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Draft Letter of Offer
Dated June 10, 2024
For Eligible Equity Shareholders only



BOROSIL RENEWABLES LIMITED

Borosil Renewables Limited (our “Company” or the “Issuer”) was originally incorporated as “Borosil Glass Works Limited” under the Companies Act, 1956, pursuant to a certificate of incorporation dated December 14, 1962 issued by the Registrar of Companies, Maharashtra at Mumbai (“RoC”). Our Company commenced its business on February 13, 1963, pursuant to a certificate of commencement of business issued by the RoC. Pursuant to the Scheme (as defined hereinafter), Vyline Glass Works Limited, Fennel Investment and Finance Private Limited, and Gujarat Borosil Limited were amalgamated into our Company, followed by the demerger of our Company’s scientific, industrial and consumer products business into Borosil Limited. Consequent to the Scheme, the name of our Company was changed to “Borosil Renewables Limited”, pursuant to a fresh certificate of incorporation consequent upon change of name issued by the RoC dated February 11, 2020.

Registered and Corporate Office: 1101, Crescenzo, G Block, Opposite MCA Club, Bandra Kurla Complex, Bandra (East), Mumbai 400 051, Maharashtra, India
Tel: +91 22 6740 6300

Contact Person: Ravi Vaishnav, Company Secretary and Compliance Officer

E-mail: ravi.vaishnav@borosil.com; **Website:** www.borosilrenewables.com

Corporate Identity Number: L26100MH1962PLC012538

PROMOTERS OF THE COMPANY: PRADEEP KUMAR KHERUKA AND SHREEVAR KHERUKA FOR PRIVATE CIRCULATION TO THE ELIGIBLE EQUITY SHAREHOLDERS OF THE COMPANY ONLY

ISSUE OF UP TO [●] FULLY PAID-UP EQUITY SHARES OF FACE VALUE OF ₹ 1 EACH OF THE COMPANY (THE “RIGHTS EQUITY SHARES”) FOR CASH AT A PRICE OF ₹ [●] PER RIGHTS EQUITY SHARE (INCLUDING A PREMIUM OF ₹ [●] PER EQUITY SHARE) (“ISSUE PRICE”) AGGREGATING UP TO ₹ 45,000 LAKHS* ON A RIGHTS BASIS TO THE ELIGIBLE EQUITY SHAREHOLDERS OF OUR COMPANY IN THE RATIO OF [●] RIGHTS EQUITY SHARES FOR EVERY [●] EQUITY SHARES HELD BY THE ELIGIBLE EQUITY SHAREHOLDERS ON THE RECORD DATE, THAT IS ON [●], 2024 (“RECORD DATE”) (THE “ISSUE”). FOR FURTHER DETAILS, PLEASE SEE “TERMS OF THE ISSUE” BEGINNING ON PAGE 258.

*Assuming full subscription

WILFUL DEFAULTERS OR FRAUDULENT BORROWERS

Neither our Company, nor our Promoters, or any of our Directors have been or are identified as Wilful Defaulters (as defined hereunder) or Fraudulent Borrowers (as defined hereunder).

GENERAL RISKS

Investment in equity and equity related securities involve a degree of risk and investors should not invest any funds in the Issue unless they can afford to take the risk of losing their investment. Investors are advised to read the risk factors carefully before taking an investment decision in the Issue. For taking an investment decision, investors must rely on their own examination of our Company and the Issue including the risks involved. The securities being offered in the Issue have not been recommended or approved by the Securities and Exchange Board of India (“SEBI”) nor does SEBI guarantee the accuracy or adequacy of this Draft Letter of Offer. Specific attention of investors is invited to the statement of “Risk Factors” beginning on page 17.

COMPANY’S ABSOLUTE RESPONSIBILITY

Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Draft Letter of Offer contains all information with regard to our Company and the Issue, which is material in the context of the Issue, that the information contained in this Draft Letter of Offer is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other factors, the omission of which makes this Draft Letter of Offer as a whole or any such information or the expression of any such opinions or intentions misleading in any material respect.

LISTING

The existing Equity Shares of our Company are listed on BSE Limited (“BSE”) and National Stock Exchange of India Limited (“NSE”) together with BSE, the “Stock Exchanges”). Our Company has received “in-principle” approvals from BSE and NSE for listing the Rights Equity Shares to be allotted pursuant to the Issue through their letters dated [●], 2024 and [●], 2024, respectively. Our Company will also make applications to BSE and NSE to obtain trading approvals for the Rights Entitlements as required under the SEBI circular bearing reference number SEBI/HO/CFD/DIL2/CIR/P/2020/13 dated January 22, 2020. For the purposes of the Issue, the Designated Stock Exchange is [●].

LEAD MANAGER TO THE ISSUE

REGISTRAR TO THE ISSUE



ICICI Securities Limited
ICICI Venture House
Appasaheb Marathe Marg, Prabhadevi
Mumbai 400 025
Maharashtra, India
Tel: +91 22 6807 7100
E-mail: borosil.renew@icicisecurities.com
Investor Grievance ID: customercare@icicisecurities.com
Website: www.icicisecurities.com
Contact Person: Harsh Thakkar/ Abhijit Diwan
SEBI Registration No.: INM000011179

Link Intime India Private Limited
C-101, 1st Floor, 247 Park
L.B.S. Marg, Vikhroli (West)
Mumbai 400 083
Maharashtra, India
Tel.: +91 81081 14949
Email: borosil.rights2024@linkintime.co.in
Investor Grievance E-mail: borosil.rights2024@linkintime.co.in
Website: www.linkintime.co.in
Contact Person: Ms. Shanti Gopalakrishnan
SEBI Registration No.: INR000004058

ISSUE PROGRAMME

ISSUE OPENS ON	LAST DATE FOR ON MARKET RENUNCIATION*	ISSUE CLOSES ON**
[●]	[●]	[●]

*Eligible Equity Shareholders are requested to ensure that renunciation through off market transfer is completed in such a manner that the Rights Entitlements are credited to the demat accounts of the Renounees on or prior to the Issue Closing Date.

**Our Board or the Securities Issue Committee will have the right to extend the Issue Period as it may determine from time to time but not exceeding 30 days from the Issue Opening Date (inclusive of the Issue Opening Date). Further, no withdrawal of Application shall be permitted by any Applicant after the Issue Closing Date.

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SECTION I – GENERAL

DEFINITIONS AND ABBREVIATIONS

This Draft Letter of Offer uses certain definitions and abbreviations which, unless the context otherwise indicates, requires or implies or unless otherwise specified, shall have the meaning as provided below. References to any legislation, act, regulation, rule, guideline or policy shall be to such legislation, act, regulation, rule, guideline or policy as amended, supplemented, re-enacted, or modified from time to time and any reference to a statutory provision shall include any subordinate legislation made from time to time under that provision.

The words and expressions used in this Draft Letter of Offer, but not defined herein shall have the meaning ascribed to such terms under the SEBI ICDR Regulations, the SEBI LODR Regulations, the Companies Act, the SCRA, the Depositories Act, and the rules and regulations made thereunder.

The following list of capitalised terms used in this Draft Letter of Offer is intended for the convenience of the reader/prospective investor only and is not exhaustive.

Provided that terms used in “Summary of Draft Letter of Offer”, “Financial Statements”, “Statement of Special Tax Benefits”, “Outstanding Litigations and Defaults” and “Terms of the Issue” beginning on pages 15, 93, 46, 246 and 258 respectively, shall, unless indicated otherwise, have the meanings ascribed to such terms in the respective sections.

General Terms

Term	Description
“Company” / our “Company” / the “Company” / the “Issuer”	Borosil Renewables Limited, a public limited company incorporated under the Companies Act, 1956 and having its registered and corporate office at 1101, Crescenzo, G Block, Opposite MCA Club, Bandra Kurla Complex, Bandra (East), Mumbai 400 051, Maharashtra, India
“We” / “Our” / “Us”	Unless the context otherwise requires, indicates or implies or unless otherwise specified, our Company, our Subsidiaries and Associate on a consolidated basis

Company Related Terms

Term	Description
“Articles of Association” or “Articles”	Articles of Association of our Company, as amended from time to time
Associate	The associate company of our Company, namely Renew Green (GJS Two) Private Limited (RGPL)
Audit Committee	Audit committee of our Board
Audited Consolidated Financial Statements	The audited consolidated financial statements of our Company as at for the year ended March 31, 2024 and March 31, 2023, which comprises the consolidated balance sheet as at March 31, 2024 and March 31, 2023, the consolidated statement of profit and loss, including other comprehensive income, the consolidated statement of cash flows and the consolidated statement of changes in equity for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information
“Auditors” or “Statutory Auditors”	The current statutory auditors of our Company, being, Chaturvedi & Shah LLP, Chartered Accountants
“Board of Directors” / “Board” / “our Board”	The board of directors of our Company or any duly constituted committee thereof
Directors	Directors on our Board, as may be appointed from time to time
Equity Shares	Fully paid-up equity shares of face value of ₹1 each of our Company
Group	The Company together with its Subsidiaries
Group Companies	Group companies of our Company as determined in terms of Regulation 2(1)(t) of SEBI ICDR Regulations
Independent Chartered Accountant	The independent chartered accountant, being R K Malpani & Co., Chartered Accountants
Independent Chartered Engineer	The independent chartered engineer, being Prakash Lokhandwala
Key Managerial Personnel	Key managerial personnel of our Company determined in accordance with Regulation 2(1)(bb) of the SEBI ICDR Regulations and as disclosed in “Our Management” beginning on page 89
“Material Subsidiary” / “Material Subsidiaries”	The material subsidiaries of the Company as per 16(c) of the SEBI Listing Regulation, namely GMB Glasmanufaktur Brandenburg GmbH and Interfloat Corporation
Materiality Threshold	Materiality threshold adopted by our Company in relation to the disclosure of outstanding civil litigation, including tax litigation, involving our Company and/or our Subsidiaries, where the amount involved is ₹ 477.93 lakhs (being 5% of the average of absolute value of profit or loss after tax, as per the last three audited consolidated financial statements of the Company)

Term	Description
“Memorandum of Association” / “Memorandum”	Memorandum of Association of our Company, as amended from time to time
Promoters	The promoters of our Company, being Pradeep Kumar Kheruka and Shreevar Kheruka. For further details, please see “ <i>Capital Structure</i> ” beginning on page 38
Promoter Group	Unless the context requires otherwise, the promoter group of our Company as determined in accordance with Regulation 2(1)(pp) of the SEBI ICDR Regulations
“Registered and Corporate Office” / “Registered Office”	Registered and corporate office of our Company situated at 1101, Crescenzo, G Block, Opposite MCA Club, Bandra Kurla Complex, Bandra (East), Mumbai 400 051, Maharashtra, India
Scheme	The Board of Directors of our Company, at its meeting held on June 18, 2018, approved a composite scheme of amalgamation and arrangement between our Company, Vylene Glass Works Limited, Fennel Investment and Finance Private Limited and Gujarat Borosil Limited and Borosil Limited.
Securities Issue Committee	Securities Issue Committee of our Board
Senior Management	Senior management of our Company in terms of Regulation 2(1)(bbbb) of the SEBI ICDR Regulations, as disclosed in “ <i>Our Management</i> ” beginning on page 89
“Shareholders” / “Equity Shareholders”	Holders of the Equity Shares from time to time
Step-down Subsidiary/ies	GMB Glasmanufaktur Brandenburg GmbH and Interfloat Corporation Our Subsidiary, Geosphere Glassworks GmbH holds 86% stake in GMB Glasmanufaktur Brandenburg GmbH and our Subsidiary, Laxman AG holds 86% stake in Interfloat Corporation
Subsidiary/ies	Wholly owned subsidiaries of the Company, being Geosphere Glassworks GmbH and Laxman AG

