69</b>

\*Includes interest on Income Tax of Rs. 38.68 lakhs (Previous Year Rs. 36.13 lakhs).

**Note 36 - Depreciation and Amortisation Expense**

Particulars	(Rs. in lakhs)	
	For the Year Ended 31st March, 2022	For the Year Ended 31st March, 2021
Depreciation of Property, Plant and Equipment (Refer note 6)	3,347.14	3,486.58
Depreciation of Investment Properties (Refer note 7)	0.27	-
Amortisation of Intangible Assets (Refer note 8)	36.06	61.23
<b>Total</b>	<b>3,383.47</b>	<b>3,547.81</b>



## Note 37 - Other Expenses

Particulars	(Rs. in lakhs)	
	For the Year Ended 31st March, 2022	For the Year Ended 31st March, 2021
<b>Manufacturing and Other Expenses</b>		
Stores, Spares and Consumables	1,050.74	622.63
Power and Fuel	4,681.50	2,583.05
Packing Materials Consumed	5,279.20	2,963.87
Processing Charges	148.90	86.40
Contract Labour Expenses	3,088.73	2,070.65
Repairs to Plant and Machinery	200.05	149.25
Repairs to Buildings	23.76	7.09
<b>Selling and Distribution Expenses</b>		
Sales Promotion and Advertisement Expenses	4,001.59	2,323.01
Discount and Commission	1,194.96	752.11
Freight Outward	3,429.92	2,422.34
Warehousing Expenses	942.43	439.91
<b>Administrative and General Expenses</b>		
Rent	320.41	265.23
Rates and Taxes	67.35	63.05
Other Repairs	498.86	330.82
Insurance	553.15	208.99
Legal and Professional Fees	845.34	810.29
Travelling	698.37	342.25
Bad Debts	46.90	61.63
Less: Reversal of Provision for Credit Impaired / Doubtful Advances (Refer Note 43)	(45.62)	(58.31)
	1.28	3.32
Provision for Credit Impaired / Doubtful Advances (net) (Refer Note 43)	67.17	214.38
Loss on Sale / Discarding of Property, Plant and Equipment (net) *	40.97	3.30
Investment Advisory Charges	32.17	1.37
Commission to Directors	60.00	50.00
Directors Sitting Fees	27.60	23.80
Payment to Auditors (Refer Note 37.1)	81.80	81.80
Corporate Social Responsibility Expenditure (Refer Note 37.2)	95.00	63.92
Donation	43.68	3.55
Loss on Sale of Non-current Investments (net)	198.47	-
Miscellaneous Expenses	883.17	606.48
<b>Total</b>	<b>28,556.57</b>	<b>17,492.86</b>

\* Includes loss on sale of Assets held for Sale of Rs. Nil (Previous Year Rs. 6.89 lakhs).

## 37.1 Details of Payment to Auditors

Particulars	(Rs. in lakhs)	
	For the Year Ended 31st March, 2022	For the Year Ended 31st March, 2021
<b>Payment to Auditors as:</b>		
For Statutory Audit	48.90	47.65
For Quarterly Review	12.00	9.00
For Tax Audit	18.50	16.25
For Taxation Matters	-	-
For Company Law Matters	-	-
For Certification	2.40	8.90
For Other Service	-	-
For Reimbursement of Expenses	-	-
<b>Total</b>	<b>81.80</b>	<b>81.80</b>

**37.2 Notes related to Corporate Social Responsibility expenditure (CSR):**

- (a) CSR amount required to be spent as per Section 135 of the Companies Act, 2013 read with Schedule VII thereof by the company during the year is Rs. 94.70 lakhs (Previous Year Rs. 57.61 lakhs).
- (b) Expenditure related to Corporate Social Responsibility is Rs. 106.00 lakhs (Previous Year Rs. 63.92 lakhs) and Rs. Nil (Previous Year Rs. Nil) remained unspent.

Details of expenditure towards CSR given below:

Particulars	(Rs. in lakhs)	
	For the Year Ended 31st March, 2022	For the Year Ended 31st March, 2021
Promotion of health care including preventive health care and sanitation and disaster management in connection with Covid-19 pandemic	-	13.92
Promotion of health care including preventive health care	25.00	-
Training to promote Olympic Sports	50.00	50.00
Promoting gender equality, empowering women	25.00	-
Eradicating hunger, poverty and malnutrition	6.00	-
	<b>106.00</b>	<b>63.92</b>
Less:- Excess CSR spent for offset against future obligations *	11.00	-
	<b>95.00</b>	<b>63.92</b>

\* The Company has decided to carry forward excess CSR spent of Rs. 11.00 lakhs to offset against future obligations and has recognised the same as an asset in the balance sheet.

**Note 38 - Exceptional Items**

Particulars	(Rs. in lakhs)	
	For the Year Ended 31st March, 2022	For the Year Ended 31st March, 2021
Loss due to Fire and Heavy Rain (Refer Note 38.1)	646.50	-
Provision for Impairment (Refer Note 38.2)	474.67	-
<b>Total</b>	<b>1,121.17</b>	<b>-</b>

- 38.1** There is a fire at the Company's warehouse situated at Bharuch, Gujarat resulting in loss of property (including fixed assets and inventories) of Rs. 4,233.85 lakhs. The Insurance Company has finalized the part settlement of the claim and accordingly, the Company has received Rs.3,297.58 lakhs. Further, there is loss of property of Rs. 236.14 lakhs due to heavy rain resulting in overflow of Kamvari river in Bhiwandi, Maharashtra which caused water logging leading to spoilage of inventories at the Company's warehouse situated there. The Insurance Company has finalized the claim and accordingly, the Company has received Rs. 225.75 lakhs till date. Company has recognized net loss of Rs. 646.50 lakhs for the year ended 31st March, 2022. Any difference between pending claim amount as estimated and claim settlement amount will be recognized upon the final settlement of such claim.
- 38.2** The Company had purchased residential flats for its guest house requirement in a residential project at Mumbai. The developer is under insolvency proceeding due to financial difficulties and inordinate delay and as such the Company cannot ascertain the timelines for project completion or recovery of advances. Therefore, during the year ended 31st March, 2022, as prudence, the Company has made a provision for impairment of Rs. 412.91 lakhs on such properties lying as Capital work in progress. The Company has another property situated in Uttarakhand for which the Company has carried out impairment testing and accordingly made a provision for impairment of Rs. 61.76 lakhs on the same lying as investment properties.

**Note 39 - Earnings Per Equity share (EPS)**

Particulars	(Rs. in lakhs)	
	For the Year Ended 31st March, 2022	For the Year Ended 31st March, 2021
Net profit for the year attributable to Equity Shareholders for Basic EPS (Rs. in lakhs)	8,373.03	4,210.43
Add: Share Based Payments (net of tax) (Rs. In lakhs)	101.85	255.84
Net profit for the year attributable to Equity Shareholders for Diluted EPS (Rs. in lakhs)	8,474.88	4,466.27
Weighted average number of equity shares outstanding during the year for Basic EPS (in Nos.)	11,41,29,996	11,40,64,134
Weighted average number of equity shares outstanding during the year for Diluted EPS (in Nos.)	11,44,09,793	11,41,45,931
Earnings per share of Re. 1/- each (in Rs.)		
- Basic	7.34	3.69
- Diluted *	7.34	3.69
Face Value per Equity Share (in Rs.)	1.00	1.00

\* As the Diluted Earning per share is anti-dilutive, Basic Earning per share has been considered as Diluted Earning per share.

**BOROSIL LIMITED**

Notes to the consolidated financial statements for the year ended 31st March, 2022

**Note 40 - Contingent Liabilities and Commitments**

Particulars	(Rs. in lakhs)	
	As at 31st March, 2022	As at 31st March, 2021
<b>40.1 Contingent Liabilities (To the extent not provided for) Claims against the Group not acknowledged as debts</b>		
<b>Disputed Liabilities in Appeal (No Cash outflow is expected in the near future)</b>		
- Sales Tax (amount paid under protest is Rs. 17.84 lakhs (Previous Year Rs. 17.84 lakhs))	17.84	17.84
<b>Guarantees</b>		
- Bank Guarantees	129.42	182.42
<b>Others</b>		
- Letter of Credits	5,564.87	2,705.21

40.2 Management is of the view that above litigations will not impact the financial position of the Group.

**40.3 Commitments**

Particulars	(Rs. in lakhs)	
	As at 31st March, 2022	As at 31st March, 2021
Estimated amount of Contracts remaining to be executed on Capital Account not provided for (cash outflow is expected on execution of such capital contracts)		
- Related to Property, plant and equipment	17,270.53	275.94
- Related to Intangible Assets	6.17	-
Commitments towards Investments (cash outflow is expected on execution of such commitments)	32.50	57.50
Commitments towards EPCG License (No cash outflow is expected)	-	217.92

**Note 41- Employee Benefits**

41.1 As per Ind AS 19 'Employee Benefits', the disclosure of Employee benefits as defined in the Ind AS are given below:

**(a) Defined Contribution Plan:**

Contribution to Defined Contribution Plan, recognized as expense for the years are as under:

Particulars	(Rs. in lakhs)	
	2021-22	2020-21
Employer's Contribution to Provident Fund	232.98	167.14
Employer's Contribution to Pension Scheme	128.82	116.10
Employer's Contribution to Superannuation Fund	3.94	-
Employer's Contribution to ESIC	6.70	6.77
Employer's Contribution to MLWF & GLWF	0.22	0.21

The contribution to provident fund and pension scheme is made to Employees' Provident Fund managed by Provident Fund Commissioner. Employees' Superannuation Fund is managed by Life Insurance Corporation of India. The contribution towards ESIC made to Employees' State Insurance Corporation. The contribution towards MLWF is made to Maharashtra Labour welfare Fund and GLWF is made to Gujarat Labour welfare Fund. The obligation of the Group is limited to the amount contributed and it has no further contractual nor any constructive obligation.

**BOROSIL LIMITED**
**Notes to the consolidated financial statements for the year ended 31st March, 2022**
**(b) Defined Benefit Plan:**

The Gratuity benefits of the Group are funded as well as unfunded.

The employees' Gratuity Fund of the Company is managed by the Life Insurance Corporation of India as well as Aditya Birla Sun Life Insurance Company Ltd. The present value of obligation is determined based on actuarial valuation using the Projected Unit Credit Method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

Particulars	Gratuity	
	As at 31st March, 2022	As at 31st March, 2021
<b>Actuarial assumptions</b>		
Mortality Table	Indian Assured Lives Mortality (2012-14) Ult	Indian Assured Lives Mortality (2012-14) Table
Salary growth	8.50% to 9.00%	8.50% to 10.00%
Discount rate	6.95%	6.45% to 6.90%
Expected returns on plan assets	6.95%	6.80%
Withdrawal Rates	2% to 10%	2% to 10%

(Rs. in lakhs)

Particulars	Gratuity	
	2021-22	2020-21
<b>Movement in present value of defined benefit obligation</b>		
Obligation at the beginning of the year	910.05	809.96
Current service cost	121.89	118.95
Interest cost	59.72	54.50
Benefits paid	(36.18)	(30.02)
Actuarial (gains) / losses on obligation	15.51	(43.34)
<b>Obligation at the end of the year</b>	<b>1,070.99</b>	<b>910.05</b>
<b>Movement in fair value of plan assets</b>		
Fair value at the beginning of the year	315.97	304.86
Interest Income	23.98	23.66
Expected Return on Plan Assets	2.97	(3.10)
Contribution	306.54	1.00
Benefits paid	(12.80)	(10.45)
<b>Fair value at the end of the year</b>	<b>636.66</b>	<b>315.97</b>
<b>Amount recognised in the Consolidated statement of profit and loss</b>		
Current service cost	121.89	118.95
Interest cost	35.74	30.84
<b>Total</b>	<b>157.63</b>	<b>149.79</b>
Amount recognised in the consolidated statement of profit and loss - Funded	114.64	111.41
Amount recognised in the consolidated statement of profit and loss - Unfunded	42.99	38.38
<b>Amount recognised in the consolidated other comprehensive income Components of actuarial (gains) or losses on obligations:</b>		
Due to Change in financial assumptions	(28.44)	6.09
Due to change in demographic assumption	-	(1.51)
Due to experience adjustments	43.95	(47.92)
Return on plan assets excluding amounts included in interest income	(2.97)	3.10
<b>Total</b>	<b>12.54</b>	<b>(40.24)</b>
Amount recognised in the consolidated other comprehensive income - Funded	24.83	(38.06)
Amount recognised in the consolidated other comprehensive income - Unfunded	(12.29)	(2.18)

**(c) Fair Value of plan assets**

Class of assets	Fair value of plan asset	
	(Rs. in lakhs)	
	2021-22	2020-21
Life Insurance Corporation of India	222.79	207.18
Aditya Birla Sunlife Insurance Co. Ltd.	411.55	108.01
Bank Balance	2.32	0.78
<b>Total</b>	<b>636.66</b>	<b>315.97</b>

**BOROSIL LIMITED**
**Notes to the consolidated financial statements for the year ended 31st March, 2022**
**(d) Net Liability Recognised in the Balance Sheet**

Particulars	(Rs. in lakhs)	
	As at 31st March, 2022	As at 31st March, 2021
Present value of obligations at the end of the year	1,070.99	910.05
Less: Fair value of plan assets at the end of the year	636.66	315.97
<b>Net liability recognized in the balance sheet</b>	<b>434.33</b>	<b>594.08</b>
Current Provisions (Funded)	134.56	96.46
Non-current Provisions (Funded)	-	219.10
Current Provisions (Unfunded)	19.42	15.63
Non-current Provisions (Unfunded)	280.35	262.89

- (e) The estimate of rate of escalation in Salary considered in actuarial valuation, takes into account inflation, seniority, promotion and other retirement factors including supply & demand in the employment market. The above information is certified by the actuary.