Issue Related Terms

Term	Description
“Abridged Letter of Offer” / “ALOF”	The abridged letter of offer to be sent to the Eligible Equity Shareholders of our Company with respect to the Issue in accordance with the provisions of the SEBI ICDR Regulations and the Companies Act
Additional Rights Equity Shares	The Rights Equity Shares applied or allotted under the Issue in addition to the Rights Entitlement
“Allotment” / “Allot” / “Allotted”	Allotment of Rights Equity Shares pursuant to the Issue
Allotment Accounts	The accounts opened with the Banker(s) to the Issue, into which the Application Money lying in the escrow account and amounts blocked by Application Supported by Blocked Amount in the ASBA Account, with respect to successful Applicants will be transferred on the Transfer Date in accordance with Section 40(3) of the Companies Act
Allotment Account Bank(s)	Bank(s) which are clearing members and registered with SEBI as bankers to an issue and with whom the Allotment Accounts will be opened, in this case being, [●]
Allotment Advice	The note or advice or intimation of Allotment sent to each successful Applicant who has been or is to be Allotted the Rights Equity Shares pursuant to the Issue after approval of the Basis of Allotment by the Designated Stock Exchange
Allotment Date	Date on which the Allotment is made pursuant to the Issue
Allottee(s)	Person(s) to whom the Rights Equity Shares are Allotted pursuant to the Issue
“Applicant(s)” / “Investor(s)”	Eligible Equity Shareholder(s) and/or Renouncee(s) who are entitled to make an application for the Rights Equity Shares pursuant to the Issue in terms of the Letter of Offer, including an ASBA Investor
Application	Application made through submission of the Application Form or plain paper Application to the Designated Branch(es) of the SCSBs or online/ electronic application through the website of the SCSBs (if made available by such SCSBs) under the ASBA process, to subscribe to the Rights Equity Shares at the Issue Price
Application Form	Unless the context otherwise requires, an application form used by an Applicant to make an application for the Allotment of Rights Equity Shares in the Issue
Application Money	Aggregate amount payable in respect of the Rights Equity Shares applied for in the Issue at the Issue Price
“Application Supported by Blocked Amount” / “ASBA”	Application (whether physical or electronic) used by Applicant(s) to make an application authorizing the SCSB to block the Application Money in a specified bank account maintained with the SCSB
ASBA Account	An account maintained with SCSBs and as specified in the Application Form or plain paper Application, as the case may be, by the Applicant for blocking the amount mentioned in the Application Form or in the plain paper Application
ASBA Circulars	Collectively, SEBI circular bearing reference number SEBI/CFD/DIL/ASBA/1/2009/30/12 dated December 30, 2009, SEBI circular bearing reference number CIR/CFD/DIL/1/2011 dated April 29, 2011, SEBI circular bearing reference number SEBI/HO/CFD/DIL2/CIR/P/2020/13 dated

Term	Description
	January 22, 2020, SEBI circular bearing reference number SEBI/HO/CFD/SSEP/CIR/P/2022/66 dated May 19, 2022 and any other circular issued by SEBI in this regard and any subsequent circulars or notifications issued by SEBI in this regard
Banker(s) to the Issue	Collectively, Escrow Collection Bank, Allotment Account Bank and the Refund Bank
Banker(s) to the Issue Agreement	Agreement to be entered into by and among our Company, the Registrar to the Issue, the Lead Manager and the Banker(s) to the Issue for <i>inter alia</i> collection of the Application Money from Applicants/Investors, transfer of funds to the Allotment Account and where applicable, refunds of the amounts collected from Applicants/Investors, on the terms and conditions thereof
Basis of Allotment	The basis on which the Rights Equity Shares will be Allotted to successful applicants in consultation with the Designated Stock Exchange in the Issue, as described in “ <i>Terms of the Issue</i> ” beginning on page 258
“Controlling Branches” / “Controlling Branches of the SCSBs”	Such branches of the SCSBs which co-ordinate with the Lead Manager, the Registrar to the Issue and the Stock Exchanges, a list of which is available on the website of SEBI updated from time to time, or at such other website(s) as may be prescribed by the SEBI from time to time
Demographic Details	Details of Investors including the Investor’s address, PAN, DP ID, Client ID, bank account details and occupation, where applicable
Designated Branch(es)	Such branches of the SCSBs which shall collect the Applications, as the case may be, used by the Investors and a list of which is available on the website of SEBI and/or such other website(s) as may be prescribed by the SEBI from time to time
Designated Stock Exchange	[●]
Depository(ies)	NSDL and CDSL or any other depository registered with SEBI under the Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018 as amended from time to time read with the Depositories Act, 1996
Draft Letter of Offer	This draft letter of offer dated June 10, 2024 filed with SEBI in accordance with the SEBI ICDR Regulations
Eligible Equity Shareholder(s)	Existing Equity Shareholders as on the Record Date. Please note that the investors eligible to participate in the Issue excludes certain overseas shareholders. For further details, see “ <i>Notice to Investors</i> ” and “ <i>Restrictions on Purchases and Resales</i> ” beginning on page 10 and 282, respectively
“Equity Shareholder(s)” / “Shareholders”	Holder(s) of the Equity Shares of our Company
Escrow Account	One or more no-lien and non-interest-bearing accounts with the Escrow Collection Bank for the purposes of collecting the Application Money from Eligible Equity Shareholders as on record date making an Application through the ASBA facility
Escrow Collection Bank	Bank(s) which are clearing members and registered with SEBI as banker to an issue and with whom an escrow account will be opened, in this case being, [●]
FPIs	Foreign portfolio investors as defined under the SEBI FPI Regulations
Fraudulent Borrower	Fraudulent Borrower as defined under Regulations 2(1)(III) of the SEBI ICDR Regulations
F&S	Frost & Sullivan (India) Private Limited
F&S Report	Report titled “ <i>Industry Report on Solar Glass Market</i> ” dated June 6, 2024, prepared by F&S pursuant to their engagement letter dated March 22, 2024
“Issue” / “Rights Issue”	Issue of up to [●] Rights Equity Shares of face value ₹ 1 each for cash at a price of ₹ [●] per Equity Share for an amount aggregating up to ₹ 45,000 lakhs on a rights basis to the Eligible Equity Shareholders of our Company in the ratio of [●] Rights Equity Share for every [●] Equity Shares of face value ₹ 1 each held by the Eligible Equity Shareholders on the Record Date
Issue Agreement	Issue agreement dated June 10, 2024 between our Company and the Lead Manager, pursuant to which certain arrangements are agreed to in relation to the Issue
Issue Closing Date	[●]
Issue Materials	Letter of Offer, the Abridged Letter of Offer, the Application Form, the Rights Entitlement Letter and any other material relating to the Issue
Issue Opening Date	[●]
Issue Period	The period between the Issue Opening Date and the Issue Closing Date, inclusive of both days, during which Applicants/Investors can submit their Applications, in accordance with the SEBI ICDR Regulations
Issue Price	₹[●] per Equity Share
Issue Proceeds	The gross proceeds raised through the Issue
Issue Size	The issue of up to [●] Rights Equity Shares of face value ₹ 1 each aggregating up to ₹ 45,000 lakhs
“Lead Manager” / “I-Sec”	ICICI Securities Limited
Letter of Offer	The final letter of offer to be filed with the Stock Exchanges after incorporating the observations

Term	Description
	received from SEBI on this Draft Letter of Offer
Listing Agreement	The uniform listing agreement entered into between our Company and the Stock Exchanges in terms of the SEBI LODR Regulations
Monitoring Agency	[●]
Monitoring Agency Agreement	Agreement to be entered between our Company and the Monitoring Agency in relation to monitoring of Net Proceeds
Multiple Application Forms	More than one Application form submitted by an Eligible Shareholder/ Renouncee in respect of the same Rights Entitlements available in their demat account. However, additional applications in relation to additional Rights Equity Shares with/without using additional Rights Entitlements will not be treated as multiple application
Net Proceeds	Issue Proceeds less the Issue related expenses. For further details, see “ <i>Objects of the Issue</i> ” beginning on page 40
Non-Institutional Investors	An Investor other than a Retail Individual Investor or Qualified Institutional Buyer as defined under Regulation 2(1)(jj) of the SEBI ICDR Regulations
Off Market Renunciation	The renouncement of Rights Entitlements undertaken by the Investor by transferring them through off market transfer through a depository participant in accordance with the SEBI Rights Issue Circulars, circulars issued by the Depositories from time to time and other applicable laws
On Market Renunciation	The renouncement of Rights Entitlements undertaken by the Investor by trading them over the secondary market platform of the Stock Exchanges through a registered stock broker in accordance with the SEBI Rights Issue Circulars, circulars issued by the Stock Exchanges from time to time and other applicable laws, on or before [●]
“Qualified Institutional Buyers” or “QIBs”	Qualified institutional buyers as defined under Regulation 2(1)(ss) of the SEBI ICDR Regulations
Record Date	Designated date for the purpose of determining the Equity Shareholders eligible to apply for Rights Equity Shares, to be decided prior to filing of the Letter of Offer, being [●]
Refund Bank	The Bankers to the Issue with whom the refund account will be opened, in this case being [●]
Registrar Agreement	Agreement dated June 7, 2024 between our Company and the Registrar to the Issue in relation to the responsibilities and obligations of the Registrar pertaining to this Issue
“Registrar to the Issue” / “Registrar”	Link Intime India Private Limited
Renouncee(s)	Any person(s) who has/have acquired Rights Entitlements from the Eligible Equity Shareholders on renunciation in accordance with the SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2020/13 dated January 22, 2020
Renunciation Period	The period during which the Investors can renounce or transfer their Rights Entitlements which shall commence from the Issue Opening Date. Such period shall close on [●] in case of On Market Renunciation. Eligible Equity Shareholders are requested to ensure that renunciation through off market transfer is completed in such a manner that the Rights Entitlements are credited to the demat account of the Renouncee on or prior to the Issue Closing Date
Rights Entitlement(s)	Number of Rights Equity Shares that an Eligible Equity Shareholder is entitled to in proportion to the number of Equity Shares held by the Eligible Equity Shareholder on the Record Date, in this case being [●] Rights Equity Shares of face value ₹ 1 each for every [●] Equity Shares of face value ₹ 1 each held by an Eligible Equity Shareholder
Rights Equity Shares	Equity Shares of our Company to be Allotted pursuant to the Issue
Rights Entitlement Letter	Letter including details of Rights Entitlements of the Eligible Equity Shareholders. The Rights Entitlements are also accessible on the website of our Company
SCSB(s)	Self-certified syndicate bank(s) registered with SEBI, which acts as a banker to the Issue and which offers the facility of ASBA. A list of all SCSBs is available at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34 , or such other website as updated from time to time
Stock Exchanges	Stock exchanges where the Equity Shares are presently listed, i.e., BSE and NSE
Transfer Date	The date on which the Application Money held in the escrow account and the Application Money blocked in the ASBA Account will be transferred to the Allotment Account(s) in respect of successful Applications, upon finalization of the Basis of Allotment, in consultation with the Designated Stock Exchange
“Wilful Defaulter” / “Fraudulent Borrower”	Wilful Defaulter or Fraudulent Borrower as defined under Regulation 2(1)(III) of the SEBI ICDR Regulations.
Working Days	In terms of Regulation 2(1)(mmm) of SEBI ICDR Regulations, working day means all days on which commercial banks in Mumbai are open for business. Further, in respect of Issue Period, working day means all days, excluding Saturdays, Sundays and public holidays, on which commercial banks in Mumbai are open for business. Furthermore, the time period between the Issue Closing Date and the listing of Equity Shares on the Stock Exchanges, working day means all trading days of the Stock Exchanges, excluding Sundays and bank holidays, as per circulars issued by SEBI

Conventional and General Terms or Abbreviations

Term/Abbreviation	Description/ Full Form
“₹” or “Rs.” or “Rupees” or “INR”	Indian Rupee
AIF(s)	Alternative investment funds, as defined and registered with SEBI under the Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012
Arbitration Act	Arbitration and Conciliation Act, 1996
AS or Accounting Standards	Accounting standards issued by the ICAI
BSE	BSE Limited
CAGR	Compounded Annual Growth Rate
Category I AIF	AIFs who are registered as “Category I Alternative Investment Funds” under the SEBI AIF Regulations
Category I FPIs	FPIs who are registered as “Category I foreign portfolio investors” under the SEBI FPI Regulations
Category II AIF	AIFs who are registered as “Category II Alternative Investment Funds” under the SEBI AIF Regulations
Category II FPIs	FPIs who are registered as “Category II foreign portfolio investors” under the SEBI FPI Regulations
Category III AIF	AIFs who are registered as “Category III Alternative Investment Funds” under the SEBI AIF Regulations
CBDT	Central Board of Direct Taxes, Government of India
CDSL	Central Depository Services (India) Limited
Central Government	Central Government of India
CIN	Corporate Identity Number
Civil Code	Code of Civil Procedure, 1908
Client ID	The client identification number maintained with one of the Depositories in relation to the demat account
Companies Act	Companies Act, 1956 or the Companies Act, 2013, as applicable
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 thereunder
CSR	Corporate Social Responsibility
Current Ratio	Current assets/ current liabilities
Debt to Equity Ratio	Total debts/ total equity (equity share capital + other equity)
Debt Service Coverage Ratio	earnings available for debt service (net profit after taxes + depreciation & amortization + finance cost + non cash operating items + other adjustment) / (finance cost + principle repayment of long term borrowings during the period/year)
Depositories Act	Depositories Act, 1996
Depository	A depository registered with SEBI under the Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996
DIN	Director Identification Number
“DP” / “Depository Participant”	Depository participant as defined under the Depositories Act
DP ID	Depository Participant’s Identification number
DPIIT	Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry, Government of India (formerly Department of Industrial Policy and Promotion)
EBIT	Earnings before interest and taxes
EBITDA	Earnings before interest, taxes, depreciation and amortization. It includes share of profits from Associate and excludes other income and exceptional items of the Company
EBITDA Margin	Net profit after tax for the period adjusted for income tax expense + finance costs + depreciation and amortisation expense / revenue from operations
ECB	External Commercial Borrowings
ECB Master Directions	Master Direction – External Commercial Borrowings, Trade Credits and Structured Obligations dated March 26, 2019 issued by the RBI, as amended from time to time
EGM	Extraordinary general meeting
EPF	Employees’ provident fund
EPS	Earnings Per Share
FDI	Foreign direct investment

Term/Abbreviation	Description/ Full Form
FEMA	Foreign Exchange Management Act, 1999
FEMA Rules	Foreign Exchange Management (Non-debt Instruments) Rules, 2019
“Financial Year” / “Fiscal Year” / “Fiscal” / “FY”	Period of 12 months ending March 31 of that particular year
FPI	Foreign portfolio investors as defined and registered under the SEBI FPI Regulations
FVCI	Foreign Venture Capital Investors as defined and registered under the SEBI FVCI Regulations
GAAR	General anti-avoidance rules
GAAP	Generally Accepted Accounting Principles in India
Gazette	Official Gazette of India
GDP	Gross domestic product
“GOI” / “Government”	Government of India
GST	Goods and services tax
“IBC” / “Bankruptcy Code”	The Insolvency and Bankruptcy Code, 2016
ICAI	Institute of Chartered Accountants of India
IFRS	International Financial Reporting Standards issued by the International Accounting Standards Board
Income-tax Act	Income-tax Act, 1961
Ind AS	Indian Accounting Standards as specified under section 133 of the Companies Act 2013 read with Companies (Indian Accounting Standards) Rules 2015
India	Republic of India
Interest Coverage Ratio	Earning before interest and tax / finance cost
Inventory Turnover Ratio	Revenue from sales of products / average inventory (opening balance+ closing balance/2)
ISIN	International Securities Identification Number
IST	Indian Standard Time
IT	Information technology
KYC	Know your customer
MICR	Magnetic Ink Character Recognition
MCA	Ministry of Corporate Affairs, Government of India
“Mn” / “mn”	Million
“MSME” / “SME”	Micro, Small and Medium Enterprise
Mutual Fund	Mutual fund registered with SEBI under the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996
NACH	National Automated Clearing House
NAV	Net Asset Value per Equity Share at a particular date computed based on total equity divided by number of Equity Shares
NBFC	Non-Banking Financial Company
NBFC-D	Deposit-Taking Non-Banking Financial Company
NBFC-ND	Non-Deposit Taking Non-Banking Financial Company
NBFC-ND-SI	Systemically Important Non-Deposit Taking Non-Banking Financial Companies
Net Worth	Equity share capital + Other Equity
Net Capital Turnover Ratio	Revenue from operations / working capital ((current asset - investments) - current liabilities)
NEFT	National Electronic Fund Transfer
Net Profit Ratio	Net profit after tax / revenue from operations
Net Retail NPA	Represents closing balance of the Net NPA of our Retail AUM as of the last day of the relevant year or period.
Non-GAAP Financial Measure	A financial measure not presented in accordance with generally accepted accounting principles
NR	Non-resident or person(s) resident outside India, as defined under the FEMA
NRE	Non- Residential External
NRE Account	Non-resident external account
NRI	A person resident outside India, who is a citizen of India and shall have the same meaning as ascribed to such term in the Foreign Exchange Management (Deposit) Regulations, 2016
NRO	Non-Resident Ordinary

Term/Abbreviation	Description/ Full Form
NRO Account	Non-resident ordinary account
NSDL	National Securities Depository Limited
NSE	National Stock Exchange of India Limited
“OCBs” / “Overseas Corporate Body”	A company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60% by NRIs including overseas trusts, in which not less than 60% of beneficial interest is irrevocably held by NRIs directly or indirectly and which was in existence on October 3, 2003 and immediately before such date had taken benefits under the general permission granted to OCBs under FEMA
OCI	Overseas Citizen of India
ODI	Off-shore Derivative Instruments
Other Equity	Securities premium + share based payment reserve + retained earnings and remeasurements of defined benefit plans.
p.a.	Per annum
P/E Ratio	Price to Earnings Ratio
PAN	Permanent Account Number
PAT	Profit After Tax
PMLA	Prevention of Money Laundering Act, 2002
RBI	Reserve Bank of India
RBI Master Circular	Master Circular – Requirement for Obtaining Prior Approval of RBI in Cases of Acquisition / Transfer of Control of NBFCs (DNBR (PD) CC.No.061/03.10.119/2015-16) dated July 1, 2015 (as amended up to August 4, 2015)
Regulation S	Regulation S under the U.S. Securities Act
Return on Average Equity	Net profit after tax / {Average total equity [(opening total equity + total equity)/2]}
Return on Capital Employed	Profit before interest & tax / total equity + total debts + deferred tax liability
Return on Equity Ratio	Net profit after tax / average total equity [(opening total equity + total equity)/2]
Return on Investment	Interest income on fixed deposits + profit on sale of investments + income of investment - impairment on value of investment / current investments + non current investments + fixed deposits with bank
RoC	Registrar of Companies, Maharashtra at Mumbai
Return on Net Worth	Net Profit/ (loss) after tax for the period attributable to equity shareholders of the Company / Net worth as attributable to equity shareholders of the parent at the end of the period
RTGS	Real Time Gross Settlement
Rule 144A	Rule 144A under the U.S. Securities Act
Rule 405 Affiliate	An affiliate as defined in Rule 405 under the U.S. Securities Act, which for the purposes of this Issue shall be deemed to include a Shareholder beneficially owning 10% or more of the outstanding Equity Shares, a Director and a Key Managerial Personnel
“SARFAESI Act” / “SARFAESI”	The Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002
SCRA	Securities Contracts (Regulation) Act, 1956
SCRR	Securities Contracts (Regulation) Rules, 1957
SEBI	The Securities and Exchange Board of India
SEBI Act	The Securities and Exchange Board of India Act, 1992
SEBI AIF Regulations	Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012
SEBI BTI Regulations	Securities and Exchange Board of India (Bankers to an Issue) Regulations, 1994
SEBI FPI Regulations	The Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019
SEBI FVCI Regulations	Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000
SEBI ICDR Regulations	The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018
SEBI LODR Regulations	The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015
SEBI Rights Issue Circulars	SEBI circular bearing reference number SEBI/HO/CFD/DIL2/CIR/P/2020/13 dated January 22, 2020 and SEBI circular bearing reference number SEBI/HO/CFD/SSEP/CIR/P/2022/66 dated May 19, 2022 and any other circular issued by SEBI in this regard
SEBI Takeover Regulations	The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011
SEBI VCF Regulations	The Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996, as

Term/Abbreviation	Description/ Full Form
	repealed and replaced by the SEBI AIF Regulations
Stock Exchanges	BSE and NSE
STT	Securities Transaction Tax
Systemically Important NBFC	Systemically important non-banking financial company as defined under Regulation 2(1)(iii) of the SEBI ICDR Regulations
State Government	Government of a state of India
TAN	Tax deduction account number
Trade Payable Turnover Ratio	Cost of material consumed / average trade payable (opening balance + closing balance /2)
Trade Receivable Turnover Ratio	Revenue from operations / average trade receivable (opening balance + closing balance /2)
TDS	Tax deduction at source
UPI	Unified Payment Interface
USD	United States Dollar
“U.S.” / “USA” / “United States”	United States of America, its territories or possessions, any state of the United States, and the District of Columbia
U.S. Investment Company Act	U.S. Investment Company Act of 1940, as amended, together with the rules and regulations thereunder
U.S. Person	U.S. person as defined in Regulation S
U.S. QIB	Qualified institutional buyer as defined in Rule 144A
U.S. Qualified Purchaser	Qualified purchaser as defined in Section 2(a)(51) of the U.S. Investment Company Act
U.S. Securities Act	U.S. Securities Act of 1933, as amended
VCFs	Venture Capital Funds as defined in and registered with SEBI under the SEBI VCF Regulations or the SEBI AIF Regulations, as the case may be
Y-o-Y	Year-on-year