**41.2 Sensitivity analysis:**

Particulars	Changes in assumptions	(Rs. in lakhs)
		Effect on Gratuity obligation - (Increase / (Decrease))
<b>For the year ended 31st March, 2022</b>		
Salary growth rate	+0.50%	38.79
	-0.50%	(37.76)
Discount rate	+0.50%	(58.32)
	-0.50%	63.48
Withdrawal rate (W.R.)	W.R. X 110%	0.18
	W.R. X 90%	(1.13)
<b>For the year ended 31st March, 2021</b>		
Salary growth rate	+0.50%	35.92
	-0.50%	(35.16)
Discount rate	+0.50%	(51.40)
	-0.50%	56.05
Withdrawal rate (W.R.)	W.R. X 110%	(0.95)
	W.R. X 90%	0.65

The above sensitivity analysis is based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. In presenting the above sensitivity analysis, the present value of defined benefit obligation has been calculated using the projected unit credit method at the end of reporting period, which is the same as that applied in calculating the defined obligation liability recognized in the consolidated balance sheet.

**41.3 Risk exposures**
**A. Actuarial Risk:**

It is the risk that benefits will cost more than expected. This can arise due to one of the following reasons:

**Adverse Salary Growth Experience:** Salary hikes that are higher than the assumed salary escalation will result into an increase in Obligation at a rate that is higher than expected.

**Variability in mortality rates:** If actual mortality rates are higher than assumed mortality rate then Gratuity benefits will be paid earlier than expected. Since there is no condition of vesting on the death benefit, the acceleration of cash flow will lead to an actuarial loss or gain depending on the relative values of the assumed salary growth and discount rate.

**Variability in withdrawal rates:** If actual withdrawal rates are higher than assumed withdrawal rate then the Gratuity benefits will be paid earlier than expected. The impact of this will depend on whether the benefits are vested as at the resignation date.

**B. Investment Risk:**

For funded plans that rely on insurers for managing the assets, the value of assets certified by the insurer may not be the fair value of instruments backing the liability. In such cases, the present value of the assets is independent of the future discount rate. This can result in wide fluctuations in the net liability or the funded status if there are significant changes in the discount rate during the inter-valuation period.

**C. Liquidity Risk:**

Employees with high salaries and long durations or those higher in hierarchy accumulate significant level of benefits. If some of such employees resign/retire from the Group, there can be strain on the cash flows.

**D. Market Risk:**

Market risk is a collective term for risks that are related to the changes and fluctuations of the financial markets. One actuarial assumption that has a material effect is the discount rate. The discount rate reflects the time value of money. An increase in discount rate leads to decrease in Defined Benefit Obligation of the plan benefits & vice versa. This assumption depends on the yields on the corporate/government bonds and hence the valuation of liability is exposed to fluctuations in the yields as at the valuation date.

**E. Legislative Risk:**

Legislative risk is the risk of increase in the plan liabilities or reduction in the plan assets due to change in the legislation/regulation. The government may amend the Payment of Gratuity Act thus requiring the companies to pay higher benefits to the employees. This will directly affect the present value of the Defined Benefit Obligation and the same will have to be recognized immediately in the year when any such amendment is effective.

**41.4 Details of Asset-Liability Matching Strategy:**

Gratuity benefits liabilities of the Group are Funded as well as unfunded.

In case where gratuity is funded, there are no minimum funding requirements for a Gratuity benefits plan in India and there is no compulsion on the part of the Company to fully or partially pre-fund the liabilities under the Plan. The trustees of the plan have outsourced the investment management of the fund to insurance companies which are regulated by IRDA. Due to the restrictions in the type of investments that can be held by the fund, it may not be possible to explicitly follow an asset-liability matching strategy to manage risk actively in a conventional fund.

In case where gratuity is unfunded, there is no Asset-Liability Matching strategy devised for the plan.

**BOROSIL LIMITED****Notes to the consolidated financial statements for the year ended 31st March, 2022**

41.5 The expected payments towards contributions to the defined benefit plan within one year is Rs.134.56 lakhs.

**41.6 The following payments are expected towards Gratuity in future years:**

Year ended	(Rs. in lakhs) Cash flow
31st March, 2023	43.13
31st March, 2024	67.83
31st March, 2025	52.71
31st March, 2026	62.48
31st March, 2027	60.25
31st March, 2028 to 31st March, 2032	409.37

41.7 The average duration range of the defined benefit plan obligation at the end of the reporting period is 9.91 years to 16.2 years (Previous year 10.33 years to 16.32 years).

**Note 42 - Share Based Payments****Employee Stock Option Scheme of Borosil Limited (BL)**

The Company offers equity based award plan to its employees through the Company's stock option plan.

**42.1 'Borosil Limited - Special Purpose Employee Stock Option Plan 2020' ("ESOP 2020")**

Pursuant to the Composite Scheme of Amalgamation and Arrangement ("the Composite Scheme") approved by the Hon'ble National Company Law Tribunals, Mumbai Bench ("NCLT") on 15th January, 2020, Employees of Borosil Renewables Limited who were granted options under "Borosil Employee Stock Option Scheme 2017" ("ESOS 2017"), were issued equal number of options in the Company, irrespective of these options were vested or not under ESOP 2017.

Accordingly, with a view to restore the value of the employee stock options ("Options") pre and post demerger by providing fair adjustment in respect of Options granted under ESOS 2017, the Company had adopted and implemented a new Employee Stock Option Plan namely 'Borosil Limited - Special Purpose Employee Stock Option Plan 2020' ("ESOP 2020").

**The details of options granted under ESOP 2020 for the year ended 31st March 2022 is as under:**

Particulars	ESOP 2020	
	31st March, 2022	31st March, 2021
<b>Options as at 1st April</b>	<b>3,83,458</b>	-
Options granted during the year pursuant to the Composite Scheme	-	4,43,388
Options granted during the year	-	-
Options forfeited during the year	-	-
Options exercised during the year	(43,200)	(59,930)
<b>Options outstanding as at 31st March</b>	<b>3,40,258</b>	<b>3,83,458</b>
<b>Number of option exercisable at the end of the year</b>	<b>3,40,258</b>	<b>3,83,458</b>

The fair value of options has been determined at the date of grant of the options. This fair value, adjusted by the Company's estimate of the number of options that will eventually vest, is expensed over the vesting period.

The fair values were calculated using the Black-Scholes Model for tenure based awards. The inputs to the model include the share price at date of grant, exercise price, expected life, expected volatility, expected dividends and the risk free rate of interest. Expected volatility has been calculated using historical return on share price. All options are assumed to be exercised within six months from the date of respective vesting.

**Basic features of ESOP 2020**

Particulars	ESOP 2020
Date of Shareholder's Approval	The Composite Scheme of Amalgamation and Arrangement (Composite Scheme) including provisions for forming of the ESOP scheme, was approved by the Shareholders on 15th May, 2019 and by virtue of the Composite Scheme, the authority to formulate the ESOP Scheme was given to the Board of Directors. Accordingly, the Board of Directors, had approved the 'Borosil Limited - Special Purpose Employee Stock Option Plan 2020' on 3rd February, 2020.
Total Number of Options approved	4,43,388
Vesting Requirements	Time based vesting depending on completion of Service period, starting from 1st year after the date of original grant. Pursuant to the Composite Scheme and to provide fair and reasonable adjustment, the completed vesting period under the ESOS 2017 has been considered, while calculating such vesting period.
The pricing Formula	The Exercise price was decided by the Nomination and Remuneration Committee after considering the fair adjustments required pursuant to the Composite Scheme.
Maximum Term of options granted	8 years (Vesting period + Exercise Period)
Method of Settlements	Equity Settled
Sources of Shares	Primary issuance of shares
Variation in terms of ESOP	Exercise price has been adjusted in effect to the Corporate Action
Method of Accounting	Fair Value Method

**BOROSIL LIMITED****Notes to the consolidated financial statements for the year ended 31st March, 2022**

The assumptions used in the calculations of fair value as on the grant date of the options are set out below:

Particulars	ESOP 2020 (Grant date - 06.06.2020)	ESOP 2020 (Grant date - 06.06.2020)
Number of Options granted	3,63,708	79,680
Exercise Price	Rs. 127.75	Rs. 162.25
Share Price at the date of grant	Rs. 165.04	Rs. 165.04
Vesting Period	1) 33% of the option on completion of 1 year from original grant date i.e. 02.11.2017 2) 33% of the option on completion of 2 year from original grant date i.e. 02.11.2017 3) 34% of the option on completion of 3 year from original grant date i.e. 02.11.2017	1) 50% of the option on completion of 1 year from original grant date i.e. 24.07.2018 2) 50% of the option on completion of 2 year from original grant date i.e. 24.07.2018
Expected Volatility	38.60%	37.72%
Expected option life	6 months	6 months
Expected dividends	0.28%	0.26%
Risk free interest rate	6.70%	7.50%
Fair value per option granted	1) Rs.65.91 for vesting of shares on completion of 1 year from grant date 2) Rs.81.41 for vesting of shares on completion of 2 year from grant date 3) Rs.94.22 for vesting of shares on completion of 3 year from grant date	1) Rs.77.49 for vesting of shares on completion of 1 year from grant date 2) Rs.97.99 for vesting of shares on completion of 2 year from grant date

The Company has recognized total expenses of Rs. Nil (Previous year Rs. 363.24 lakhs) related to above equity settled share-based payment transactions for the year ended 31st March, 2022, out of the above Rs. Nil (Previous year Rs. 2.29 lakhs) are charged to Borosil Renewables Limited (BRL) on account of employee transferred from the Company to BRL.

**42.2 Borosil Limited Employee Stock Option Scheme 2020 ("NEW ESOS 2020")**

In order to provide equity settled incentive to specific employees of the Group, the Company has introduced NEW ESOS 2020. The NEW ESOS 2020 includes tenure-based stock options. The specific employees to whom these Options are granted and their eligibility criteria are determined by the Nomination and Remuneration Committee.

During the year on 27th May 2021, 4,62,000 Options were granted to the eligible employees at an exercise price of Rs. 221 per option. Exercise period is 5 years from the date of vesting of the respective options.

**The details of options granted under NEW ESOS 2020 for the year ended 31st March 2022 is as under:**

Particulars	NEW ESOS 2020	
	31st March, 2022	31st March, 2021
<b>Options as at 1st April</b>	-	-
Options granted during the year	4,62,000	-
Options forfeited during the year	-	-
Options exercised during the year	-	-
<b>Options outstanding as at 31st March</b>	<b>4,62,000</b>	-
<b>Number of option exercisable at the end of the year</b>	-	-

The fair value of options has been determined at the date of grant of the options. This fair value, adjusted by the Company's estimate of the number of options that will eventually vest, is expensed over the vesting period.

The fair values were calculated using the Black-Scholes Model for tenure based awards. The inputs to the model include the share price at date of grant, exercise price, expected life, expected volatility, expected dividends and the risk free rate of interest. Expected volatility has been calculated using historical return on share price. All options are assumed to be exercised within 2.51 years from the date of respective vesting.

**Basic features of New ESOS 2020**

Particulars	New ESOS 2020
Date of Shareholder's Approval	29th September, 2020
Number of Options granted	4,62,000
Vesting Requirements	Options under NEW ESOS 2020 would Vest within maximum of 5 (five) years from the date of grant of Options. Vesting of Options would be subject to continued employment with the Company, its Holding Company or Subsidiary Company, as the case may be and thus the Options would vest essentially on passage of time.
The pricing Formula	The exercise price shall be market price of share or discount upto 10% or premium upto 10% to the market price, as may be decided by Nomination and Remuneration Committee from time to time. "Market Price" means the latest available closing price on the Stock Exchange having higher trading volume in the equity shares of the Company on the date immediately prior to the date of grant.
Maximum Term of options granted	8 years (Vesting period + Exercise Period)
Method of Settlements	Equity Settled
Sources of Shares	Primary issuance of shares
Variation in terms of ESOP	Shareholders of the Company at their last AGM held on 26th August, 2021 had approved modification to the NEW ESOS 2020 pursuant to which maximum vesting period has been revised from 3 years to 5 years. Options granted under NEW ESOS 2020 would vest after 1 (one) year but not later than 5 (five) years from the date of grant of options as may be determined by the Nomination and Remuneration Committee.
Method of Accounting	Fair Value Method

**BOROSIL LIMITED****Notes to the consolidated financial statements for the year ended 31st March, 2022**

Accordingly, the assumptions used in the calculations of original grant date fair value of the options are set out below:

Particulars	New ESOS 2020 (Grant date - 27.05.2021)
Number of Options granted	4,62,000
Exercise Price	Rs. 221.00
Share Price at the date of grant	Rs. 245.30
Vesting Period	1) 33% of the option on completion of 1 year from the grant date i.e. 27.05.2021 2) 33% of the option on completion of 2 year from the grant date i.e. 27.05.2021 3) 34% of the option on completion of 3 year from the grant date i.e. 27.05.2021
Expected Volatility	25.00%
Expected option life	2.51 years
Expected dividends	0.40%
Risk free interest rate	4.13%
Fair value per option granted	1) Rs. 49.17 for vesting of shares on completion of 1 year from grant date 2) Rs. 62.31 for vesting of shares on completion of 2 year from grant date 3) Rs. 74.23 for vesting of shares on completion of 3 year from grant date

The Company has recognized total expenses of Rs. 136.11 lakhs (Previous year Rs. Nil) related to above equity settled share-based payment transactions for the year ended 31st March, 2022. During the year, out of 4,62,000 options granted, 43,000 options were granted to the employees of the Klass Pack Limited ('KPL/Subsidiary Company').

**42.3 Employee Stock Option Scheme of Borosil Renewables Limited (BRL)**

The Company recognized total expenses of Rs. Nil (Previous Year Rs. 26.81 lakhs) related to equity settled share-based payment transactions for the year ended 31st March, 2022 with respect to stock options granted by BRL to the employees of the Company, who were transferred from BRL to the Company pursuant to the Composite Scheme as approved by the Hon'ble NCLT vide its order dated 15th January 2020. The liability recognised on account of this will be paid to BRL upon exercise of the options by such employees. Total outstanding amount to be payable on account of pending exercise is Rs. 4.65 lakhs as at 31st March, 2022.