Business and Industry Related Terms

Term	Description
ALMM	Approved list of models and manufacturers
APM	Administered Price Mechanism
BCI	Business confidence index
BU	Billion units
Cd/m ²	Candela per square metre
CEA	Central electricity authority
CIF	Cost insurance and freight
COP	Conference of the Parties
CPSU	Central public sector undertaking
DAP	Delivered at place
DCR	Domestic content requirements
DOE	Department of Energy
EU	European union
EVA	Ethylene vinyl acetate
FOB	Free on board
GW	Giga watt
GWp	Giga watt peak
IEA	International energy agency
IIP	Index of Industrial Production
IRA	Inflation reduction act
ISA	International solar alliance
KW	Kilo watt
kWh	Kilowatt hour
LOA	Letter of award
MMT	Million metric tonnes

Term	Description
MNRE	Ministry of New and Renewable Energy
MoSPI	Ministry of Statistics and Program Implementation
MW	Mega watt
PLI	Production linked incentive
PMI	Purchasing manager's index
PV	Photovoltaic
RE	Renewable energy
“RLNG”/ “Natural Gas”	Regasified Liquefied Natural Gas
RPO	Renewable purchase obligations
RTC	Round the Clock
SCMD	Standard cubic meters per day
SECI	Solar Energy Corporation of India
SG-3	The Company's third furnace with a capacity of 550 TPD
Sqm	Square metre
TPD	Tonnes per day
VGf	Viability gap funding

NOTICE TO INVESTORS

The distribution of this Draft Letter of Offer, the Letter of Offer, the Abridged Letter of Offer, Application Form and Rights Entitlement Letter and the issue of Rights Entitlement and Rights Equity Shares to persons in certain jurisdictions outside India may be restricted by legal requirements prevailing in those jurisdictions. Persons into whose possession this Draft Letter of Offer, the Letter of Offer, the Abridged Letter of Offer or Application Form may come are required to inform themselves about and observe such restrictions. For more details, see “*Restrictions on Purchases and Resales*” beginning on page 282.

The Letter of Offer, the Abridged Letter of Offer, the Application Form, the Rights Entitlement Letter and any other material relating to the Issue (collectively, the “**Issue Materials**”) will be sent/ dispatched only to the Eligible Equity Shareholders who have provided an Indian address to our Company. In case such Eligible Equity Shareholders have provided their valid e-mail address to our Company, the Issue Materials will be sent only to their valid e-mail address and in case such Eligible Equity Shareholders have not provided their e-mail address, then the Issue Material will be physically dispatched, on a reasonable effort basis, to the Indian addresses provided by them. Those overseas Shareholders who do not update our records with their Indian address or the address of their duly authorized representative in India, prior to the date on which we propose to dispatch the Issue Materials, shall not be sent the Issue Materials.

Investors can also access this Draft Letter of Offer, the Letter of Offer, the Abridged Letter of Offer and the Application Form from the websites of our Company, the Registrar, the Lead Manager, and the Stock Exchanges.

Our Company, the Lead Manager, and the Registrar will not be liable for non-dispatch of physical copies of Issue Materials, including the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter and the Application Form, in the event the Issue Materials have been sent to the registered email addresses of such Eligible Equity Shareholders.

No action has been or will be taken to permit the Issue in any jurisdiction where action would be required for that purpose, except that this Draft Letter of Offer is being filed with SEBI for observations. Accordingly, the Rights Entitlement and the Rights Equity Shares may not be offered or sold, directly or indirectly, and this Draft Letter of Offer, Letter of Offer, and any other Issue Materials may not be distributed, in whole or in part, in or into any jurisdiction other than India except in accordance with legal requirements applicable in such jurisdiction. Receipt of this Draft Letter of Offer, Letter of Offer or any other Issue Materials (including by way of electronic means) will not constitute an offer, invitation to or solicitation by anyone in any jurisdiction or in any circumstances in which such an offer, invitation or solicitation is unlawful or not authorized or to any person to whom it is unlawful to make such an offer, invitation or solicitation. In those circumstances, this Draft Letter of Offer, Letter of Offer, and any other Issue Materials must be treated as sent for information only and should not be acted upon for subscription to Rights Equity Shares and should not be copied or re-distributed. Accordingly, persons receiving a copy of this Draft Letter of Offer, Letter of Offer, and any other Issue Materials should not distribute or send this Draft Letter of Offer, Letter of Offer or any such documents in or into any jurisdiction where to do so, would or might contravene local securities laws or regulations, or would subject our Company or its affiliates or the Lead Manager or its affiliates to any filing or registration requirement (other than in India). If this Draft Letter of Offer or Letter of Offer or any other Issue Material is received by any person in any such jurisdiction, they must not seek to subscribe to the Rights Equity Shares. For more details, see “*Restrictions on Purchases and Resales*” beginning on page 282.

Any person who makes an application to acquire Rights Entitlements and the Rights Equity Shares offered in the Issue will be deemed to have declared, represented, warranted and agreed that such person is authorized to acquire the Rights Entitlements and the Rights Equity Shares in compliance with all applicable laws and regulations prevailing in such person’s jurisdiction and India, without requirement for our Company or the Lead Manager or its affiliates to make any filing or registration (other than in India). In addition, each purchaser of Rights Entitlements and the Rights Equity Shares will be deemed to make the representations, warranties, acknowledgments and agreements set forth in “*Restrictions on Purchases and Resales*” beginning on page 282. The Rights Equity Shares are transferable only in accordance with the restrictions described in “*Restrictions on Purchases and Resales*” beginning on page 282.

Our Company, in consultation with the Lead Manager, reserves the right to treat as invalid any Application Form that: (i) appears to our Company or its agents to have been executed in, electronically transmitted from or dispatched from jurisdictions where the offer and sale of the Rights Equity Shares is not permitted under laws of such jurisdictions; (ii) does not include the relevant certifications set out in the Application Form, including that such person is eligible to subscribe for the Rights Equity Shares under applicable securities laws and is complying with laws of jurisdictions applicable to such person in connection with the Issue; or (iii) where a registered Indian address is not provided; and our Company shall not be bound to issue or allot any Rights Equity Shares in respect of any such Application Form.

Neither the receipt of this Draft Letter of Offer nor any sale of Rights Equity Shares hereunder, shall, under any circumstances, create any implication that there has been no change in our Company’s affairs from the date hereof or the date of such information or that the information contained herein is correct as at any time subsequent to the date of this Draft Letter of Offer or the date of such information. The contents of this Draft Letter of Offer should not be construed as legal, tax, business, financial or investment advice. Prospective investors may be subject to adverse foreign, state or local tax or legal consequences as a result of the offer of Rights Equity Shares or Rights Entitlements. As a result, each investor should consult its own counsel, business advisor and tax advisor as to the legal, business, tax and related matters concerning the offer of the Rights Equity Shares or Rights Entitlements. In addition, neither our Company nor the Lead Manager or its affiliates are making any representation to any offeree or purchaser of the Rights Equity Shares regarding the legality of an investment in the Rights

Entitlements or the Rights Equity Shares by such offeree or purchaser under any applicable laws or regulations.

Investors are advised to make their independent investigations and ensure that the number of Rights Equity Shares applied for do not exceed the applicable limits under laws or regulations.

The Issue Materials are supplied to you solely for your information and may not be reproduced, redistributed or passed on, directly or indirectly, to any other person or published, in whole or in part, for any purpose.

PRESENTATION OF FINANCIAL INFORMATION AND OTHER INFORMATION

Certain Conventions

Unless otherwise specified or the context otherwise requires, all references in this Draft Letter of Offer to (i) the 'US' or 'U.S.' or the 'United States' are to the United States of America, its territories and possessions, any state of the United States, and the District of Columbia; (ii) 'India' are to the Republic of India and its territories and possessions; and (iii) the 'Government' or 'GoI' or the 'Central Government' or the 'State Government' are to the Government of India, Central or State, as applicable.

Unless otherwise specified, any time mentioned in this Draft Letter of Offer is in Indian Standard Time ("IST"). Unless indicated otherwise, all references to a year in this Draft Letter of Offer are to a calendar year. Unless stated otherwise, all references to page numbers in this Draft Letter of Offer are to the page numbers of this Draft Letter of Offer.

Financial Data

Unless stated otherwise, the financial data in this Draft Letter of Offer is derived from the Audited Consolidated Financial Statements. The Company's Financial Year commences on April 1 of each calendar year and ends on March 31 of the following calendar year. Unless otherwise stated, references in this Draft Letter of Offer to a particular 'Financial Year' or 'Fiscal Year' or 'Fiscal' are to the financial year ended March 31. For details of the financial statements, please see "*Financial Statements*" beginning on page 93.

The Company prepares its financial statements in accordance with Ind AS, Companies Act, and other applicable statutory and/or regulatory requirements. The Company publishes its financial statements in Indian Rupees. Any reliance by persons not familiar with Indian accounting practices on the financial disclosures presented in this Draft Letter of Offer should accordingly be limited.

In this Draft Letter of Offer, any discrepancies in any table between the total and the sums of the amounts listed are due to rounding off, and unless otherwise specified, all financial numbers in parentheses represent negative figures. Unless stated otherwise, throughout this Draft Letter of Offer, all figures have been expressed in Rupees, in lakhs.

Non-GAAP Financial Measures

We have included certain non-GAAP financial measures and certain other statistical information relating to our operations and financial performance (collectively, "**Non-GAAP Financial Measures**" and each, a "**Non-GAAP Financial Measure**") in this Draft Letter of Offer, such as Return on Average Equity, Debt to Equity Ratio, Interest Coverage Ratio, EBITDA Margin, Current Ratio, Inventory Turnover Ratio, Trade Receivable Turnover Ratio, Net Profit Ratio, Return on Capital Employed, Trade Payable Turnover Ratio, Net Capital Turnover Ratio, Return on Investment, Return on Net Worth and Net Worth. These Non-GAAP Financial Measures are not required by or presented in accordance with Ind AS. We compute and disclose such Non-GAAP Financial Measures and such other statistical information relating to our operations and financial performance as we consider such information to be useful measures of our business and financial performance, and because such measures are frequently used by securities analysts, investors and others to evaluate the operational performance of financial services businesses, many of which provide such Non-GAAP Financial Measures and other statistical and operational information when reporting their financial results. However, these Non-GAAP Financial Measures and other statistical information relating to our operations and financial performance 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 financial services companies.

Market and Industry Data

Unless stated otherwise, market, industry and demographic data used in this Draft Letter of Offer have been derived from the report entitled "*Industry Report on Solar Glass Market*" dated June 6, 2024 (the "**F&S Report**") prepared by Frost & Sullivan (India) Private Limited ("**F&S**") pursuant to the engagement letter dated March 22, 2024. The F&S Report has been commissioned and paid for by our Company, for an agreed fee only for the purposes of confirming our understanding of the industry in connection with the Issue. F&S is not in any manner related to our Company, our Directors or our Promoters.

Statements from third parties that involve estimates are subject to change, and actual amounts may differ materially from those included in this Draft Letter of Offer. Industry sources and publications may also base their information on estimates, projections, forecasts and assumptions that may prove to be incorrect. Industry sources and publications are also prepared based on information as of specific dates and may no longer be current or reflect current trends. Accordingly, investment decisions should not be based solely on such information.

Currency of Presentation

All references to

- 'INR', '₹', 'Indian Rupees' and 'Rupees' are to the legal currency of the Republic of India;
- 'US\$', 'USD', '\$' and 'U.S. dollars' are to the legal currency of the United States of America;

Please note:

- One million is equal to 1,000,000 or 10 lakhs;
- One crore is equal to 10 million or 100 lakhs; and
- One lakh is equal to 100,000.

Conversion Rates for Foreign Currency:

The conversion rate for the following foreign currency is as follows:

S. No.	Name of the Currency	As of March 31, 2024 (in ₹)	As of March 31, 2023 (in ₹)
1.	1 USD	83.37	82.22
2.	1 EUR	90.22	89.61

Source: www.fbil.org.in

Note: On instances where the given day is a holiday, the exchange rate from the previous working day has been considered. Exchange rate is rounded off to two decimal places.

FORWARD LOOKING STATEMENTS

Certain statements contained in this Draft Letter of Offer 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', 'expected to', 'intend', 'is likely', 'may', 'objective', 'plan', 'potential', 'project', 'pursue', 'shall', 'should', 'will', 'would', or other words or phrases of similar import. Similarly, statements that describe the strategies, objectives, plans or goals of our Company are also forward-looking statements. However, these are not the exclusive means of identifying forward-looking statements.

All statements regarding our Company's expected financial conditions, result 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 Draft Letter of Offer that are not historical facts. These forward-looking statements contained in this Draft Letter of Offer (whether made by our Company 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 actual results to differ materially from the Company's expectations include, among others:

- Our business is dependent on the growth of and factors affecting the solar PV modules manufacturing industry in India, circumstances adversely affecting such industry including Government policies and the profitability of solar PV modules may have a material adverse effect on our results of operations.
- Our ability to compete is dependent on the fiscal and other policies of the Government of India that affect the solar glass manufacturing sector.
- Availability of raw materials and fluctuation in raw material prices may have a material adverse effect on our operating profit.
- In case we are unable to procure natural gas, which is used as a fuel in our furnace, at competitive prices, our profitability may be adversely affected.
- Our customers may fail to pay us the monies due to us on time or at all, which could have a material adverse effect on our business, prospects and results of operations.

Additional factors that could cause actual results, performance or achievements to differ materially include, but are not limited to, those discussed in the sections entitled "*Risk Factors*", "*Our Business*" and "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" beginning on pages 17, 75 and 224, respectively.

The forward-looking statements contained in this Draft Letter of Offer are based on the beliefs of our Company's management, as well as the assumptions made by, and information currently available to, our Company's management. Whilst our Company believes that the expectations reflected in such forward-looking statements are reasonable at this time, it 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 of the date of this Draft Letter of Offer or the respective dates indicated in this Draft Letter of Offer, and our Company, the Lead Manager and its respective affiliate 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 materialise, 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 our Company are expressly qualified in their entirety by reference to these cautionary statements.

In accordance with SEBI and Stock Exchange requirements, our Company and the Lead Manager will ensure that the Eligible Equity Shareholders are informed of material developments until the time of the grant of listing and trading permissions for the Rights Equity Shares by the Stock Exchanges.

SUMMARY OF DRAFT LETTER OF OFFER

The following is a general summary of certain disclosures and terms of the Issue included in this Draft Letter of Offer and is neither exhaustive, nor does it purport to contain a summary of all the disclosures in this Draft Letter of Offer or all details relevant to the prospective investors. This summary should be read in conjunction with, and is qualified in its entirety by, the more detailed information appearing elsewhere in this Draft Letter of Offer, including, in the sections entitled “*Risk Factors*”, “*Objects of the Issue*”, “*Our Business*” and “*Outstanding Litigation and Defaults*” beginning on pages 17, 40, 75 and 246, respectively.

For updates in relation to financial and operational performance as of and for the period ended March 31, 2024, see “*Material Developments*” beginning on page 251.

Primary Business of our Company

We manufacture textured low iron solar glass, with specification ranging from 2 mm to 6 mm thickness and with maximum sheet length and width of 3,500 mm and 2,500 mm, respectively, which finds application in solar photo-voltaic (PV) modules, solar modules for utility scale solar projects and solar modules for rooftops or water pumps and glazing of greenhouses. For further details, see “*Our Business*” beginning on page 75.

Objects of the Issue

Our Company intends to utilize the Net Proceeds from the Issue towards funding of the following objects:

(in ₹ lakhs)

Particulars	Estimated amount
Repayment or prepayment, in full or in part, of all or a portion of certain outstanding borrowings availed by our Company	12,813.96
Investment by our Company in Geosphere for further investment in our Material Subsidiary, GMB for repayment / pre-payment, in full or in part, of certain outstanding borrowings availed by GMB	21,111.48
General corporate purpose*	●
Net Proceeds*	●

* To be finalized upon determination of Issue Price and updated in the Letter of Offer. The amount shall not exceed 25% of the Issue Proceeds

For further details, see “*Objects of the Issue*” beginning on page 40.

Intention and extent of participation by our Promoters/ Promoter Group with respect to (i) their rights entitlement; and (ii) their intention to subscribe over and above their right entitlement

Our Promoters and Promoter Group have confirmed that they may (i) subscribe to their Rights Entitlements in the Issue or may renounce a portion of their Rights Entitlements in favour of the Promoters or other member(s) of our Promoter Group or in favour of existing shareholders of the Company or third party investors; (ii) subscribe to additional Rights Equity Shares including subscribing to any unsubscribed portion in the Issue, if any, or subscription pursuant to Rights Entitlement acquired through renunciation, either individually or jointly and/ or severally with the Promoter(s) or any other members of the Promoter Group, subject to compliance with the Companies Act, the SEBI ICDR Regulations, the SEBI Takeover Regulations and other applicable laws/ regulations. Provided that if any of the Promoters or members of the Promoter Group renounce any Rights Entitlements in favour of any third party investor (not being a Promoter or a member of the Promoter Group), whether or not an existing member of the Company, (i) such renouncing Promoters or member of the Promoter Group shall not apply for subscription to additional Rights Entitlement and (ii) in the event that minimum subscription of 90% is not met, all application monies received shall be refunded to the applicants forthwith, but not later than four days from the closure of the Issue, in compliance with Regulation 86 (2) of the SEBI ICDR Regulations.

The allotment of Equity Shares of the Company subscribed by the Promoters and other members of the Promoter Group in this Issue shall be eligible for exemption from open offer requirements in terms of Regulation 10(4)(a) and 10(4)(b) of the SEBI Takeover Regulations. The Issue shall not result in a change of control of the management of our Company in accordance with provisions of the SEBI Takeover Regulations. Our Company is in compliance with Regulation 38 of the SEBI LODR Regulations and will continue to comply with the minimum public shareholding requirements under applicable law, pursuant to this Issue.

Summary of outstanding litigation and defaults

A summary of outstanding legal proceedings involving our Company and our Subsidiaries as on the date of this Draft Letter of Offer is set forth in the table below:

Nature of Cases	Number of Cases	Amount Involved* (₹ in lakhs)
Litigations involving our Company		

Nature of Cases	Number of Cases	Amount Involved* (₹ in lakhs)
Proceedings involving issues of moral turpitude or criminal liability	NIL	NIL
Civil or tax proceedings where the amount involved is equivalent to or in excess of the materiality threshold of ₹ 477.93 lakhs	1	523.98
Proceedings before regulatory authorities involving material violation of statutory regulations	NIL	NIL
Matters involving economic offences where proceedings have been initiated against our Company	NIL	NIL
Other proceedings involving our Company which, if they result in an adverse outcome would materially and adversely affect the operations or the financial position of our Company	NIL	NIL
Recovery proceedings under the SARFAESI Act	NIL	NIL
Litigations involving our Subsidiaries		
Proceedings involving issues of moral turpitude or criminal liability	NIL	NIL
Civil or tax proceedings where the amount involved is equivalent to or in excess of the materiality threshold of ₹ 477.93 lakhs	1	1,815.81 [#]
Proceedings before regulatory authorities involving material violation of statutory regulations	NIL	NIL
Matters involving economic offences where proceedings have been initiated against our Subsidiaries	NIL	NIL
Other proceedings involving our Subsidiaries which, if they result in an adverse outcome would materially and adversely affect the operations or the financial position of our Company	NIL	NIL

*To the extent quantifiable

[#]Exchange rate being 1 Euro = 90.12 INR as on May 31, 2024 (Source: www.fbil.org)

For further details, see “*Outstanding Litigation and Defaults*” beginning on page 246.

Risk Factors

For details, see “*Risk Factors*” beginning on page 17. Investors are advised to read the risk factors carefully before taking an investment decision in the Issue.

Contingent liabilities

For details regarding our contingent liabilities as per Ind AS 37 for the Financial Years 2024 and 2023, see “*Financial Statements*” beginning on page 93.

Related party transactions

For details regarding our related party transactions as per Ind AS 24 entered into by us for Fiscal 2024 and Fiscal 2023, see notes 44 and 43 for Fiscal 2024 and 2023, respectively, in the notes to the Audited Consolidated Financial Statements in “*Financial Statements*” beginning on page 93.

Issue of Equity Shares for consideration other than cash

Our Company has not made any issuances of Equity Shares for consideration other than cash in the last one year immediately preceding the date of filing this Draft Letter of Offer.

Financing Arrangements

There have been no financing arrangements whereby our Promoters, members of our Promoter Group, Directors or their relatives have financed the purchase by any other person of securities of our Company, during the period of six months immediately preceding the date of this Draft Letter of Offer.

SECTION II: RISK FACTORS

An investment in equity shares involves a high degree of risk. You should carefully consider each of the following risk factors and all other information set forth in this Draft Letter of Offer, including the uncertainties described below, before making an investment in the Equity Shares. You should read this section together with “Industry Overview”, “Our Business” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” as well as the financial statements, including the notes thereto, and other financial information included in this Draft Letter of Offer.

The risks and uncertainties described below are not the only risks that we currently face. Additional risks and uncertainties not presently known to us or that we currently believe to be immaterial may also materially adversely affect our business, prospects, financial condition and results of operations and cash flows. If any or some combination of the following risks, or other risks that we do not currently know about or believe to be material, actually occur, our business, financial condition and results of operations and cash flows could suffer, the trading price of, and the value of your investment in our equity shares could decline, and you may lose all or part of your investment. In making an investment decision, you must rely on your own examination of our Company and the terms of this Issue, including the merits and risks involved. The financial and other related implications of the risk factors, wherever quantifiable, have been disclosed in the risk factors mentioned below. However, there are certain risk factors where the financial impact is not quantifiable and, therefore, cannot be disclosed in such risk factors.

The industry-related information contained in this section is derived from the industry report titled ‘Industry Report on Solar Glass Market’ dated June 6, 2024 prepared by Frost & Sullivan (India) Private Limited (“F&S” and such report, the “F&S Report”) appointed by our Company pursuant to an engagement letter dated March 22, 2024. We have commissioned and paid for the F&S Report specifically for the purpose of the Issue.

This Draft Letter of Offer also contains forward-looking statements that involve risks and uncertainties. Our results could differ materially from such forward-looking statements as a result of certain factors, including the considerations described below and elsewhere in this Draft Letter of Offer.