**42.4 Borosil Technologies Limited (BTL) - Employee Stock Option Scheme 2019 ("ESOS 2019")**

BTL had introduced a Borosil Technologies Limited - Employee Stock Option Scheme 2019 ("ESOS 2019"), which was approved by the shareholders of BTL in their meeting held on 29th November, 2019, to provide equity settled tenure based stock options to its specific employees. The Board of Directors of BTL had granted 3,15,957 options to an employees on 31st January, 2020. The exercise price of the option was Rs. 10 per share and the exercise period was 5 years from the date of vesting of respective options. The vesting schedule of the options granted was 33%, 33% and 34% of the granted options after completion of 1st year, 2nd year and 3rd year respectively from the date of grant of options.

During the current year, the said employee has surrendered the option granted to him and BTL has withdrawn the scheme. Accordingly, BTL has reversed the entire share based payment reserve of Rs. 4.29 lakhs and transferred it to retained earnings during the year ended 31st March, 2022.

The details of stock options for the year ended 31st March 2022 and 31st March 2021 is presented below:

Particulars	ESOS 2019	
	31st March, 2022	31st March, 2021
<b>Options as at 1st April</b>	<b>3,15,957</b>	<b>3,15,957</b>
Options granted during the year	-	-
Options withdrawn during the year	(3,15,957)	-
Options forfeited during the year	-	-
Options exercised during the year	-	-
<b>Options outstanding as at 31st March</b>	<b>-</b>	<b>3,15,957</b>
<b>Number of option exercisable at the end of the year</b>	<b>-</b>	<b>1,05,308</b>

**Note 43 - Provisions**

Disclosures as required by Ind AS 37 Provisions, Contingent Liabilities and Contingent Assets:

Movement in provisions:

Nature of provision	Provision for		Total
	Doubtful Deposits and Advances	Provision for Credit Impaired	
<b>As at 1st April, 2020</b>	<b>179.74</b>	<b>285.90</b>	<b>465.64</b>
Provision during the year	1.03	213.35	214.38
Reversal of Provision	-	(58.32)	(58.32)
<b>As at 1st April, 2021</b>	<b>180.77</b>	<b>440.93</b>	<b>621.70</b>
Provision during the year	6.00	61.17	67.17
Reversal of Provision	(1.03)	(44.59)	(45.62)
<b>As at 31st March, 2022</b>	<b>185.74</b>	<b>457.51</b>	<b>643.25</b>



## Note 44 - Segment reporting

## 44.1 Information about primary segment:

The Group has identified following three reportable segments as primary segment. Segments have been identified and reported taking into account nature of products and services, the differing risks and returns and the internal business reporting systems.

a) **Scientificware:** Comprising of manufacturing and trading of items used in laboratories, scientific ware and pharmaceutical packaging.

b) **Consumerware:** Comprising of manufacturing and trading of items for domestic use.

c) **Investments:** Comprising of investment activities. As the investments are not held as stock in trade, the income from investment activities has not been considered as segment revenue and accordingly not disclosed.

## 44.2 Segment revenue, results, assets and liabilities:

Revenue and results have been identified to a segment on the basis of relationship to operating activities of the segment. Revenue and expenses which is related to enterprise as a whole and are not allocable to a segment on reasonable basis have been disclosed as "Unallocable".

Segment assets and segment liabilities represent assets and liabilities in respective segments. Segment assets include all operating assets used by the operating segment and mainly includes trade receivable, inventories and other receivables. Segment liabilities primarily include trade payables and other liabilities. Common assets and liabilities which cannot be allocated to any of the segments are shown as a part of unallocable assets and liabilities.

44.3 The chief operational decision maker monitors the operating results of its Business Segments separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on profit or loss and is measured consistently with profit or loss in the financial statements. Operating segment have been identified on the basis of the nature of products / services and have been identified as per the quantitative criteria specified in Ind AS.

## 44.4 Segmental Information as at and for the year ended 31st March, 2022 is as follows:

	(Rs. in lakhs)				
Particulars	Scientificware	Consumerware	Investments	Unallocated	Grand Total
<b>Revenue from operation</b>					
Revenue from external sales	26,686.01	57,300.15	-	-	83,986.16
Inter segment sales	-	-	-	-	-
<b>Total Revenue from operation</b>	<b>26,686.01</b>	<b>57,300.15</b>	<b>-</b>	<b>-</b>	<b>83,986.16</b>
<b>Segment Results</b>	<b>5,053.50</b>	<b>7,290.61</b>	<b>1,365.40</b>	<b>-</b>	<b>13,709.51</b>
Depreciation and amortisation expenses	-	-	-	(323.71)	(323.71)
Finance costs	-	-	-	(111.63)	(111.63)
Exceptional Items (Refer Note 38)	-	-	-	(1,121.17)	(1,121.17)
Other unallocable Income (net)	-	-	-	48.28	48.28
<b>Profit before tax</b>	<b>5,053.50</b>	<b>7,290.61</b>	<b>1,365.40</b>	<b>(1,508.23)</b>	<b>12,201.28</b>
Income tax and deferred tax	-	-	-	3,678.23	3,678.23
<b>Net Profit for the Year</b>	<b>5,053.50</b>	<b>7,290.61</b>	<b>1,365.40</b>	<b>(5,186.46)</b>	<b>8,523.05</b>

	(Rs. in lakhs)				
Particulars	Scientificware	Consumerware	Investments	Unallocated	Grand Total
<b>Segment Assets</b>	<b>22,264.00</b>	<b>33,547.02</b>	<b>20,354.69</b>	<b>-</b>	<b>76,165.71</b>
Corporate property, plant and equipment including asset held for sale	-	-	-	8,907.92	8,907.92
Art works	-	-	-	240.80	240.80
Income tax and deferred tax	-	-	-	877.58	877.58
Goodwill	-	-	-	6,767.07	6,767.07
Other unallocated corporate assets	-	-	-	2,730.43	2,730.43
<b>Total Assets</b>	<b>22,264.00</b>	<b>33,547.02</b>	<b>20,354.69</b>	<b>19,523.80</b>	<b>95,689.51</b>

**BOROSIL LIMITED**
**Notes to the consolidated financial statements for the year ended 31st March, 2022**

<b>Segment Liabilities</b>	<b>5,432.12</b>	<b>9,163.08</b>	<b>54.92</b>	<b>-</b>	<b>14,650.12</b>
Income tax and deferred tax	-	-	-	2,574.35	<b>2,574.35</b>
Other unallocated corporate liabilities	-	-	-	139.98	<b>139.98</b>
<b>Total Liabilities</b>	<b>5,432.12</b>	<b>9,163.08</b>	<b>54.92</b>	<b>2,714.33</b>	<b>17,364.45</b>

**Other Disclosures**

Capital expenditure	2,709.66	5,688.78	-	264.26	<b>8,662.70</b>
Depreciation and amortisation expenses	957.91	2,101.85	-	323.71	<b>3,383.47</b>
Other Non-cash expenditure	28.13	81.29	-	474.67	<b>584.09</b>

**44.5 Segmental Information as at and for the year ended 31st March, 2021 is as follows:**

	(Rs. in lakhs)				
Particulars	Scientificware	Consumerware	Investments	Unallocated	Grand Total
<b>Revenue from operation</b>					
Revenue from external sales	19,997.88	38,479.05	-	-	<b>58,476.93</b>
Inter segment sales	-	-	-	-	-
<b>Total Revenue from operation</b>	<b>19,997.88</b>	<b>38,479.05</b>	<b>-</b>	<b>-</b>	<b>58,476.93</b>
<b>Segment Results</b>	<b>3,175.78</b>	<b>2,776.56</b>	<b>930.63</b>	<b>-</b>	<b>6,882.97</b>
Depreciation and amortisation expenses	-	-	-	(453.47)	<b>(453.47)</b>
Finance costs	-	-	-	(241.69)	<b>(241.69)</b>
Other unallocable expenses	-	-	-	(63.87)	<b>(63.87)</b>
<b>Profit before tax</b>	<b>3,175.78</b>	<b>2,776.56</b>	<b>930.63</b>	<b>(759.03)</b>	<b>6,123.94</b>
Income tax and deferred tax	-	-	-	1,888.39	<b>1,888.39</b>
<b>Net Profit for the Year</b>	<b>3,175.78</b>	<b>2,776.56</b>	<b>930.63</b>	<b>(2,647.42)</b>	<b>4,235.55</b>

	(Rs. in lakhs)				
Particulars	Scientificware	Consumerware	Investments	Unallocated	Grand Total
<b>Segment Assets</b>	<b>19,029.49</b>	<b>25,779.09</b>	<b>24,548.22</b>	<b>-</b>	<b>69,356.80</b>
Corporate property, plant and equipment	-	-	-	8,324.40	<b>8,324.40</b>
Art works	-	-	-	240.80	<b>240.80</b>
Income tax and deferred tax	-	-	-	999.18	<b>999.18</b>
Goodwill	-	-	-	6,767.07	<b>6,767.07</b>
Other unallocated corporate assets	-	-	-	571.95	<b>571.95</b>
<b>Total Assets</b>	<b>19,029.49</b>	<b>25,779.09</b>	<b>24,548.22</b>	<b>16,903.40</b>	<b>86,260.20</b>
<b>Segment Liabilities</b>	<b>5,194.26</b>	<b>7,166.13</b>	<b>85.41</b>	<b>-</b>	<b>12,445.80</b>
Borrowings	-	-	-	726.96	<b>726.96</b>
Income tax and deferred tax	-	-	-	1,822.31	<b>1,822.31</b>
Other unallocated corporate liabilities	-	-	-	503.51	<b>503.51</b>
<b>Total Liabilities</b>	<b>5,194.26</b>	<b>7,166.13</b>	<b>85.41</b>	<b>3,052.78</b>	<b>15,498.58</b>
<b>Other Disclosures</b>					
Capital expenditure	677.25	1,415.33	-	192.78	<b>2,285.36</b>
Depreciation and amortisation expenses	1,072.87	2,021.46	-	453.48	<b>3,547.81</b>
Other Non-cash expenditure	19.70	194.68	-	-	<b>214.38</b>

**BOROSIL LIMITED****Notes to the consolidated financial statements for the year ended 31st March, 2022****44.6 Revenue from external sales**

<b>Particulars</b>	<b>(Rs. in lakhs)</b>	
	<b>For the year ended 31st March, 2022</b>	<b>For the year ended 31st March, 2021</b>
India	78,902.72	55,041.81
Outside India	5,083.44	3,435.12
<b>Total Revenue as per consolidated statement of profit and loss</b>	<b>83,986.16</b>	<b>58,476.93</b>

**44.7 Non-current assets:**

The following is details of the carrying amount of non-current assets, which do not include deferred tax assets, income tax assets, financial assets and Goodwill, by the geographical area in which the assets are located:

<b>Particulars</b>	<b>(Rs. in lakhs)</b>	
	<b>As at 31st March, 2022</b>	<b>As at 31st March, 2021</b>
India	27,656.98	29,420.67
Outside India	122.88	179.13
<b>Total</b>	<b>27,779.86</b>	<b>29,599.80</b>

**44.8** Revenue of Rs. Nil (Previous year Rs. 6,277.74 lakhs) from a customer represents more than 10% of the Group's revenue for the year ended 31st March, 2022.

**BOROSIL LIMITED****Notes to the consolidated financial statements for the year ended 31st March, 2022****Note 45 - Related party disclosure**

In accordance with the requirements of Ind AS 24, "Related Party Disclosures", name of the related party, related party relationship, transactions and outstanding balances including commitments where control exists and with whom transactions have taken place during reported periods, are as detail below:

**45.1 List of Related Parties:****(a) Key Management Personnel**

Mr. Shreevar Kheruka – Managing Director & Chief Executive Officer  
 Mr. Rajesh Kumar Chaudhary - Whole-time Director  
 Mr. Anand Sultania - Chief Financial Officer  
 Mr. Manoj Dere - Company Secretary (upto 12.11.2021)  
 Mrs. Anshu Agarwal - Company Secretary (w.e.f. 12.11.2021)

**(b) Relative of Key Management Personnel**

Late Mr. B.L.Kheruka (Expired on 12th December, 2021) - Relative of Mr. Shreevar Kheruka.  
 Mr. P.K.Kheruka - Relative of Mr. Shreevar Kheruka.  
 Mrs. Priyanka Kheruka - Relative of Mr. Shreevar Kheruka.  
 Mrs. Kiran Kheruka - Relative of Mr. Shreevar Kheruka.  
 Mrs. Rekha Kheruka - Relative of Mr. Shreevar Kheruka.

**(c) Enterprises over which persons described in (a) & (b) above are able to exercise significant influence (Other Related Parties) with whom transactions have taken place:**

Sonargaon Properties LLP  
 Windows Glass Limited  
 Borosil Renewables Limited  
 Cycas Trading LLP  
 Croton Trading Private Limited  
 Gujarat Fusion Glass LLP  
 Spartan Trade Holdings LLP  
 Associated Fabricators LLP  
 Borosil Holdings LLP

**(d) Trust under Common control**

Name of the entity	Country of incorporation	Principal Activities
Borosil Limited Employees Gratuity Fund	India	Company's employee gratuity trust
Borosil Limited Management Employees Pension Fund	India	Company's employee superannuation trust

**45.2 Transactions with Related Parties:**

Name of Transactions	Name of the Related Party	2021-22	2020-21
Sale of Goods	Borosil Renewables Limited	11.62	15.81
Purchase of Goods	Borosil Renewables Limited	-	0.50
Rent Income	Borosil Renewables Limited	13.20	13.20
	Window Glass Limited	0.95	0.16
Rent Expenses	Sonargaon Properties LLP	15.28	9.40
	Cycas Trading LLP	2.64	1.54
Reimbursement of expenses to	Borosil Renewables Limited	-	4.26
Reimbursement of expenses from	Borosil Renewables Limited	30.29	5.58
Professional Fees Paid	Mrs. Priyanka Kheruka	28.80	20.44
Directors Sitting Fees	Mr. P. K. Kheruka	5.70	5.00
Commission to Non-Executive Directors	Mr. P. K. Kheruka	12.00	10.00
Remuneration of Key Management Personnel	Mr. Shreevar Kheruka	641.68	403.76
	Mr. Rajesh Kumar Chaudhary	119.53	103.29
	Ms. Manoj Dere	20.44	31.50
	Mr. Anand Sultania	42.37	29.86
	Mrs. Anshu Agarwal	23.80	-
Dividend Paid	Mr. P. K. Kheruka	132.34	-
	Mrs. Kiran Kheruka	164.02	-
	Mr. Shreevar Kheruka	19.52	-
	Mrs. Rekha Kheruka	164.32	-
	Late Mr. Bajrang Lal Kheruka	138.68	-
	Croton Trading Private Limited	130.87	-
	Gujarat Fusion Glass LLP	31.36	-
	Spartan Trade Holdings LLP	11.47	-
	Associated Fabricators LLP	2.34	-
	Borosil Holdings LLP	9.18	-
	Sonargaon Properties LLP (Rs. 18)	0.00	-
Share Based Payment	Mr. Rajesh Kumar Chaudhary	-	76.05
	Mr. Anand Sultania	6.78	-
Contribution towards Gratuity Fund	Borosil Limited Employees Gratuity Fund	306.54	1.00
Contribution towards Superannuation Fund	Borosil Limited Management Employees Pension Fund	-	3.25

**BOROSIL LIMITED****Notes to the consolidated financial statements for the year ended 31st March, 2022**

Name of Transactions	Name of the Related Party	(Rs. in lakhs)	
		As at 31st March, 2022	As at 31st March, 2021
Trade Receivable	Borosil Renewables Limited	-	1.55
Current Financial Assets - Others	Borosil Renewables Limited	2.29	2.29
Current Financial Liabilities - Others	Borosil Renewables Limited	4.65	23.58

**45.3 Compensation to key management personnel of the Group**

(Rs. in lakhs)

Nature of transaction	2021-22	2020-21
Short-term employee benefits	860.87	653.86
Post-employment benefits	1.42	3.17
<b>Total compensation paid to key management personnel</b>	<b>862.29</b>	<b>657.03</b>

**45.4** The transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at year-end are unsecured, unless specified and settlement occurs in cash. This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

**Note 46 - Fair Values****46.1 Financial Instruments by category:**

Set out below is a comparison by class of the carrying amounts and fair value of the Group's financial assets and liabilities that are recognised in the financial statements.

**a) Financial Assets measured at fair value:**

(Rs. in lakhs)

Particulars	As at 31st March, 2022	As at 31st March, 2021
<b>Financial Assets designated at fair value through profit or loss:</b>		
- Investments	19,692.50	24,518.98

**b) Financial Assets / Liabilities measured at amortised cost:**

(Rs. in lakhs)

Particulars	As at 31st March, 2022		As at 31st March, 2021	
	Carrying Value	Fair Value	Carrying Value	Fair Value
<b>Financial Assets designated at amortised cost:</b>				
- Trade Receivables	7,430.91	7,430.91	6,636.38	6,636.38
- Cash and cash equivalents	2,254.07	2,254.07	652.30	652.30
- Bank Balances other than cash and cash equivalents	609.80	609.80	107.09	107.09
- Loans	1,571.43	1,571.43	77.60	77.60
- Others	1,094.57	1,094.57	910.60	910.60
<b>Total</b>	<b>12,960.78</b>	<b>12,960.78</b>	<b>8,383.97</b>	<b>8,383.97</b>
<b>Financial Liabilities designated at amortised cost:</b>				
- Borrowings	-	-	726.96	726.96
- Lease Liabilities	119.06	119.06	124.48	124.48
- Trade Payables	5,709.78	5,709.78	5,163.55	5,163.55
- Other Financial Liabilities	6,951.45	6,951.45	5,463.40	5,463.40
<b>Total</b>	<b>12,780.29</b>	<b>12,780.29</b>	<b>11,478.39</b>	<b>11,478.39</b>

**46.2 Fair Valuation techniques used to determine fair value**

The Group maintains procedures to value financial assets or financial liabilities using the best and most relevant data available. The fair values of the financial assets and liabilities are included at the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The following methods and assumptions were used to estimate the fair values:

- Fair value of trade receivable, cash and cash equivalents, other bank balances, trade payables, loans, borrowings, deposits and other financial assets and liabilities are approximate at their carrying amounts largely due to the short-term maturities of these instruments.
- The fair values of non-current loan, borrowings, fixed deposits, security deposits are approximate at their carrying amount due to interest bearing features of these instruments.
- The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.
- Fair values of quoted financial instruments are derived from quoted market prices in active markets.
- The fair value for level 3 instruments is valued using inputs based on information about market participants assumptions and other data that are available.
- The fair value of the remaining financial instruments is determined using discounted cash flow analysis and/or direct sales comparison approach.

**46.3 Fair value hierarchy**

The Group uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation techniques:

- Level 1** :- Quoted prices / published NAV (unadjusted) in active markets for identical assets or liabilities. It includes fair value of financial instruments traded in active markets and are based on quoted market prices at the balance sheet date and financial instruments like mutual funds for which net assets value (NAV) is published by mutual fund operators at the balance sheet date.
- Level 2** :- Inputs, other than quoted prices included within level 1, that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices). It includes fair value of the financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined by using valuation techniques. These valuation techniques maximise the use of observable market data where it is available and rely as little as possible on the Company specific estimates. If all significant inputs required to fair value an instrument are observable then instrument is included in level 2.
- Level 3** :- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs). If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

**BOROSIL LIMITED**
**Notes to the consolidated financial statements for the year ended 31st March, 2022**

The following table provides hierarchy of the fair value measurement of Group's asset and liabilities, grouped into Level 1 (Quoted prices in active markets), Level 2 (Significant observable inputs) and Level 3 (Significant unobservable inputs) as described below:

Particulars	(Rs. in lakhs)		
	As at 31st March, 2022		
	Level 1	Level 2	Level 3
<b>Financial Assets designated at fair value through profit or loss:</b>			
- Listed debentures*	-	5,523.21	-
- Mutual funds	10,049.61	-	-
- Alternative Investment Funds**	-	3,962.26	-
- Unlisted equity investments	-	-	3.70
- Unlisted bonds and debentures	-	153.72	-
<b>Total</b>	<b>10,049.61</b>	<b>9,639.19</b>	<b>3.70</b>

Particulars	(Rs. in lakhs)		
	As at 31st March, 2021		
	Level 1	Level 2	Level 3
<b>Financial Assets designated at fair value through profit or loss:</b>			
- Listed debentures*	-	305.74	-
- Mutual funds	19,324.71	-	-
- Alternative Investment Funds**	-	3,335.10	-
- Venture Capital Funds**	-	1,342.67	-
- Unlisted equity investments	-	-	3.72
- Unlisted bonds and debentures	-	207.04	-
<b>Total</b>	<b>19,324.71</b>	<b>5,190.55</b>	<b>3.72</b>

\* Listed debentures are classified as Level 2 in the absence of active market for such investments.

\*\* The Group invests in various venture capital funds and alternative investment funds and these funds further invests into various companies. Group has considered the fair value on the basis of valuation provided by respective funds.

There were no transfers between Level 1 and Level 2 during the year.

**46.4 Description of the inputs used in the fair value measurement:**

Following table describes the valuation techniques used and key inputs to valuation for level 3 of the fair value hierarchy as at 31st March, 2022 and 31st March, 2021 respectively:

Particulars	As at 31st March, 2022	Valuation Technique	Inputs used	(Rs. in lakhs)
				Sensitivity
<b>Financial Assets designated at fair value through profit or loss:</b>				
- Unlisted equity investments	3.70	Book Value	Financial statements	No material impact on fair valuation

Particulars	As at 31st March, 2021	Valuation Technique	Inputs used	(Rs. in lakhs)
				Sensitivity
<b>Financial Assets designated at fair value through profit or loss:</b>				
- Unlisted equity investments	3.72	Book Value	Financial statements	No material impact on fair valuation

**46.5 Reconciliation of fair value measurement categorised within level 3 of the fair value hierarchy:**

Financial Assets designated at fair value through profit or loss - Investments.

Particulars	(Rs. in lakhs)
<b>Fair value as at 1st April, 2020</b>	<b>3.82</b>
Gain / (Loss) on financial instruments measured at fair value through profit or loss (net)	(0.10)
Purchase / (Sale) of financial instruments	-
Amount transferred to / (from) Level 3	-
<b>Fair value as at 31st March, 2021</b>	<b>3.72</b>
Gain / (Loss) on financial instruments measured at fair value through profit or loss (net)	(0.02)
Purchase / (Sale) of financial instruments	-
Amount transferred to / (from) Level 3	-
<b>Fair value as at 31st March, 2022</b>	<b>3.70</b>

**BOROSIL LIMITED**
**Notes to the consolidated financial statements for the year ended 31st March, 2022**
**46.6 Description of the valuation processes used by the Group for fair value measurement categorised within level 3:**

At each reporting date, the Group analyses the movements in the values of financial assets and liabilities which are required to be remeasured or reassessed as per the accounting policies. For this analysis, the Group verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents.

The Group also compares the change in the fair value of each financial asset and liability with relevant external sources to determine whether the change is reasonable. The Group also discusses of the major assumptions used in the valuations.

For the purpose of fair value disclosures, the Group has determined classes of financial assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

**Note 47 :- Financial Risk Management - Objectives and Policies:**

The Group is exposed to market risk, credit risk and liquidity risk. Risk management is carried out by the Group under policies approved by the board of directors of respective Company. This Risk management plan defines how risks associated with the Group will be identified, analysed, and managed. It outlines how risk management activities will be performed, recorded, and monitored by the respective Company in the Group and provides templates and practices for recording and prioritising risks. The basic objective of risk management plan is to implement an integrated risk management approach to ensure all significant areas of risks are identified, understood and effectively managed, to promote a shared vision of risk management and encourage discussion on risks at all levels of the organization to provide a clear understanding of risk/benefit trade-offs, to deploy appropriate risk management methodologies and tools for use in identifying, assessing, managing and reporting on risks, and to determine the appropriate balance between cost and control of risk and deploy appropriate resources to manage/optimize key risks. Activities are developed to provide feedback to management and other interested parties (e.g. Audit committee, Board etc.). The results of these activities ensure that risk management plan is effective in the long term.

**47.1 Market risk**

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market prices comprise three types of risk: foreign currency rate risk, interest rate risk and other price risks, such as equity price risk and commodity risk. Financial instruments affected by market risk include loans and borrowings, deposits and investments.

The sensitivity analysis is given relate to the position as at 31st March 2022 and 31st March 2021.

The sensitivity analysis excludes the impact of movements in market variables on the carrying value of post-employment benefit obligations, provisions and on the non-financial assets and liabilities. The sensitivity of the relevant statement of profit and loss item is the effect of the assumed changes in the respective market risks. The Group's activities expose it to a variety of financial risks, including the effects of changes in foreign currency exchange rates and interest rates. This is based on the financial assets and financial liabilities held as at 31st March, 2022 and 31st March, 2021.

**(a) Foreign exchange risk and sensitivity**

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Group's exposure to the risk of changes in foreign exchange rates relates primarily to the Group's operating activities. The Group transacts business primarily in USD, EURO and AED. The Group has foreign currency trade payables, trade receivables and other current financial assets and is therefore, exposed to foreign exchange risk. The Group regularly reviews and evaluates exchange rate exposure arising from foreign currency transactions.

The following table demonstrates the sensitivity mainly in the USD, EURO and AED to the Indian Rupee with all other variables held constant. The impact on the Group's profit before tax due to changes in the fair values of monetary assets and liabilities is given below:

Unhedged Foreign currency exposure as at 31st March, 2022	Currency	Amount in FC	Rs. in lakhs
Trade Receivables	USD	3,65,989	275.90
Trade and Other Payables	USD	21,85,289	1,666.72
Trade and Other Payables	EURO	5,06,077	432.84
Other Current Financial Liabilities	EURO	1,47,589	126.23
Other Current Financial Assets	AED	41,257	8.62
Other Current Financial Assets	USD	600	0.45
Other Current Financial Assets	EURO	730	0.62
Other Current Financial Assets	Others- CNY,	CNY3,826,	0.46
	HKD	HKD 18	

Unhedged Foreign currency exposure as at 31st March, 2021	Currency	Amount in FC	Rs. in lakhs
Trade Receivables	USD	2,33,046	170.59
Trade Receivables	EURO	5,029	4.29
Trade and Other Payables	USD	7,50,218	556.27
Trade and Other Payables	EURO	6,42,416	559.79
Trade and Other Payables	AED	4,725	0.96
Other Current Financial Assets	AED	51,338	10.40
Other Current Financial Assets	USD	1,795	1.32
Other Current Financial Assets	EURO	799	0.68
Other Current Financial Assets	Others- CNY,	CNY3,826,	0.64
	HKD, BHAT	HKD288,	
		BHAT7,820	

1% increase or decrease in foreign exchange rates will have the following impact on profit before tax (PBT):

Particulars	(Rs. in lakhs)			
	2021-22		2020-21	
	1% Increase	1% Decrease	1% Increase	1% Decrease
USD	(13.90)	13.90	(3.84)	3.84
EURO	(4.32)	4.32	(5.55)	5.55
AED	0.09	(0.09)	0.09	(0.09)
Others	-	-	0.01	(0.01)
<b>Increase / (Decrease) in profit before tax</b>	<b>(18.13)</b>	<b>18.13</b>	<b>(9.29)</b>	<b>9.29</b>

**BOROSIL LIMITED****Notes to the consolidated financial statements for the year ended 31st March, 2022****b) Interest rate risk and sensitivity:**

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group had long term borrowings in the form of term loan. Also, the Group had short term borrowings in the form of working capital loan. The Group was exposed to interest rate risk associated with term loan and working capital loan due to floating rate of interest. However, there is no interest rate risk at the end of the financial year, since Group has repaid the entire loan.

The table below illustrates the impact of a 2% increase in interest rates on interest on financial liabilities assuming that the changes occur at the reporting date and has been calculated based on risk exposure outstanding as of date. The year end balances are not necessarily representative of the average debt outstanding during the year. This analysis also assumes that all other variables, in particular foreign currency rates, remain constant.