INTERNAL RISKS

- 1. Our business is dependent on the continued growth of and factors affecting the solar PV modules manufacturing industry in India and globally, circumstances adversely affecting such industry including Government policies and the profitability of solar PV modules may have a material adverse effect on results of our operations.***

The solar glass that we manufacture is used as a component in solar PV modules. Therefore, the growth of our business and profitability has been and shall continue to be significantly driven by the growth of the solar power sector globally and in India and the governmental policies that affect the solar manufacturing industry. In Fiscal 2024, our revenue from sale of solar glass to solar PV modules manufacturers (including those in SEZ) in India was 58.71% of our total consolidated revenues. The solar PV modules manufacturers in India are dependent on the Indian Government’s policy decisions on the growth of the solar power sector.

The Government of India, in June 2015, boosted the sector by approving the target capacity to 100 GW by 2022 under the Jawaharlal Nehru National Solar Mission, and subsequently raising the target capacity to 300 GW by 2030 with a focus on providing solar power at the cheapest cost for which it has followed a reverse bidding process. Reverse bidding imposes significant pricing pressures on the margins of developers and also on solar panel manufacturers, which in turn, imposes pricing pressures on solar cell and other component manufacturers, such as us. Such pressures are more evident in the case of grid connected large utility scale projects where big EPC contractors or module manufacturers are involved. These solar panel manufacturers try to pass on pricing pressures to component manufacturers, depending upon competitive situations of each one of them or resort to imports. We try to protect our margins through product improvements and innovations and through improvements in productivity and cost saving measures as it becomes difficult to pass on such pressures to our raw material suppliers, since the raw materials that we use while manufacturing our products are commodities whose prices are market driven. Therefore, our profitability is affected by Government policy that focuses on providing solar power at the cheapest cost.

In the event the growth of Indian solar panel manufacturers is adversely affected for any reason whatsoever, the demand for components of solar panel manufacturing would fluctuate. In the past, the Government’s decision to suspend the implementation of Approved List of Models and Manufacturers from April 2023 (suspension has now been withdrawn from April 1, 2024) enabled imports of modules in India and thereby affected demand for domestically produced modules and consequently for solar glass and other components. While Government policies such as the imposition of a basic customs duty on the import of solar cells at 25% and solar modules at 40% from April 1, 2022, have raised domestic manufacturing of modules and have been conducive to our business, there can be no assurance that such duties shall continue to be imposed on imports going forward. Our sales of solar glass in India, as a percentage of our total consolidated revenue for Fiscal 2024 was 58.71%. As our revenues are significantly dependent on the sale of solar glass in India, our business and results of operations would be adversely affected in case there is an increase in the imports of solar panels, owing to an increased dependence on such solar panels due to any policies which encourage imports.

Further, certain Indian companies have recently made announcements of their intention to develop large solar module manufacturing capacities in India. While these manufacturing capacities may be installed to meet their own captive requirements, such developments may have an impact on the incumbent module manufacturers, and as a result we may face

increased competition from such companies in the future, owing to their large scale, which may adversely affect our future results of operations.

Similarly, in respect of our manufacturing operations in Germany, the growth of business of our Subsidiaries depends upon governmental policies that affect the solar manufacturing industry in the respective jurisdiction of the Subsidiaries. Since most part of the sales of our Subsidiaries are to customers within the European Union, non levy of any trade barriers in those countries against imports of solar modules may cause cheaper imports to rise and render domestic production of modules unviable which may adversely impact the demand for solar glass for our Subsidiaries and consequently the business and results of operations of the Subsidiaries.

2. *Our ability to compete is dependent on the fiscal and other policies of the Government of India that affect the solar glass manufacturing sector.*

We predominantly compete with Chinese, Vietnamese and Malaysian companies that export solar tempered glass to India. International solar tempered glass manufacturers that are based out of China, Malaysia and Vietnam, can manufacture their products at significantly lower costs due to heavy subsidies and incentives offered to them by the governments of such countries. Additionally, there is an exemption from payment of basic custom duty on import of solar tempered glass in India which makes import of solar tempered glass lucrative for module manufacturers in India. The said duty exemption was to end on March 31, 2024, but the same has been extended up to September 30, 2024.

The Government had in the year 2017 imposed an anti-dumping duty on solar tempered glass imported from China and in the year 2021 imposed a countervailing duty on imports of solar tempered glass from Malaysia. However, the anti-dumping duty on China lapsed in August 2022 and also, there is no duty against Vietnam due to which there is a high import of solar tempered glass from China and Vietnam. The excessive imports of solar tempered glass from China, Vietnam and Malaysia has resulted in price pressure leading to low and unremunerative selling prices for the domestic glass producers in India.

The Chinese companies have expanded their production capacities in China, Malaysia and Vietnam which has created an imbalance in demand supply situations leading to dumping and cut down in their export prices and consequently the landed cost of imports in India. In the event of a continuing demand supply mismatch for any reason the import prices may continue to remain lower or go down further which will force us to keep the selling prices lower. This will continue to adversely affect our business and results of operations.

Further, in Fiscal 2024, four new solar glass plants in India have started production which has led to an increase in competition in the market. In the absence of any favourable Government policy in relation to imposition of higher basic custom duty, imposition of anti-dumping / countervailing duty, we will continue to face pricing pressure on our products which will continue to adversely affect our business and results of operation.

3. *Availability of raw materials and fluctuation in raw material prices may have a material adverse effect on our operating profit.*

The raw materials that we use during the course of manufacture of our products include silica sand, quartz, soda ash, limestone, dolomite, sodium antimonate, coating liquid, etc. Raw material cost is a significantly high operating expenditure that we incur as a business and for the Fiscals 2024 and 2023 our cost of raw materials comprised 25.61% and 23.56%, respectively, of our total consolidated revenue from operations for such periods. Our ability to manufacture and make timely deliveries of our products is dependent on the availability and cost of raw materials. We rely on third-party suppliers for all our primary raw materials. Prices of certain raw materials we rely on, such as soda ash, are linked to commodity markets and thus subject to price fluctuations. Also, due to market driven prices, we have no influence on the prices at which we can buy these raw materials. Due to high competition from imports and necessity to offer matching selling prices, there is a very limited ability to pass on any increases in raw material prices to our end customers. In addition, supply shortages or delays in deliveries of raw materials can also result in increased costs. We generally do not enter into forward exchange contracts as a means of hedging our exposure to fluctuations in the price of our production inputs and operating expenses.

Further, we do not have long term agreements with our raw material suppliers and we typically procure such raw materials through purchase orders. Due to the absence of formal supply contracts, we may face disruptions in raw material supplies. While we have not faced raw material supply shortages in the past, there cannot be any assurance that we shall not face shortages in future. In case the suppliers from whom we ordinarily procure raw materials are unable to meet our requirements, we may not be able to source raw material from alternate sources, in time or at all or on commercially viable terms, which may disrupt our production processes and customer commitments. Such events may adversely affect our reputation and business results of operations.

4. *In case we are unable to procure natural gas, which is used as a fuel in our furnace, at competitive prices, our profitability may be adversely affected.*

The three glass melting furnaces at our manufacturing facilities in India and the one in Germany use Natural Gas/RLNG as feedstock. The cost of natural gas is a significant component of our operating expenses. In the recent past, on account of global supply issues due to the geopolitical situation, there has been a significant increase in international gas prices which have

resulted in high prices of imported RLNG and also an upward revision in the price of domestically produced natural gas. During the Fiscals 2024 and 2023 the cost of natural gas was 8.70% and 10.28%, respectively, of our total cost (as per our consolidated financials) for the respective periods. Therefore, any material movement in the cost of natural gas/RLNG is expected to have a significant impact on our operational results.

We procure natural gas, for use at our manufacturing facility in India, at two price points: (a) natural gas allocated to the manufacturing sector by the Government of India, at APM prices; and (b) RLNG, which we procure at the market prices. APM prices are significantly lesser than the market prices of RLNG. The APM gas currently accounts for approximately 15% of our natural gas requirement at our manufacturing facility in India. The Government of India promotes the use of CNG and PNG for use in automobiles and for domestic use, respectively and, in 2014, had reduced the allocation of APM gas to the manufacturing sector whereby our allocation came down from 50,000 SCMD to 20,000 SCMD. Such reduction in allocation of APM gas had adversely affected the profitability of our industry, as a whole.

If the Government decides to further reduce the allocation of APM gas to the manufacturing sector and to us, our cost of operations will increase and we may be unable to pass on such increased cost to our customers, which may affect our profitability. Further, domestic gas prices have been brought under a pricing mechanism using a basket of international sources and weightages. The prices are announced on a half-yearly basis. Therefore, fluctuations of gas prices internationally affect the price of domestic natural gas. Any increase in gas prices internationally, and/or any adverse change in the pricing mechanism for APM gas, consequently, will result in an increase in our operating expenses.

5. A significant portion of our revenue is generated from certain key customers and suppliers, and accordingly there exists a concentration with a few customers and suppliers. The loss of one or more such customers or suppliers, the deterioration of their financial condition or prospects could adversely affect our business, results of operations, financial condition and cash flows.

We have developed long standing relationships with certain key customers and suppliers. Accordingly, we are dependent on our arrangements with such customers and suppliers and our business depends on the continuity of our relationship with them. A majority of our revenue is derived from our top ten customers and suppliers who have contributed to 41.47% and 52.54% of our consolidated revenue for Fiscal 2024.

We face the risk of the loss of all or any of our customers and/or suppliers, including on account of delays on our part with respect to completion of the orders placed, quality issues in our products and inability to fulfil payment to the suppliers. Our reliance on a select set of customers and suppliers may also constrain our ability to negotiate our commercial arrangements, which may have an impact on our profit margins and financial performance. The deterioration of the financial condition or business prospects of these customers and/or suppliers could significantly affect our financial conditions. Maintaining strong relationships with our customers and suppliers is, therefore, essential to our business strategy and to the growth of our business. In Fiscal 2024, in respect of our operations at Tschernitz, we have experienced a slowdown in demand from our customers in the European Union as they were forced to reduce operations due to dumping of solar modules from suppliers based out of South East Asia. Owing to a decline in the demand of some of our large customers, our results of operations and profitability were adversely impacted.

6. We have incurred losses in past periods and may continue to do so in the future, which may adversely impact our business and the value of the Equity Shares.

We have incurred losses for Fiscal 2024 and we may incur losses in the future. Our total expenses exceeded our total income during Fiscal 2024 which resulted in a loss (after tax) of ₹ 5,027.36 lakhs. This was primarily on account of lower selling price and lower production in our Subsidiary for Fiscal 2024.

Our ability to operate profitably depends upon a number of factors, some of which are beyond our direct control. For further information, see “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” beginning on page 224. If we continue to incur losses, our business and the value of the Equity Shares could be adversely affected.

7. Our customers may fail to pay us the monies due to us on time or at all, which could have a material adverse effect on our business, prospects and results of operations.

Our revenues and the quantum of trade receivables that we carry on our balance sheet is dependent on the ability of our customers to pay the monies due to us on time. If there is deterioration in our customers’ financial condition, due to industry slowdown, business mishaps, bankruptcy or for any reason, they may be unable to pay us monies due on time or at all. Further, payment may be withheld due to *mala fide* intentions. Any failure or delay in payment by our customers could also lead us to further extend our payment terms, restructure our accounts receivable or create allowances for doubtful debts. All of these factors could have a material adverse effect on our financial condition, results of operations and cash flows.