Particulars	(Rs. in lakhs)			
	2021-22		2020-21	
	2% Increase	2% Decrease	2% Increase	2% Decrease
Term Loan	-	-	(2.54)	2.54
Working Capital Loan	-	-	(12.00)	12.00
<b>Increase / (Decrease) in profit before tax</b>	<b>-</b>	<b>-</b>	<b>(14.54)</b>	<b>14.54</b>

The assumed movement in basis points for interest rate sensitivity analysis is based on the currently observable market environment at that time.

**c) Commodity price risk:**

The Group is exposed to the movement in price of key traded materials in domestic and international markets. The Group has a robust framework and governance mechanism in place to ensure that the organisation is adequately protected from the market volatility in terms of prices and availability.

**d) Equity price risk:**

The Group does not have any exposure towards equity securities price risk arises from investments held by the company.

**47.2 Credit risk**

Credit risk is the risk that a counter party will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Group is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and other financial instruments.

The Group considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis through each reporting period. To assess whether there is a significant increase in credit risk, the Group compares the risk of default occurring on asset as at the reporting date with the risk of default as at the date of initial recognition. It considers reasonable and supportive forwarding-looking information such as:

- Actual or expected significant adverse changes in business,
- Actual or expected significant changes in the operating results of the counterparty,
- Financial or economic conditions that are expected to cause a significant change to the counterparty's ability to meet its obligations,
- Significant increase in credit risk on other financial instruments of the same counterparty,
- Significant changes in the value of the collateral supporting the obligation or in the quality of the third-party guarantees or credit enhancements.

Financial assets are written off when there is no reasonable expectation of recovery, such as a debtor failing to engage in a repayment plan with the Group. Where loans or receivables have been written off, the Group continues to engage in enforcement activity to attempt to recover the receivable due. Where recoveries are made, these are recognized as income in the consolidated statement of profit and loss. The Group measures the expected credit loss of trade receivables based on historical trend, industry practices and the business environment in which the entity operates. Loss rates are based on actual credit loss experience and past trends. Based on the historical data, loss on collection of receivable is not material hence no additional provision considered.

**a) Trade Receivables:**

The Group extends credit to customers in normal course of business. The Group considers factors such as credit track record in the market and past dealings with the Group for extension of credit to customers. The Group monitors the payment track record of the customers. Outstanding customer receivables are regularly monitored. The Group evaluates the concentration of risk with respect to trade receivables as low, as its customers are located in several jurisdictions and industries and operate in largely independent markets. The Group has also taken security deposits in certain cases from its customers, which mitigate the credit risk to some extent. Further, the Group has policy of provision for doubtful debts. Revenue of Rs. Nil (Previous year Rs. 6,277.74 lakhs) from a customer represents more than 10% of the Group revenue for the year ended 31st March, 2022. The Group does not expect any material risk on account of non-performance by any of the Group's counterparties.

The Group has used practical expedient by computing the expected credit loss allowance for trade receivables based on provision matrix. The provision matrix taken into account historical credit loss experience and adjusted for forward looking information. The expected credit loss allowance is based on ageing of the days the receivables are due.

The following table summarizes the Gross carrying amount of the trade receivable and provision made.

Particulars	(Rs. in lakhs)			
	As at 31st March, 2022		As at 31st March, 2021	
	Gross Carrying Amount	Loss Allowance	Gross Carrying Amount	Loss Allowance
Trade Receivable	7,888.44	457.53	7,077.31	440.93

**b) Financial instruments and cash deposits:**

The Group considers factors such as track record, size of the institution, market reputation and service standards to select the banks with which balances are maintained. Credit risk from balances with bank is managed by the respective Company's finance department. Investment of surplus funds are also managed by finance department. The Group does not maintain significant cash in hand. Excess balance of cash other than those required for its day to day operations is deposited into the bank.

For other financial instruments, the finance department assesses and manage credit risk based on internal assessment. Internal assessment is performed for each class of financial instrument with different characteristics.

**47.3 Liquidity risk**

Liquidity risk is the risk that the Group may not be able to meet its present and future cash and collateral obligations without incurring unacceptable losses. The Group's objective is to, at all times, maintain optimum levels of liquidity to meet its cash and collateral requirements. The Group relies operating cash flows and short term borrowings in the form of working capital loan to meet its needs for funds. Group does not breach any covenants (where applicable) on any of its borrowing facilities. The Group has access to a sufficient variety of sources of funding as per requirement. The Company has also the sanctioned limit from the banks.



**BOROSIL LIMITED****Notes to the consolidated financial statements for the year ended 31st March, 2022**

The table below provides undiscounted cash flows towards financial liabilities into relevant maturity based on the remaining period at the balance sheet to the contractual maturity date.

Particulars	On demand	Maturity				(Rs. in lakhs)
		0 - 3 Months	3 - 6 Months	6 - 12 months	More than 1	Total
		year				
<b>As at 31st March, 2022</b>						
Lease Liabilities	-	0.16	0.16	0.33	118.41	<b>119.06</b>
Trade Payables	-	5,709.78	-	-	-	<b>5,709.78</b>
Other Financial Liabilities	-	6,743.75	-	207.70	-	<b>6,951.45</b>
<b>Total</b>	<b>-</b>	<b>12,453.69</b>	<b>0.16</b>	<b>208.03</b>	<b>118.41</b>	<b>12,780.29</b>
<b>As at 31st March, 2021</b>						
Non-current Borrowings	-	-	-	-	59.94	<b>59.94</b>
Lease Liabilities	-	4.98	0.15	0.30	119.05	<b>124.48</b>
Current borrowings	600.00	16.80	16.74	33.48	-	<b>667.02</b>
Trade Payables	-	5,163.55	-	-	-	<b>5,163.55</b>
Other Financial Liabilities	-	4,964.37	380.00	119.03	-	<b>5,463.40</b>
<b>Total</b>	<b>600.00</b>	<b>10,149.70</b>	<b>396.89</b>	<b>152.81</b>	<b>178.99</b>	<b>11,478.39</b>

**47.4 Competition and price risk**

The Group faces competition from local and foreign competitors. Nevertheless, it believes that it has competitive advantage in terms of high quality products and by continuously upgrading its expertise and range of products to meet the needs of its customers.

**Note 48: Impairment testing of Goodwill**

**48.1** Goodwill of Rs. 5,931.84 lakhs is recognised on account of composite scheme of amalgamation and arrangement and Rs. 835.23 lakhs is recognised on account of first time consolidation.

**48.2** Goodwill is tested for impairment on annual basis and whenever there is an indication that the recoverable amount of a cash generating unit (CGU) is less than its carrying amount based on a number of factors including business plan, operating results, future cash flows and economic conditions. The recoverable amount of cash generating units is determined based on higher of value in use and fair value less cost to sell. For the purpose of impairment testing, goodwill is allocated to a CGU representing the lowest level within the Group at which Goodwill is monitored for internal management purposes, and which is not higher than the Group's operating segment.

**48.3 Goodwill is allocated to the following CGU for impairment testing purpose**

Particulars	(Rs. in lakhs)	
	As at 31st March, 2022	As at 31st March, 2021
Goodwill relating to Consumerware	1,815.14	1,815.14
Goodwill relating to Scientificware	4,951.93	4,951.93
<b>Total</b>	<b>6,767.07</b>	<b>6,767.07</b>

**48.4** The Group uses discounted cash flow methods to determine the recoverable amount. These discounted cash flow calculations use five year projections that are based on financial forecasts. Cash flow projections take into account past experience and represent management's best estimate about future developments.

**48.5** Management estimates discount rates using pre-tax rates that reflect current market assessments of the risks specific to the CGU, taking into consideration the time value of money and individual risks of the underlying assets that have not been incorporated in the cash flow estimates. The discount rate calculation is based on the specific circumstances of the Company and its operating segments and is derived from its weighted average cost of capital (WACC).

**BOROSIL LIMITED****Notes to the consolidated financial statements for the year ended 31st March, 2022****Note 49: Leases**

As per Ind AS 116 'Leases', the disclosures of lease are given below:

(i) Following are the amounts recognised in Consolidated Statement of Profit & Loss:

Particulars	(Rs. in lakhs)	
	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Depreciation expense for right-of-use assets	10.51	27.66
Interest expense on lease liabilities	10.22	5.38
<b>Total amount recognised</b>	<b>20.73</b>	<b>33.04</b>

(ii) The following is the movement in lease liabilities during the year:

Particulars	(Rs. in lakhs)	
	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Opening Balance	124.48	32.05
Addition during the year (on adoption of Ind AS 116)	-	119.83
Finance cost accrued during the year	10.22	5.38
Interest on security deposit	(0.26)	(1.05)
Payment of lease liabilities	-15.38	(31.73)
<b>Closing Balance</b>	<b>119.06</b>	<b>124.48</b>

(iii) The following is the contractual maturity profile of lease liabilities:

Particulars	(Rs. in lakhs)	
	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Less than one year	0.65	5.43
One year to five years	8.34	6.13
More than five years	110.07	112.92
<b>Closing Balance</b>	<b>119.06</b>	<b>124.48</b>

(iv) Lease liabilities carry an effective interest rate is in the range of 8.50% - 10%. The average lease term is in the range of 3-20 years.

**Note 50: Capital Management**

For the purpose of Group's capital management, capital includes issued capital, all other equity reserves and debts. The primary objective of the Group's capital management is to maximise shareholders value. The Group manages its capital structure and makes adjustments in the light of changes in economic environment and the requirements of the financial covenants.

The Group monitors capital using gearing ratio, which is net debt divided by total capital (equity plus net debt). Net debt are non-current and current debts as reduced by cash and cash equivalents and current investments. Equity comprises all components including other comprehensive income.

Particulars	(Rs. in lakhs)	
	As at 31st March, 2022	As at 31st March, 2021
Total Debt	-	726.96
Less:- Cash and cash equivalent	2,254.07	652.30
Less:- Current Investments	15,726.55	19,837.49
<b>Net Debt</b>	<b>-</b>	<b>-</b>
<b>Total Equity (Equity Share Capital plus Other Equity)</b>	<b>76,722.80</b>	<b>69,475.31</b>
<b>Total Capital (Total Equity plus net debt)</b>	<b>76,722.80</b>	<b>69,475.31</b>
<b>Gearing ratio</b>	<b>NA</b>	<b>NA</b>

**Note 51: Assets held for Sale**

51.1 Description of the assets held for sale	(Rs. in lakhs)	
	As at 31st March, 2022	As at 31st March, 2021
Property, Plant and Equipment - Land	1,419.87	-
Property, Plant and Equipment - Building	4,717.63	-
<b>Total</b>	<b>6,137.50</b>	<b>-</b>

51.2 On 12th November, 2021, the Board of Directors of the Company has decided to sell above mentioned assets and accordingly, these assets are classified as assets held for sale. The Company expects to dispose off them within a period of next one year and hence, the same have been disclosed as assets held for sale.

51.3 During the previous year, the Company had decided to re-transfer assets Rs. 9.11 lakhs from assets held for sale to Investment property considering the present market condition of real estate after making the best efforts to dispose of the same.

**BOROSIL LIMITED**
**Notes to the consolidated financial statements for the year ended 31st March, 2022**
**Note 52: Interests in other entities**
**52.1** The consolidation of financial statements of the Group includes subsidiaries listed in the table below:

Name	Principal Activities	Country of Incorporation	% equity interest	
			As at 31st March, 2022	As at 31st March, 2021
Klass Pack Limited	Manufacturer of Glass Ampoules and Tabular Glass Vials	India	82.49%	79.53%
Borosil Technologies Limited	Manufacturer of Scientific Instruments	India	100.00%	100.00%
Acalypha Realty Limited	Real estate business	India	100.00%	100.00%

**52.2 Non-controlling interests (NCI)**

Financial information of subsidiaries that have material non-controlling interests is provided below:

**Proportion of equity interest held by non-controlling interests:**

Name	Country of Incorporation	% equity interest	
		As at 31st March, 2022	As at 31st March, 2021
Klass Pack Limited	India	17.51%	20.47%

**Summarised financial Information:**

Summarised financial Information for each subsidiary that has non-controlling interest that are material to the Group. The amounts disclosed for each subsidiary are before inter-company eliminations.

Summarised Balance Sheet	(Rs. in lakhs)	
	Klass Pack Limited	
	As at 31st March, 2022	As at 31st March, 2021
Current assets	4,692.61	3,310.08
Current Liabilities	1,823.85	2,668.60
<b>Net current assets</b>	<b>2,868.76</b>	<b>641.48</b>
Non-current assets	6,547.08	5,957.22
Non-current liabilities	265.29	314.73
<b>Net non-current assets</b>	<b>6,281.79</b>	<b>5,642.49</b>
<b>Net assets</b>	<b>9,150.55</b>	<b>6,283.97</b>
<b>Accumulated NCI</b>	<b>1,602.26</b>	<b>1,286.31</b>

Summarised Statement of profit and loss	(Rs. in lakhs)	
	Klass Pack Limited	
	For the Year Ended 31st March, 2022	For the Year Ended 31st March, 2021
Revenue from operations	10,619.97	6,519.45
Profit / (Loss) for the year	856.75	122.74
Other Comprehensive income	9.83	1.57
<b>Total comprehensive income</b>	<b>866.58</b>	<b>124.31</b>
Profit / (Loss) allocated to NCI	<b>151.74</b>	<b>25.44</b>
Dividends paid to NCI	-	-

Summarised Statement of cash flow	(Rs. in lakhs)	
	Klass Pack Limited	
	For the Year Ended 31st March, 2022	For the Year Ended 31st March, 2021
Cash flow from / (used in) operating activities	921.95	652.91
Cash flow from / (used in) investing activities	(2,216.23)	(531.32)
Cash flow from / (used in) financing activities	1,234.12	(62.89)
<b>Net increase / (decrease) in cash and cash equivalents</b>	<b>(60.16)</b>	<b>58.70</b>

**BOROSIL LIMITED****Notes to the consolidated financial statements for the year ended 31st March, 2022****Note 53 Other Statutory Information:**

- i) There are no balance outstanding on account of any transaction with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.
- ii) The Group has not advanced or loaned or invested fund to any other persons or entities including foreign entities (intermediary) with the understanding (whether recorded in writing or otherwise) that intermediary shall :
  - a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (ultimate beneficiary) or
  - b) provided any guarantee, security or the like to or on behalf of the ultimate beneficiaries.
- iii) The Group has not received any fund from any person or entities including foreign entities (funding party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
  - a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the funding party (ultimate beneficiaries) or
  - b) provide any guarantee, security or the like on behalf of the ultimate beneficiaries.
- iv) The Group does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income tax Act, 1961.
- v) The Group is not declared wilful defaulter by any bank or financial institution or other lender.
- vi) There are no any charges or satisfaction thereof which are yet to be registered with ROC beyond the statutory period.