8. Our business requires continuous upgradation and investment in equipment to service demand for new products. Accordingly, we need to invest significantly in research and development, which may lead to creation and production of new product ranges. In the event we are unable to invest or develop new products or such products are not accepted

commercially, we may not have the expected market reach. Further, changes in technology may adversely affect our business and results of operations.

We invest significant cost and time on research and development, which we believe, allows us to be differentiated from our competitors. For instance, due to the growing demand of glass-to-glass modules which require tempered 2 mm glass sheets, we have invested in and commissioned tempering lines that are capable of also tempering thinner glass of 2 mm thickness and upwards, or development and commercial use of certain specialized chemicals used in solar glass manufacturing process. The research and development in this regard has been undertaken by our Company on our production line itself i.e., process parameters, optimization on product parameters, optimising on raw materials by finding suitable alternatives etc. Further, we have (i) developed and produced solar glass (NoSbEra), which does not contain antimony (a toxic element); (ii) developed the capability to produce fully tempered solar glass of 2 mm thickness; (iii) developed solar glass in matt-matt finish, branded “Shakti”; (iv) developed an anti-glare solar glass for Solar PV installations near airports, aimed at aviation safety, branded “Selene; and (v) developed solar glass for greenhouses, branded as ‘GMB Vetrasol’. We have recently developed grid printed 2mm back glasses for use in bifacial modules by making investments in developing a commercially acceptable product. Further we will be investing more amounts in this segment in the near future. For further details of such products, see “Our Business” beginning on page 75.

In Fiscal 2024, we set up an R&D center to explore various opportunities in the solar sector to improve product performance and develop new products for growth. The expenditure on the research and development of our Company for the respective periods is mentioned below:

Particulars	Fiscal 2024	Fiscal 2023
Expenditure incurred by the Company on research and development (A) <i>(in ₹ lakhs)</i>	165.04	NA
(A) as a percentage of the total expenditure of the Company <i>(in %)</i>	Negligible	NA

While we believe that our innovative products have a higher market application, wide acceptance of such products are subject to successful testing by our customers. Our customers conduct trials/tests on such products and on successful completion of the testing stage, orders are received. There can be no assurance that the trials/tests would be successful, or such products would find wide acceptance, which may adversely affect our expected Return on Investment. Also, in case adoption of any new products / technologies (for instance, 2 mm glass sheets) requires a significant amount of capital expenditure on the part of our customers, they may not find such products/technologies commercially viable and as a result our business, products and results of operations may get adversely affected.

Further, the solar panel industry, which is the primary industry we service, is largely driven by technological advancements. Any change in the technology adopted for harnessing solar power that directly affects the configuration or specification of solar glass used in solar panels may require us to adapt to such changing technological needs, which may require additional research and development or installation of manufacturing lines. Such change in technology may also require us to infuse additional capital. Our failure to adapt to or implement any such technological changes, in time or at all, or our failure to procure requisite capital for such purposes, may adversely affect our business and results of operations.

9. We are currently involved in a FEMA related matter and in case the outcome of this matter is not in our favour, our business, results of operations and cash flows might be adversely affected.

Gujarat Borosil Limited (“GBL”, which had amalgamated into our Company vide the order passed by the Mumbai Bench of the National Company Law Tribunal, dated January 15, 2020) received a letter dated July 6, 2022, from the Directorate of Enforcement, FEMA, PMLA, Department of Revenue: Ministry of Finance, Government of India (“ED”) (the “Letter”), to obtain and examine certain documents as mentioned in the Letter. Pursuant to this Letter and as under Section 37 of the Foreign Exchange and Management Act, 1999, read with Section 133(6) of the Income-tax Act, 1961, GBL was directed to furnish the records/documents mentioned in the annexure to the Letter from the ED. Our Company, vide letter dated August 19, 2022 to the ED, had responded to the Letter and thereby submitted the requisite records/documents for the inspection of the ED. We have not received any further communications from the ED till date. For further details please see section “Outstanding Litigation and Defaults” on page 246.

10. We may not be successful in executing our strategy of further expanding the production capacity of solar glass.

In order to cater to a higher demand for solar glass, we have ramped up our production capacity from 180 TPD in Fiscal 2019 to 450 TPD in Fiscal 2020, with the inclusion of a new glass melting furnace with a capacity of 240 TPD installed in Fiscal 2020 and the rebuilding of our old furnace’s capacity to 210 TPD. In February 2023, in order to expand our capacities, we commissioned our third furnace with a capacity of 550 TPD (“SG-3”), which increased our manufacturing capacity from 450 TPD to 1,000 TPD. Further, to meet the growth in the solar PV modules sector and consequent increase in demand for solar glass, we are proposing to increase our capacity by an additional 1,100 TPD with tempering/coating facilities, within our existing factory premises at Bharuch in Gujarat. This proposal is currently on hold. For details, see “Our Business” beginning on page 75.

The further expansion will be dependent on various factors, such as government policies on duties on imports of solar glass, profitability, including availability of finance and performance of external agencies, which are responsible for construction of buildings, installation and commissioning of plant and machinery and supply and testing of equipment. We are unable to assure you that we shall proceed with the further expansion.

11. *If we are unable to raise additional financing, our business, results of operations and financial condition could be adversely affected. Further, any movement in the market interest rates could have an effect on our net income or financial position.*

We will continue to incur significant expenditure in maintaining and growing our existing infrastructure and manufacturing facilities. We cannot assure you that we will have sufficient capital resources for our current operations or any future expansion plans that we may have. While we expect our cash on hand and cash flow from operations and expected incentives received from the Government to be adequate to meet our existing commitments, our ability to incur any future borrowings is dependent upon the success of our operations. Our ability to arrange financing and the costs of capital of such financing are dependent on numerous factors, including general economic and capital market conditions, credit availability from banks and the continued success of our operations and laws that are conducive to our raising capital. Any unfavourable change to terms of borrowings may adversely affect our cash flows, results of operations and financial conditions. Further, our exposure to the risk of changes in market interest rates relates primarily to our long-term debt obligations with floating interest rates. Any changes in interest rates may cause variations in interest income and expenses resulting from interest-bearing assets and liabilities.

If we are unable to raise adequate financing in a timely manner and on acceptable terms, or at all, our business, results of operations and financial condition could be adversely affected as the debts continue. Further, in the event of a breach of relevant terms of our financing arrangements, we may be required to seek waivers of such breaches, including cross defaults arising from the breach of relevant covenants. We cannot assure you that we will be able to obtain such waivers on satisfactory terms, or at all, and the relevant lenders could, inter-alia, impose penal and default interests, accelerate the maturity of our obligations and declare all amounts payable in respect of the facility to be due and payable immediately or otherwise on demand. In the event of any such acceleration, we may have to dedicate a substantial portion of our cash flow from operations to make payments under such financing documents, thereby reducing the availability of cash, or if required, sale of our assets. Further, during any period in which we are in default, we may be unable to obtain further financing or any refinancing of our debt could be at higher rates with more onerous covenants.

12. *The demand of our products in foreign countries is subject to international market conditions and regulatory risks that could adversely affect our business and results of operations.*

We export our products (41.29% of our sales in Fiscal 2024 comprise of exports) primarily to the countries in the European Union, Turkey, Americas, and Middle East and North Africa (MENA). Any development in the glass manufacturing industry or the industries in which our customers operate could have an impact on our exports. From time to time, tariffs, quotas and other tariff and non-tariff trade barriers may be imposed on our products in jurisdictions in which we operate or seek to sell our products. There can be no assurance that the countries where we export and seek to sell our products will not impose trade restrictions on us in future. We may also be prohibited from exporting to certain restricted countries that may be added to a sanctions list maintained by the Government of India or other foreign governments, such as the Specially Designated Nationals and Blocked Persons list maintained by the Office of Foreign Assets Control of the US Department of Treasury in the United States. Any such imposition of trade barriers may have an adverse effect on our results of operations and financial condition. Similarly, currently there are various levels of anti-dumping duties on import of solar tempered glass from China entering into Europe and Turkey. This helps us to a certain extent in accessing these markets and getting better sales realization for our products. These levies may be revised in future or similar levies may be applied on imports of solar tempered glass from India, which may have an impact on the market dynamics and prices prevailing in those countries and can affect our exports. Non levy of any trade barriers in those countries against imports of solar modules may cause cheaper imports to rise and render domestic production of modules unviable which may adversely impact the demand for our solar glass. For details of our export revenues, see “*Management’s Discussion and Analysis of Financial Condition and Results of Operations – Business Segments*” beginning on page 224.

13. *Our operations are subject to various operational hazards, environmental, health and safety laws and other government regulations, which could expose us to the risk of loss of revenues and increased expenses or material liabilities.*

Our operations are subject to various operational hazards associated with the operation of a glass manufacturing facility, such as leakage or spillage from our furnace. Such instances could expose our workforce to injuries or death. In addition, our workmen operate heavy machinery at our manufacturing unit and accidents may occur during operations. We ensure to adopt high safety standards in accordance with applicable laws. While there has not been any such instances in the past, there cannot be any assurance that such operational hazards would not occur in future, which may result in the suspension of operations and the imposition of civil and criminal liabilities. While we maintain general insurance against such liabilities, insurance proceeds may not be adequate to fully cover the substantial liabilities, lost revenues or increased expenses that we might incur. Additionally, the occurrence of any of these risks may also divert management’s attention and resources and adversely affect public perception about our operations and the perception of our suppliers, customers and employees, leading to an adverse effect on our business, results of operations and financial condition in the short term.

14. *We require several licenses, approvals and permissions for carrying on our business. If we are unable to obtain or renew the expiring/expired material approvals and licenses in a timely manner, our business and operations may be adversely affected.*

We require certain statutory and regulatory permits, licenses and approvals to operate our business such as consents to establish and operate from the state pollution control board, importer-exporter code, registration and licenses issued under the Factories Act, 1948, as amended, for our manufacturing unit, commissioning certificates and safety certificates from the state electricity board, registration certificates issued under various labor laws including contract labour registration certificates and licenses as well as various taxation related registrations, such as Goods and Service Tax registrations. The success of our strategy to modernise, optimise and expand our existing operations in the verticals in which we operate is contingent upon, among other factors, receipt of all required licenses, registrations, permits and authorisations. Whilst we have obtained a significant number of approvals for our businesses, certain approvals, in the normal course of business, that we have applied for are currently pending. There can be no assurance that the approvals, licenses, permits and registrations may not be revoked in the event of any non-compliance with any terms or conditions imposed thereof. In the future, we will be required to regularly renew permits, licenses and approvals for our business, and to obtain new permits, licenses and approvals for any proposed expansion. While we will endeavour to renew or obtain such approvals as required, there can be no assurance that the relevant authorities will issue any such approvals within our anticipated timeframe or at all. Further, there can be no assurances that the legal framework, licensing and other regulatory requirements or enforcement trends in our industry will not further change in a manner that does not result in increased costs of compliance, or that we will be successful in responding to such changes. An inability to renew, maintain or obtain any required permits, licenses or approvals may result in the interruption of our operations and have a material adverse effect on our business, financial condition and results of operations.