**Note 54 Disclosure on Composite Scheme of Arrangement and accounting as per Ind AS 103**

The Board of Directors at its meeting held on 7th February, 2022, has approved a Composite Scheme of Arrangement between the Company and Klass Pack Ltd ("KPL"), a subsidiary of the Company, and Borosil Technologies Ltd ("BTL"), a wholly owned subsidiary of the Company ("Scheme") inter alia for: (a) reduction and reorganisation of share capital of KPL; (b) demerger of Scientific and Industrial Product Business from the Company into KPL and consequent issue of shares by KPL; and (c) amalgamation of BTL with KPL. The Appointed Date for the Scheme is 1st April, 2022. The Scheme is subject to necessary statutory / regulatory approvals under applicable laws including approval of the Hon'ble National Company Law Tribunal.

**Note 55**

- 55.1** The Company has decided to exercise the option permitted under Section 115BAA of the Income-tax Act, 1961 as introduced by the Taxation Laws (Amendment) Ordinance, 2019 and accordingly, the Company has recognised the tax provision for the year ended 31st March, 2022 and remeasured the deferred tax assets/liabilities based on the rates prescribed in that section. The impact of this change has been recognised as tax expense.
- 55.2** The Finance Act 2021 has discontinued the depreciation allowance on goodwill from Financial Year 2020-21 onwards. This has resulted into onetime incremental deferred tax expense of Rs. 839.77 lakhs for the year ended 31st March, 2022.

**Note 56**

Previous year figures have been regrouped and rearranged wherever necessary.

**BOROSIL LIMITED**

Notes to the consolidated financial statements for the year ended 31st March, 2022

**Note 57 Additional Information, as required under Schedule III to the Companies Act, 2013, of entity consolidated as Subsidiary**

Name of the entity in the Group	Net Assets i.e. Total Assets minus Total Liabilities		Share in Profit or Loss		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
	As % of Consolidated Net Assets	Rs. in lakhs	As % of Consolidated Statement of Profit and Loss	Rs. in lakhs	As % of Consolidated Other Comprehensive Income	Rs. in lakhs	As % of Consolidated Total Comprehensive Income	Rs. in lakhs
<b>Parent</b>								
Borosil Limited	97.99%	76,751.94	92.53%	7,747.61	162.27%	(18.58)	92.44%	7,729.03
<b>Indian Subsidiaries</b>								
Klass Pack Limited	11.68%	9,150.55	10.23%	856.75	-85.85%	9.83	10.36%	866.58
Borosil Technologies Limited	1.02%	797.25	-0.60%	(50.62)	8.56%	(0.98)	-0.62%	(51.60)
Acalypha Realty Limited	0.00%	2.42	-0.01%	(0.52)	0.00%	-	-0.01%	(0.52)
<b>Non controlling Interest</b>	2.05%	1,602.26	-1.79%	(150.02)	15.02%	(1.72)	-1.81%	(151.74)
<b>Consolidation Adjustments / Elimination</b>	-12.74%	(9,979.36)	-0.36%	(30.17)	0.00%	-	-0.36%	(30.17)
<b>Total</b>	<b>100.00%</b>	<b>78,325.06</b>	<b>100.00%</b>	<b>8,373.03</b>	<b>100.00%</b>	<b>(11.45)</b>	<b>100.00%</b>	<b>8,361.58</b>

As per our Report of even date

For and on behalf of the Board of Directors

**For Chaturvedi & Shah LLP**

Chartered Accountants

(Firm Registration No. 101720W/W100355)

**Rajesh Kumar Chaudhary**  
Whole-time Director  
(DIN 07425111)

**Shreevar Kheruka**  
Managing Director & CEO  
(DIN 01802416)

**R. Koria**

Partner

Membership No. 35629

Place : Mumbai

Date: 09.05.2022

**Anand Sultania**  
Chief Financial Officer

**Anshu Agarwal**  
Company Secretary  
(Membership No. FCS-9921)

**BOROSIL LIMITED**

Form No. AOC-1

**A. Salient Features of Financial Statements of Subsidiary as per Companies Act, 2013****A-1. Subsidiary Company**

Sl. No.	Particulars	Subsidiary Companies		
		Klass Pack Limited	Borosil Technologies Limited	Acalypha Realty Limited
1	The date since when subsidiary was acquired.	12.02.2020	12.02.2020	12.02.2020
2	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	NA	NA	NA
3	Reporting Currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries.	NA	NA	NA
4	Share Capital (Rs. in lakhs)	1,632.95	958.40	10.00
5	Other Equity (Rs. in lakhs)	7,517.60	(161.15)	(7.58)
6	Total Assets (Rs. in lakhs)	11,239.69	957.27	2.58
7	Total Liabilities (Rs. in lakhs)	2,089.14	160.02	0.16
8	Investments (Rs. in lakhs)	914.25	-	-
9	Revenue From Operations (Rs. in lakhs)	10,619.97	1,321.01	-
10	Profit / (Loss) before Tax (Rs. in lakhs)	1,132.00	(66.88)	(0.52)
11	Provision for Taxation (Rs. in lakhs)	275.25	(16.26)	-
12	Profit / (Loss) After Taxation (Rs. in lakhs)	856.75	(50.62)	(0.52)
13	Proposed Dividend	-	-	-
14	% of shareholding	82.49%	100.00%	100.00%
15	Country	India	India	India

B. The above statement also indicates performance and financial position of each of the subsidiaries.

C. Acalypha Realty Limited is yet to commence its operation.

D. Other than above, there are no Subsidiaries which are yet to commence operations.

E. There are no Subsidiaries which have been liquidated or sold during the year.

For and on behalf of the Board of Directors

**Rajesh Kumar Chaudhary**

Whole-time Director  
(DIN 07425111)

**Shreevar Kheruka**

Managing Director & CEO  
(DIN 01802416)

**Anand Sultania**

Chief Financial Officer

**Anshu Agarwal**

Company Secretary  
(Membership No. FCS-9921)

Place : Mumbai

Date : 09.05.2022

## GENERAL INFORMATION

Our Company was originally incorporated as a private limited company under the provisions of Companies Act, 1956 as 'Hopewell Tableware Private Limited' pursuant to certificate of incorporation dated November 25, 2010 issued by the Registrar of Companies, Rajasthan at Jaipur. Our Company was converted from 'Hopewell Tableware Private Limited' to 'Hopewell Tableware Limited' and a fresh certificate of incorporation dated July 19, 2018, consequent upon conversion to a public limited company, was issued by the RoC. Thereafter, the name of our Company was changed to 'Borosil Limited', and a fresh certificate of incorporation dated November 20, 2018 was issued by the RoC. For further details, see the section titled, "*Organisational Structure of our Company*" on page 170.

The Equity Shares of our Company have been listed on BSE Limited and the NSE Limited since July 22, 2020.

Our Company has received in-principle approvals to list the Equity Shares to be issued pursuant to the Issue from each BSE and NSE on June 24, 2024 respectively, under Regulation 28(1) of the SEBI Listing Regulations. We will apply for final listing and trading approvals of the Equity Shares to be issued pursuant to the Issue on the Stock Exchanges after Allotment of the Equity Shares in the Issue.

Our Registered and Corporate Office is located at, 1101, 11<sup>th</sup> Floor, Crescenzo, G-Block, Opp. MCA Club, Bandra Kurla Complex, Bandra (East), Mumbai – 400051, Maharashtra, India.

The CIN of our Company is L36100MH2010PLC292722.

The website of our Company is "www.borosil.com".

The authorised share capital of our Company is ₹ 5,500 lakhs (Rupees fifty five hundred lakhs only) divided into 2,700 lakhs (Twenty seven hundred lakhs) Equity Shares of ₹ 1 (Rupee one) each and 280 lakhs (Two hundred and eighty lakhs) preference shares of ₹ 10 (Rupees ten) each.

The Issue was authorised and approved by the Board pursuant to the resolution dated January 24, 2024, and by the Members pursuant to the special resolution dated February 20, 2024.

In compliance with Regulation 173A of the SEBI ICDR Regulations, our Company has appointed ICRA Limited as monitoring agency, for monitoring the utilisation of the Gross Proceeds in relation to the Issue. The Monitoring Agency will submit its report to us on a quarterly basis in accordance with the SEBI ICDR Regulations.

Copies of our Memorandum of Association and Articles of Association will be available for inspection between 9:30 am to 5:30 pm on any weekday (except Saturdays and public holidays) at our Registered Office.

Except as disclosed in this Preliminary Placement Document, our Company has obtained all necessary consents, approvals and authorisations as may be required in connection with the Issue.

There has been no material change in the financial or trading position of our Company since March 31, 2024, the date of the Financial Year 2024 Audited Consolidated Financial Statements prepared in accordance with applicable accounting standards included in this Preliminary Placement Document.

Except as disclosed in this Preliminary Placement Document, there are no material litigation or arbitration proceedings against or affecting us, or our assets or revenues, nor are we aware of any pending or threatened litigation or arbitration proceedings, which are or might be material in the context of this Issue. For further details, see "*Legal Proceedings*" on page 219.

As on the date of this Preliminary Placement Document, Chaturvedi & Shah LLP, Chartered Accountants, having Firm Registration No. 101720W/W100355 is the statutory auditor of our Company.

No change in the control of our Company will occur consequent to the Issue.

Our Company is in compliance with the minimum public shareholding requirements as required under the SEBI Listing Regulations and Rule 19A of the SCRR.

The Floor Price is ₹ 331.75 per Equity Share, calculated in accordance with the provisions of Chapter VI of the SEBI ICDR Regulations, as certified by our Statutory Auditor, Chaturvedi & Shah LLP, Chartered Accountants. Our Company may offer a discount of not more than 5% on the Floor Price in accordance with the approval of our Board resolution dated January 24, 2024, and the shareholders of our Company accorded through a special resolution dated February 20, 2024, and Regulation 176(1) of the SEBI ICDR Regulations.

Our Company and the BRLM accepts no responsibility for statements made otherwise than in this Preliminary Placement Document and anyone placing reliance on any other source of information, including our website, would be doing so at their own risk.

Ms. Anshu Agarwal is the Company Secretary and Compliance Officer of our Company. Her details are as follows:

**Anshu Agarwal**

1101, 11th Floor, Crescenzo, G-Block, Opp. MCA Club,  
Bandra Kurla Complex, Bandra (East),  
Mumbai – 400 051

**Tel:** 022-6740 6300

**E-mail:** bl.secretarial@borosil.com



## DETAILS OF PROPOSED ALLOTTEES

In compliance with the requirements of Chapter VI of the SEBI ICDR Regulations, Allotment shall be made at the sole and absolute discretion of our Company, in consultation with the BRLM, to Eligible QIBs. The names of the proposed Allottees and the percentage of post-Issue capital that may be held by them is set forth below. These details of the proposed Allottees, assuming that the Equity Shares are Allotted to them pursuant to the Issue, will be included in the Placement Document to be sent to such proposed Allottees.

S. No.	Name of the proposed Allottees	Percentage of the post-Issue share capital held (%) <sup>(1)(2)(3)</sup>
1.	[●]	[●]
2.	[●]	[●]
3.	[●]	[●]
4.	[●]	[●]
5.	[●]	[●]
6.	[●]	[●]
7.	[●]	[●]
8.	[●]	[●]
9.	[●]	[●]
10.	[●]	[●]

<sup>(1)</sup> Based on beneficiary position as on [●].

<sup>(2)</sup> Subject to receipt of funds and allotment in the Issue. The above table has been intentionally left blank and shall be updated in the Placement Document.

<sup>(3)</sup> The post-Issue shareholding (in percentage terms) of the proposed Allottees will be disclosed on the basis of their respective PAN, except in case of Mutual Funds, insurance companies, and Eligible FPIs (investing through different sub accounts having common PAN across such sub accounts) wherein their respective DP ID and Client ID will be considered.

## DECLARATION

Our Company certifies that all relevant provisions of Chapter VI read with Schedule VII of the SEBI ICDR Regulations have been complied with and no statement made in this Preliminary Placement Document is contrary to the provisions of Chapter VI and Schedule VII of the SEBI ICDR Regulations and that all approvals and permissions required to carry on our Company's business have been obtained, are currently valid and have been complied with. Our Company further certifies that all the statements in this Preliminary Placement Document are true and correct.

**Signed by:**

---

Rajesh Kumar Chaudhary  
*Whole-time Director and Group CFO*  
07425111

**Date:** June 24, 2024

**Place:** Mumbai

## DECLARATION

We, the Board of the Company, certify that:

- (i) the Company has complied with the provisions of the Companies Act, 2013 and the rules made thereunder;
- (ii) the compliance with the Companies Act, 2013 and the rules thereunder does not imply that payment of dividend or interest or repayment of preference shares or debentures, if applicable, is guaranteed by the Central Government; and
- (iii) the monies received under the Issue shall be used only for the purposes and objects indicated in this Preliminary Placement Document (which includes disclosures prescribed under Form PAS-4).

### SIGNED ON BEHALF OF THE BOARD OF DIRECTORS

**Signed by:**

---

Rajesh Kumar Chaudhary  
*Whole-time Director and Group CFO*  
07425111

I am authorized by the Management Committee, *vide* resolution dated June 24, 2024 to sign this form and declare that all the requirements of Companies Act, 2013 and the rules made thereunder in respect of the subject matter of this form and matters incidental thereto have been complied with. Whatever is stated in this form and in the attachments thereto is true, correct and complete and no information material to the subject matter of this form has been suppressed or concealed and is as per the original records maintained by the promoters subscribing to the Memorandum of Association and the Articles of Association.

It is further declared and verified that all the required attachments have been completely, correctly and legibly attached to this form.

Signed:

---

Rajesh Kumar Chaudhary  
*Whole-time Director and Group CFO*  
07425111

**Date:** June 24, 2024

**Place:** Mumbai

**BOROSIL LIMITED**

**CIN:** L36100MH2010PLC292722

**Registered Office**

1101, 11<sup>th</sup> Floor, Crescenzo, G-Block, Opp. MCA Club,  
Bandra Kurla Complex, Bandra (East), Mumbai – 400051

**Tel:** +91 22-6740 6300

**Email:** [bl.secretarial@borosil.com](mailto:bl.secretarial@borosil.com)

**Website:** [www.borosil.com](http://www.borosil.com)

**Contact Person**

Anshu Agarwal

**Designation:** Company Secretary and Compliance Officer

**Address:** 1101, 11<sup>th</sup> Floor, Crescenzo, G-Block, Opp. MCA Club, Bandra Kurla Complex, Bandra (East),  
Mumbai – 400 051 (Maharashtra), India

**Tel:** +91 22 6740 6300

**E-mail:** [bl.secretarial@borosil.com](mailto:bl.secretarial@borosil.com)

**BOOK RUNNING LEAD MANAGER**

**ICICI Securities Limited**

ICICI Venture House,  
Appasaheb Marathe Marg,  
Prabhadevi, Mumbai – 400 025,  
Maharashtra, India  
**Tel:** +91 22 6807 7100

**STATUTORY AUDITORS OF OUR COMPANY**

**Chaturvedi & Shah LLP**

912 Tulsiani Chambers,  
212, Nariman Point, Mumbai – 400021  
Maharashtra, India  
**Tel:** +91 22 4163 8500

**LEGAL COUNSEL TO THE COMPANY**

*As to Indian law*

**IndusLaw**

1502B, 15<sup>th</sup> Floor, Tower – 1C,  
One World Centre, Senapati Bapat Marg, Lower Parel,  
Mumbai – 400013  
Maharashtra, India

**LEGAL COUNSEL TO THE BOOK RUNNING LEAD MANAGER**

*As to Indian law*

**M/s. Crawford Bayley & Co.**

Advocates and Solicitors  
State Bank Buildings,  
N.G. N. Vaidya Marg,  
Fort, Mumbai - 400 023  
Maharashtra, India

**INTERNATIONAL LEGAL COUNSEL TO THE BOOK RUNNING LEAD MANAGER WITH  
RESPECT TO SELLING AND TRANSFER RESTRICTIONS**


**Hogan Lovells Lee & Lee**

50 Collyer Quay  
#10-01 OUE Bayfront  
Singapore - 049321

## APPLICATION FORM

“An indicative form of the Application Form is set forth below:”

(Note: The format of the Application Form included herein below is indicative and for the illustrative purposes only and no Bids in this Issue can be made through the sample Application Form. Our Company, in consultation with the BRLMs, shall identify Eligible QIBs and circulate serially numbered copies of this Preliminary Placement Document and the Application Form, specifically addressed to such Eligible QIBs. Any application to be made in the Issue should be made only upon receipt of serially numbered copies of this Preliminary Placement Document and the Application Form and not on the basis of the indicative format below.)

 <p><b>BOROSIL LIMITED</b></p> <p><i>(Incorporated in the Republic of India under the provisions of the Companies Act, 1956)</i>  <b>Registered and Corporate Office:</b> 1101, 11<sup>th</sup> Floor, Crescenzo, G-Block, Opp. MCA Club, Bandra Kurla Complex, Bandra (East), Mumbai – 400051; CIN: L36100MH2010PLC292722; <b>Website:</b> www.borosil.com <b>Tel:</b> +91 22 6740 6300; <b>Email:</b> bl.secretarial@borosil.com  <b>COMPANY LEI NUMBER:</b> 98450081B5C4BDZ1B443   <b>ISIN:</b> INE02PY01013</p>	<p style="text-align: center;"><b>APPLICATION FORM</b></p> <p><b>Name of the Bidder:</b> _____  <b>Form. No.</b> _____</p> <p><b>Date:</b> _____, 2024</p>
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QUALIFIED INSTITUTIONS PLACEMENT OF [●] EQUITY SHARES OF FACE VALUE OF ₹ 1 EACH (THE “EQUITY SHARES”) FOR CASH, AT A PRICE OF ₹[●] PER EQUITY SHARE (THE “ISSUE PRICE”), INCLUDING A PREMIUM OF ₹[●] PER EQUITY SHARE, AGGREGATING TO ₹[●] LAKHS IN RELIANCE UPON SECTION 42 AND SECTION 62 AND OTHER APPLICABLE PROVISIONS OF THE COMPANIES ACT, 2013 AND THE RULES MADE THEREUNDER, EACH AS AMENDED, (THE “COMPANIES ACT”) READ WITH RULE 14 OF THE COMPANIES (PROSPECTUS AND ALLOTMENT OF SECURITIES) RULES, 2014, AS AMENDED (THE “PAS RULES”), AND CHAPTER VI OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018, AS AMENDED (THE “SEBI ICDR REGULATIONS”) BY BOROSILLIMITED (THE “ISSUER” OR THE “COMPANY”, AND SUCH ISSUE OF EQUITY SHARES, THE “ISSUE”). THE APPLICABLE FLOOR PRICE OF THE EQUITY SHARES IS ₹ 331.75 PER EQUITY SHARE AND OUR BOARD OR ANY DULY AUTHORISED COMMITTEE THEREOF MAY IN CONSULTATION WITH THE BOOK RUNNING LEAD MANAGER OFFER A DISCOUNT OF UPTO FIVE PERCENT OR SUCH PERCENTAGE AS PERMITTED UNDER THE SEBI ICDR REGULATIONS ON THE FLOOR PRICE, AS APPROVED BY THE SHAREHOLDERS.

Only Qualified Institutional Buyers (“QIBs”) as defined in Regulation 2(1)(ss) of the SEBI ICDR Regulations and which: (a) are not excluded pursuant to Regulation 179(2)(b) of the SEBI ICDR Regulations; or (b) hold a valid and existing registration under the applicable laws in India (as applicable); (c) are not restricted from participating in the Issue under SEBI ICDR Regulations and other applicable laws; are eligible to submit this Application Form (“Eligible QIBs”). In addition to the above, with respect to the Issue, Eligible QIBs shall consist of (i) QIBs which are resident in India; and (ii) Eligible foreign portfolio investors participating through Schedule II of the Foreign Exchange Management (Non-Debt Instruments) Rules, 2019, as amended (“FEMA Rules”), the Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019, as amended, (the “SEBI FPI Regulations”) and any other applicable law (other than individuals, corporate bodies and family offices), that are eligible to participate in the Issue (“Eligible FPIs”) .. Further, other non-resident QIBs (including FVCIs and non-resident multilateral and bilateral development financial institutions) are not permitted to participate in the Issue. The Equity Shares have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the “U.S. Securities Act”), or any other applicable state securities laws of the United States and, unless so registered, may not be offered, sold or delivered within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable U.S. state securities laws. Accordingly, the Equity Shares are being offered and sold only outside the United States in “offshore transactions” as defined in, and in reliance on, Regulation S under the U.S. Securities Act (“Regulation S”) and the applicable laws of the jurisdictions where those offers and sales are made. You should note and observe the selling and transfer restrictions contained in the sections of the accompanying preliminary placement document dated [●], 2024 (the “PPD”) titled “Selling Restrictions” and “Transfer Restrictions and Purchaser Representations” on pages 196 and 203.

ONLY ELIGIBLE FPIs ARE PERMITTED TO PARTICIPATE THROUGH THE PORTFOLIO INVESTMENT SCHEME UNDER SCHEDULE II OF THE FEMA RULES. IN THIS ISSUE, SUBJECT TO COMPLIANCE WITH ALL APPLICABLE LAWS AND SUCH THAT THE SHAREHOLDING OF ELIGIBLE FPIs IN THE COMPANY DOES NOT EXCEED SPECIFIED LIMITS AS PRESCRIBED UNDER APPLICABLE LAWS AND THE PRELIMINARY PLACEMENT DOCUMENT IN THIS REGARD. PURSUANT TO PRESS NOTE NO. 3 (2020 SERIES), DATED APRIL 17, 2020, ISSUED BY THE DEPARTMENT FOR PROMOTION OF INDUSTRY AND INTERNAL TRADE, GOVERNMENT OF INDIA, AND RULE 6 OF THE FEMA RULES, INVESTMENTS BY AN ENTITY OF A COUNTRY WHICH SHARES LAND BORDER WITH INDIA OR WHERE THE BENEFICIAL OWNER OF SUCH INVESTMENT IS SITUATED IN OR IS A CITIZEN OF SUCH COUNTRY, MAY ONLY BE MADE THROUGH THE GOVERNMENT APPROVAL ROUTE, AS PRESCRIBED IN THE FEMA RULES AND SHALL HAVE TO BE IN CONFORMITY WITH THE APPLICABLE PROVISIONS OF THE FEMA RULES. ALLOTMENTS MADE TO AIFs AND VCFs IN THE ISSUE SHALL REMAIN SUBJECT TO THE RULES AND REGULATIONS APPLICABLE TO EACH OF THEM RESPECTIVELY. AIFs AND VCFs WHOSE SPONSOR AND MANAGER ARE NOT INDIAN OWNED AND CONTROLLED IN TERMS OF THE FEMA RULES, OR FVCIs, FOREIGN MULTILATERAL AND BILATERAL DEVELOPMENT FINANCIAL INSTITUTIONS AND ANY OTHER NON-RESIDENT INVESTORS ARE NOT PERMITTED TO PARTICIPATE IN THE ISSUE.

STATUS (Please ✓)			
<b>FI</b>	Scheduled Commercial Banks and Financial Institutions	<b>IC</b>	Insurance Companies
<b>MF</b>	Mutual Funds	<b>VCF</b>	Venture Capital Funds**
<b>NIF</b>	National Investment Fund	<b>FPI</b>	Eligible Foreign Portfolio Investor*
<b>IF</b>	Insurance Funds	<b>AIF</b>	Alternative Investment Fund **
<b>SI- NBFC</b>	Systemically Important Non-Banking Financial Companies	<b>OTH</b>	Others _____ (Please specify)

\*Foreign portfolio investors as defined under the Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019, as amended, other than individuals, corporate bodies and family offices who are not allowed to participate in the Issue

\*\* Sponsor and Manager should be Indian owned and controlled

To,  
**The Board of Directors**  
**Borosil Limited**  
 1101, Crescenzo, G-Block,  
 Opp. MCA Clue, Bandra Kurla Complex,  
 Bandra (East),  
 Mumbai – 400051  
 Maharashtra

Respected All,

On the basis of the serially numbered PPD of the Company and subject to the terms and conditions contained in the other sections of the PPD, and in this Application Form, we hereby submit our Bid for the Allotment of the Equity Shares in the Issue on the terms and price indicated below. We confirm that we are an Eligible QIB in terms of Regulation 2(1)(ss) of the SEBI ICDR Regulations and are not: (a) excluded from making an application in the Issue pursuant to Regulation 179(2)(b) of the SEBI ICDR Regulations, and (b) restricted from participating in the Issue under the SEBI ICDR Regulations and other applicable laws, including foreign exchange related laws and that we are not a Promoter of the Company, or any person related to the Promoters of the Company, directly or indirectly, as defined in the SEBI ICDR Regulations and this Bid does not directly or indirectly represent the Promoter or Promoter Group or persons related to the Promoter. Further, we confirm that we do not have any right under a shareholders' agreement or voting agreement entered into with the Promoters or Promoter Group, veto rights or right to appoint any nominee director on the Board of directors of the Issuer. We confirm that we are either a QIB which is resident in India, or an Eligible FPI participating through Schedule II of the FEMA Rules. We confirm that we are neither an FVCI nor a multilateral or bilateral development financial institution. We confirm that the bid size / aggregate number of the Equity Shares applied for by us, and which may be Allocated to us thereon will not exceed the relevant regulatory or approved limits and further confirm that our Bid does not result in triggering an open offer under the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended ("**Takeover Regulations**"). We further understand and agree that (i) our names, address, contact details, PAN number and bank account details will be recorded by the Company in the format prescribed in terms of the PAS Rules; (ii) in the event that any Equity Shares are Allocated to us in the Issue, our names (as proposed Allottees) and the percentage of our post-Issue shareholding in the Company will be disclosed in the Placement Document pursuant to the requirements under Form PAS-4 of the PAS Rules; and (iii) in the event that Equity Shares are Allotted to us in the Issue, the Company will place our name in the register of members of the Company as a holder of such Equity Shares that may be Allotted to us and in the Form PAS-3 filed by the Company with the Registrar of Companies, Maharashtra at Mumbai (the "**RoC**") as required in terms of the PAS Rules. Further, we are aware and agree that if we, together with any other Eligible QIBs belonging to the same group or under common control, are Allotted more than 5% of the Equity Shares in the Issue, the Company will disclose our name, along with the name of such other Allottees and the number of Equity Shares Allotted to us and to such other Allottees, on the website of National Stock Exchange of India Limited and the BSE Limited (together referred to as the "**Stock Exchanges**"), and we consent to such disclosure. In addition, we confirm that we are eligible to invest in Equity Shares under the SEBI ICDR Regulations, Reserve Bank of India circulars and other applicable laws. We specifically confirm that our Bid for the Allotment of the Equity Shares is not in violation of the amendment made to Rule 6(a) of the FEMA Rules by the Central Government on April 22, 2020. We confirm that we are neither an AIF or VCF whose sponsor and manager is not Indian owned and controlled in terms of the FEMA Rules, nor an FVCI or a multilateral or bilateral development financial institution. We confirm that the signatory is authorized to apply on behalf of the Bidder and the Bidder has all the relevant approvals for applying in the Issue.

We confirm, that we have a valid and existing registration under applicable laws and regulations of India, and undertake to acquire, hold, manage or dispose of any Equity Shares that are Allotted to us in accordance with Chapter VI of the SEBI ICDR Regulations and undertake to comply with the SEBI ICDR Regulations, and all other applicable laws, including any reporting obligations and the terms and conditions mentioned in the Preliminary Placement Document and this Application Form. We confirm that, in relation to our application, each foreign portfolio investor ("**FPI**") as defined under the SEBI FPI Regulations (other than individuals, corporate bodies and family offices), and including persons who have been registered under these regulations (such FPIs, "**Eligible FPIs**"), have submitted separate Application Forms and asset management companies or custodians of mutual funds have specified the details of each scheme for which the application is being made along with the price and number of Equity Shares Bid for under each such scheme. We undertake that we will sign and/or submit all such documents, provide such documents, and do all such acts, if any, necessary on our part to enable us to be registered as the holder(s) of the Equity Shares that may be Allotted to us. We confirm that the signatory is authorized to apply on behalf of the Bidder and the Bidder has all the necessary approvals for applying in the Issue. We note that the Board of Directors of the Company, or any duly authorized committee thereof, is entitled, in consultation with ICICI Securities Limited (the "**BRLM**"), in its sole discretion, to accept or reject this Application Form without assigning any reason thereof. We hereby agree to accept the Equity Shares that may be Allocated to us pursuant to the Confirmation of Allocation Note ("**CAN**") and request you to credit the same to our beneficiary account as per the details given below, subject to receipt of this Application Form and Bid Amount towards the Equity Shares that may be Allocated to us. The Bid Amount payable by us for the Equity Shares applied for in the Issue has been/will be remitted to the designated bank account set out in this Application Form only through electronic mode, along with this duly completed Application Form prior to or on the Issue Closing Date and such Bid Amount has been/will be transferred from a bank account maintained in our name. We acknowledge and agree that we shall not make any payment in cash, demand draft or cheque. We are aware that Allocation and Allotment in the Issue shall be at the sole discretion of the Company, in consultation with the BRLM; and in the event that (i) Equity Shares that we have applied for are not Allotted to us in full or at all, and/or (ii) the Bid Amount is in excess of the amount equivalent to the product of the Equity Shares that will be Allocated to us and the Issue Price, or (iii) the Company is unable to issue and Allot the Equity Shares offered in the Issue or (iv) if we withdraw the Bid before Issue Closing Date, or (v) if there is a cancellation of the Issue, the Bid Amount or a portion thereof, as applicable, will be refunded to the same bank account from which the Bid Amount has been paid by us. Further, we agree to comply with the rules and regulations that are applicable to us, including in relation to the lock-in and transferability requirements. In this regard, we authorize the Company to issue instructions to the depositories for such lock-in and transferability requirements, as may be applicable to us.

By signing and/or submitting this Application Form, we hereby confirm and agree (i) that the representation, warranties, acknowledgments and agreements as set forth in the sections of the PPD titled "**Notice to Investors**", "**Transfer Restrictions and Purchase Representations**", "**Issue Procedure**" and "**Selling Restrictions**" and (ii) the terms, conditions and agreements mentioned herein are true and correct and acknowledge and agree that these representations and warranties are given by us for the benefit of the Company and the BRLM, each of which are entitled to rely on and are relying on these representations, undertakings and warranties in consummating the Issue.

By signing and/or submitting this Application Form, we hereby further represent, warrant, acknowledge and agree as follows: (1) we have been provided a serially numbered copy of the PPD and the Application Form and have read it in its entirety including in particular, the section titled '**Risk Factors**' therein and we have relied only on the information contained in the PPD and not on any other information obtained by us either from the Company, the BRLM or from any other source, including publicly available information; (2) we will abide by the PPD and the Placement Document (when provided), this Application Form, the CAN, when issued, and the terms, conditions and agreements contained therein; (3) that if Equity Shares are Allotted to us pursuant to the Issue, we shall not sell such Equity Shares, otherwise than on the floor of a recognised stock exchange in India for a period of one year from the date of Allotment; (4) we will not have the right to withdraw our Bid or revise our Bid downwards after the Issue Closing Date; (5) we will not trade in the Equity Shares credited to our beneficiary account maintained with the Depository Participant until such time that the final listing and trading approvals for the Equity Shares are issued by the Stock Exchanges; (6) Equity Shares shall be Allocated and Allotted at the sole and absolute discretion of the Company in consultation with the BRLM and the submission of this Application Form and payment of the corresponding Bid Amount by us does not guarantee any Allocation or Allotment of Equity Shares to us in full or in part; (7) in terms of the requirements of the Companies Act, upon Allocation, the Company will be required to disclose our names and the percentage of our post-Issue shareholding of the proposed Allottees in the Placement Document; however, disclosure of such details in relation to us in the Placement Document will not guarantee Allotment to us, as Allotment in the Issue shall continue to be at the sole discretion of the Company, in consultation with the BRLM; (8) the number of Equity Shares Allotted to us pursuant to the Issue, together with other Allottees that belong to the same group or are under common control as us, shall not exceed 50% of the Issue. For the purposes of this representation and warranty: The expression 'belong to the same group' shall derive meaning from Regulation 180(2) of the SEBI ICDR Regulations i.e. entities where (i) any of them controls, directly or indirectly, through its subsidiary or holding company, not less than 15% of the voting rights in the other; (ii) any of them, directly or indirectly, by itself, or in combination with other persons, exercise control over the others; or (iii) there is a common director, excluding nominee and independent directors, amongst the Eligible QIBs, its subsidiary or holding company and any other Eligible QIB; and 'control' shall have the same meaning as is assigned to it under Regulation 2(1)(e) of the Takeover Regulations; (9) We agree to accept the Equity Shares applied for, or such lesser number of Equity Shares as may be Allocated to us, subject to the provisions of the memorandum of association and articles of association of the Company, applicable laws and regulations, the terms of the PPD and the Placement Document, this Application Form, the CAN upon its issuance and the terms, conditions and agreements mentioned therein and request you to credit the same to our beneficiary account with the Depository Participant as per the details given below.

We acknowledge that the Equity Shares offered in the Issue have not been and will not be registered under the U.S. Securities Act or the securities laws of any state of the United States, and unless so registered may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable U.S. state securities laws. By signing this Application Form and checking the applicable box above, we hereby represent, warrant, acknowledge and agree that we are located outside the United States and purchasing the Equity Shares in an "offshore transaction" as defined in, and in reliance, on Regulation S and the applicable laws of the jurisdictions where those offers and sales are made.

We confirm that we have read and agree with the representations, warranties and agreements contained in the sections entitled "**Selling Restrictions**" and "**Transfer Restrictions and Purchase Representations**" of the PPD.

By signing and/or submitting this Application Form, we further represent, warrant, and agree that we have such knowledge and experience in financial and business matters that we are capable of evaluating the merits and risks of the prospective investment in the Equity Shares and we understand the risks involved in making an investment in the Equity Shares. No action has been taken by us or any of our affiliates or representatives to permit a public offering of the Equity Shares in any jurisdiction. We satisfy any and all relevant suitability standards for investors in Equity Shares, have the ability to bear the economic risk of our investment in the Equity Shares, have adequate means of providing for our current and contingent needs, have no need for liquidity with respect to our investment in Equity Shares and are able to sustain a complete loss of our investment in the Equity Shares. We acknowledge that once a duly filled Application Form, whether signed or not is submitted by an Eligible QIB, and the Bid Amount has been transferred to the Escrow Account, such Application Form constitutes an irrevocable offer and cannot be withdrawn or revised downwards after the Issue Closing Date. In case Bids are being made on behalf of the Eligible QIB and this Application Form is unsigned, we confirm that we are authorized to submit this Application Form and provide necessary instructions for transfer of the Application Amount to the Escrow Account, on behalf of such Eligible QIB.

We confirm that we are eligible to invest and hold the Equity Shares of the Company in accordance with press note no. 3 (2020 Series), dated April 17, 2020, issued by the Department for Promotion of Industry and Internal Trade, Government of India, wherein if the beneficial owner of the Equity Shares is situated in or is a citizen of a country which shares land border with India, foreign direct investments can only be made through the Government approval route, as prescribed in the FEMA Rules.

BIDDER DETAILS (In Block Letters)			
NAME OF BIDDER*			
NATIONALITY			
REGISTERED ADDRESS			
CITY AND CODE			
COUNTRY			
PHONE NO.		FAX NO.	
EMAIL ID		MOBILE NO.	
LEI			
FOR ELIGIBLE FPIs**		SEBI FPI REGISTRATION NO. _____	
FOR MF		SEBI MF REGISTRATION NO. _____	
FOR AIFs***		SEBI AIF REGISTRATION NO. _____	
FOR VCFs***		SEBI VCF REGISTRATION NO. _____	
FOR SI-NBFCs		RBI REGISTRATION DETAILS _____	
FOR INSURANCE COMPANIES		IRDAI REGISTRATION DETAILS _____	
FOR PENSION FUNDS		PFRDA REGISTRATION DETAILS _____	

\*Name should exactly match with the name in which the beneficiary account is held. Bid Amount payable on Equity Shares applied for by joint holders shall be paid from the bank account of the person whose name appears first in the application. Mutual Fund bidders are requested to provide details of the bids made by each scheme of the Mutual Fund. Each Eligible FPI is required to fill a separate Application Form. Further, any discrepancy in the name as mentioned in this Application Form with the depository records would render the application invalid and liable to be rejected at the sole discretion of the Issuer and the BRLM.

\*\* In case you are an FPI holding a valid certificate of registration and eligible to invest in the Issue, please mention your SEBI FPI Registration Number.

\*\*\* Allotments made to AIFs and VCFs in the Issue are subject to the rules and regulations that are applicable to each of them respectively, including in relation to lock-in requirement. AIFs and VCFs should independently consult their own counsel and advisors as to investment in and related matters concerning the Issue.

We are aware that the number of Equity Shares in the Company held by us, together with the number of Equity Shares, if any, Allotted to us in the Issue will be aggregated to disclose our percentage of post-Issue shareholding in the Company in the Placement Document in line with the requirements under PAS-4 of the PAS Rules, as amended. For such information, the BRLM has relied on the information provided by the Registrar for obtaining details of our shareholding and we consent and authorize such disclosure in the Placement Document.

DEPOSITORY ACCOUNT DETAILS									
Depository Name					National Securities Depository Limited				
Depository Participant Name					Central Depository Services (India) Limited				
DP – ID		I	N						
Beneficiary Account Number					(16-digit beneficiary A/c. No. to be mentioned above)				

The demographic details like address, bank account details etc., will be obtained from the Depositories as per the beneficiary account given above. However, for the purposes of refund, if any, only the bank details as mentioned below, from which Bid Amount has been remitted for the Equity Shares applied for in the issue will be considered.

PAYMENT DETAILS			
REMITTANCE BY WAY OF ELECTRONIC FUND TRANSFER			
By [●] [time] (IST), [day] [date] ISSUE CLOSING DATE”			
BANK ACCOUNT DETAILS FOR PAYMENT OF BID AMOUNT THROUGH ELECTRONIC FUND TRANSFER			
Name of the Account	BOROSIL LIMITED ESCROW ACCOUNT	Account Type	Escrow Account
Name of Bank	KOTAK MAHINDRA BANK LIMITED	Address of the Branch of the Bank	BANDRA KURLA COMPLEX, BANDRA EAST MUMBAI -400 051
Account No.	5548928588	IFSC	KKBK0001368

The Bid Amount should be transferred pursuant to the Application Form within the Issue Period. Payment of the entire Bid Amount must be made along with the Application Form, only by way of electronic fund transfers in favor of “Borosil Limited Escrow Account”, on or before the closure of the Issue Period i.e. within the Issue Closing Date. The payment for subscription to the Equity Shares to be allotted in the Issue shall be made only from the bank account of the person subscribing to the Equity Shares and in case of joint holders, from the bank account of the person whose name appears first in the Application Form. You are responsible for the accuracy of the bank details mentioned below. You are aware that the successful processing of refunds, if any, shall be dependent on the accuracy of the bank details provided by you. The Company and the BRLMs shall not be liable in any manner for refunds that are not processed due to incorrect bank details.

RUPEE BANK ACCOUNT DETAILS (FOR REMITTANCE)			
Bank Account Number		IFSC Code	
Bank Name		Bank Branch Address	
NO. OF EQUITY SHARES BID FOR		PRICE PER EQUITY SHARE (RUPEES)	
(In Figures)	(In Words)	(In Figures)	(In Words)

DETAILS OF CONTACT PERSON			
Name: _____			
Address: _____			
_____			
Tel. No: _____		Fax No: _____	

Email:		Mobile No.:
OTHER DETAILS		ENCLOSURES ATTACHED (attached/certified true copy of the following)
PAN*		<input type="checkbox"/> Copy of the PAN Card or PAN Allotment letter* <input type="checkbox"/> FIRC <input type="checkbox"/> Copy of the SEBI registration certificate as Eligible FPI <input type="checkbox"/> Copy of the SEBI registration certificate as an AIF <input type="checkbox"/> Copy of the SEBI registration certificate as a VCF <input type="checkbox"/> Copy of the SEBI registration certificate as a Mutual Fund <input type="checkbox"/> Copy of the IRDA registration certificate <input type="checkbox"/> Copy of notification as public financial institution <input type="checkbox"/> Certified true copy of power of attorney <input type="checkbox"/> Certified copy of the certificate of registration issued by the RBI as an SI-NBFC/ a scheduled commercial bank/public financial institution. <input type="checkbox"/> Others, please specify_____
Signature of Authorized Signatory (may be signed either physically or digitally)**		

*\*Please note that the Bidder should not submit the GIR number or any other identification number instead of the PAN, unless the Bidder is exempted from requirement of obtaining a PAN under the Income-tax Act, 1961, as the application is liable to be rejected on this ground.*

**Note 1: Capitalized terms used but not defined herein shall have the same meaning as ascribed to them in the PPD and Placement Document.**

**Note 2: The Application Form is liable to be rejected if any information provided is incomplete or inadequate, at the discretion of the Company in consultation with the BRLM.**

**Note 3: The duly filed Application Form along with all enclosures shall be submitted to the BRLM either through electronic form at the email mentioned in the PPD or through physical delivery at the address mentioned in the PPD.**

The Application Form, the PPD sent to you and the Placement Document which will be sent to you, either in physical form or in electronic form or both, are specific to you and you may not distribute or forward the same and are subject to disclaimers and restrictions contained in or accompanying these documents.