15. *Our experienced management team and other senior management personnel are critical to our continued success and our inability to retain such personnel could adversely affect our business.*

Our success significantly depends upon the continued service of our experienced management team and other senior management personnel who set out the strategic business direction and manage our business. Our ability to meet future business challenges depends on our ability to attract, recruit and retain experienced, talented and skilled professionals. Further, due to the current limited pool of skilled personnel, competition for senior management, technical and finance professionals in our industry, our ability to retain and attract qualified individuals is critical to our success. Competition for individuals with specialised knowledge and experience is intense in our industry as the recently set up plants will always be looking out for experienced talent. If we lose the services of such members, we may be unable to locate suitable or qualified replacements and may incur additional expenses to recruit and train new personnel, which could adversely affect our business operations. Further, as we expect to continue to expand our operations and develop new products, we will need to continue to attract and retain experienced management personnel. If we are unable to attract and retain qualified personnel, our results of operations may be adversely affected.

16. *We are a manufacturing company, and any slowdown or shutdown of operations at our manufacturing unit could result in significant costs and may have an adverse effect on our operations and financial condition.*

We operate two manufacturing facilities, which are situated at Bharuch in Gujarat, India and Tschernitz, Germany. Our manufacturing units are subject to operational risks, such as (a) the risk of substantial disruption or slowdown or shutdown due to breakdowns or failure of equipment, including our furnace at the manufacturing unit, natural disasters, storms, fires, explosions, earthquakes, floods and other catastrophic events, pandemic, terrorist attacks and wars, labour disputes, strikes, lock-outs, loss of services of our external contractors, and industrial accidents; (b) performance below expected levels of output or efficiency; (c) lower capacity utilisation on account of loss of demand due to dumping of end products and (d) obsolescence. We have in the past had to endure certain operational problems with our furnace used in our manufacturing facility at Bharuch as well as Tschernitz. There can be no assurance that we will not face such operational issues at our manufacturing facility in the future or will have proper means to handle such operational issues. Moreover, catastrophic events could also destroy any inventory located at our manufacturing unit. The occurrence of any such event could result in a temporary or long-term closure of any of our single manufacturing unit, which could have a material adverse effect on our operations, business and financial condition.

In respect of our operations at Tschernitz, we have recently experienced a slowdown in demand from our customers in the European Union as they were forced to reduce operations due to dumping of solar modules from suppliers based out of South East Asia. There can be no assurance that we will not face such operational issues at our manufacturing facility in the future or will have proper means to handle such operational issues.

Under-utilization of our manufacturing capacities over extended periods, or significant under-utilization in the short term, or an inability to fully realize the benefits of our recently implemented capacity expansion, could materially and adversely impact our business, growth prospects and future financial performance.

17. *We have two manufacturing facilities located in Gujarat, India and Tschernitz, Germany making us vulnerable to risks associated with having geographically concentrated operations.*

Our manufacturing facilities are located at Bharuch in Gujarat, India and Tschernitz, Germany. We believe that our strategic location and manufacturing facility model helps us to minimize our production cost and enable us to competitively price our products. However, since our manufacturing facility is at only one location in respective geographies, our business operations are exposed to various factors affecting the region in which such manufacturing facility is located, including any labour unrest, inadequacy of fuel/gas and power supply, natural calamities, legal and regulatory developments in Gujarat or Germany, and other socio-economic and political developments in these regions. Any adverse development in any of these factors may affect us more than they might affect our competitors located in different regions or with greater geographic diversity. Any one of these events may require us to temporarily shut down operations, or lower production levels, and may result in a material adverse change in our business, financial condition, results of operations and cash flows.

18. *Our business could be adversely affected by labour disruptions.*

Our manufacturing activities are labour-intensive and we depend upon motivated, skilled employees to operate our unit. As of March 31, 2024, we had a total of 809 permanent employees and 1,114 contract workers. We are exposed to the risk of strikes and other industrial actions from our workmen. Although we believe that we have good industrial relations with our employees presently, there can be no assurance that our employees will not undertake or participate in strikes, work stoppages or other industrial actions in the future. Any labour disruptions may adversely affect our operations by delaying or slowing down our production, increasing our production costs or even halting a portion of our production. This may also cause us to miss our product supply commitments, hurt our relationships with customers and disrupt our supply chain, further affecting our revenue and margins. Additionally, our inability to recruit employees, in particular skilled employees and retain our current workforce could have a material adverse effect on our business, financial condition and profitability.

19. *We engage contract labour for carrying out certain business operations.*

In order to retain operational efficiencies, we engage independent contractors through whom we engage contract labour for performance of certain functions at our manufacturing units as well as at our offices. We engaged an average of 1,114 contract labourers per day for the month ended March 31, 2024. Although we do not engage these labourers directly, we are responsible for any wage payments to be made to such labourers in the event of default by such independent contractors. Any requirement to fund their wage requirements may have an adverse impact on our financial condition and results of operations.

20. *Any damages caused by fraud, theft or other misconduct by our employees could adversely affect our profitability, results of operations and cash flows.*

Although we have put measures in place dedicated to monitoring illegal and unethical behaviour, fraud, data theft or other misconduct of employees, we run the risk that such employee misconduct could occur. We may be subject to substantial financial losses and damage to our reputation and loss of business from our customers, owing to such employee misconduct. Such misconduct could also involve the improper use or disclosure of confidential information, which could result in regulatory sanctions and serious reputational or financial harm, including harm to our brand/goodwill. We cannot assure you that we will always be able to deter employee misconduct and the precautions taken and systems put in place to prevent and detect such activities may not be effective in all cases. Such instances of employee misconduct could have a material adverse impact on our profitability, results of operations and cash flows.

21. *We have in the past entered into related party transactions and may continue to do so in the future.*

We have entered into transactions with several of our related parties, aggregating to ₹ 2,051.97 lakhs and ₹ 2,222.80 lakhs for the Fiscals 2024 and 2023, respectively, which were conducted in compliance with applicable laws. For further details, please see section titled “*Financial Information*” beginning on page 93.

Whilst we believe that all our related party transactions have been conducted on an arm’s-length basis, there can be no assurance that we could not have achieved more favourable terms if such transactions had not been entered into with related parties. Further, the transactions we have entered into, or any future transactions with our related parties, involve or may potentially involve conflicts of interest. It is likely that we may continue to enter into related party transactions in the future and we cannot assure you that such transactions, individually or in the aggregate, will not adversely affect our financial condition and results of operations.

22. *Our contingent liabilities could adversely affect our financial condition if they materialise.*

As at March 31, 2024, we had contingent liabilities amounting to ₹ 1,868.77 lakhs. For further information in relation to our contingent liabilities as per Ind AS 37 as at March 31, 2024, see “*Financial Statements*” beginning on page 93. If these contingent liabilities materialize, it would adversely affect our financial condition, cash flows and results of operations.

23. *We have had negative cash flows from operating, investing and financing activities in the past and may have negative cash flows in the future.*

We have experienced negative cash flows in Fiscal 2023. Details of our cash flows in the last two Fiscals are set out below:

(In ₹ lakhs)

Particulars	Fiscal 2024	Fiscal 2023
Net cash flow from / (used in) operating activities (A)	6,874.62	(637.07)
Net cash flow from / (used in) investing activities (B)	(21,526.50)	(24,116.64)
Net cash flow from / (used in) financing activities (C)	16,796.62	23,753.47
Net increase / (decrease) in Cash and cash equivalents (A+B+C)	2,144.74	(1,000.24)

For details, see “Management’s Discussion and Analysis of Financial Condition and Results of Operations” beginning on page 224. We cannot assure you that our net cash flows will be positive in the future which could adversely affect our ability to, among others, fund our operations or pay debts in a timely manner.

24. Our insurance coverage may not be sufficient or adequate to protect us against all material hazards, which may adversely affect our business, results of operations and financial condition.

Operating and managing a business involves many risks that may adversely affect our operations, and the availability of insurance is therefore important to our operations. We could be held liable for accidents that occur at our manufacturing facility or otherwise arising out of our operations. In the event of personal injuries, fires or other accidents suffered by our employees or other people, we could face claims alleging that we were negligent, provided inadequate supervision or be otherwise liable for the injuries. Our principal types of coverage include insurance for all industrial risks, money insurance, public liability, group personal accident policy, director and officers liability insurance, marine transit policy and group mediclaim. As at March 31, 2024, our total insurance coverage on our fixed assets is ₹ 3,38,825.07 lakhs and the value of our fixed assets is ₹ 2,12,379.76 lakhs.

While we believe that the insurance coverage which we maintain would be reasonably adequate to cover the normal risks associated with the operation of our business, we cannot assure you that any claim under the insurance policies maintained by us will be honoured fully, in part or on time, or that we have taken out sufficient insurance to cover all our losses. Further, to the extent that any uninsured risks materialise or if we fail to effectively cover ourselves against any risks, we could be exposed to substantial costs and losses that would adversely affect our financial condition. In addition, our insurance coverage expires from time to time and we may not be able to renew our policies in a timely manner, or at acceptable cost. 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 and our results of operations and financial condition could be adversely affected. In addition, our insurance coverage expires from time to time. We apply for the renewal of our insurance coverage in the normal course of our business, but we cannot assure you that such renewals will be granted in a timely manner, at acceptable premiums or at all.

25. Our financing agreements include certain conditions and restrictive covenants. This may limit our ability to pursue our business and limit our flexibility in planning for, or reacting to, changes in our business or industry.

As of March 31, 2024, we had total outstanding borrowings of ₹ 57,101.36 lakhs, on a consolidated level. Our financing agreements include certain conditions and restrictive covenants for which we have obtained the necessary consents/no-objection letters from our lenders. Apart from the requirement to pay the principal and interest in the manner specified, such agreements also require us to maintain certain financial ratios, ensure our promoters maintain majority control and conform with other similar conditions. Our borrowing arrangements also include certain affirmative covenants such as (a) effecting any change in the capital structure; (b) formulating a scheme of amalgamation or reconstruction; (c) undertaking any project expansion; and/or (d) raising additional sources of capital, prior to which we are required to obtain a consent from our lenders.

Our inability to comply with the covenants of our financing arrangements could result in events of default, resulting in acceleration of repayment, levy of penal interest and/or withdrawal of the respective facility sanctioned. In addition, if our liquidity needs, or growth plans, require consents from our lenders and such consents are not obtained, we may be forced to forego or alter our plans, which could materially and adversely affect our financial condition and results of operations. The implications of such restrictive covenants could have a material adverse impact on our operations and financial conditions.

26. Exchange rate fluctuations may adversely affect our results of operations as our sales from exports and a portion of our expenditures are denominated in foreign currencies.

Our financial statements are prepared in Indian Rupees. However, our sales from exports and a portion of our raw materials expenditures are denominated in foreign currencies, mostly the U.S. Dollars and Euro. We have availed foreign currency loans and have foreign currency trade payables and receivables and are therefore, exposed to foreign exchange risk. During Fiscal 2024, our revenue in foreign currency, (excluding exports to SEZ) was ₹ 56,532.84 lakhs and revenue from exports as a percentage of total consolidated revenue was 41.29%. Therefore, changes in the relevant exchange rates could also affect sales, operating results and assets and liabilities reported in Indian Rupees as part of our financial statements. Since we do not hedge the resulting net foreign exchange position, we may be affected by fluctuations in exchange rates among the U.S. dollar/Euro and the Indian Rupee.

27. Our business is dependent on our ability to adopt technological advancements and respond to new and enhanced and efficient products. The cost of implementing technological advancements for our operations could be significant and could adversely affect our business, results of operations, cash flows and financial condition.

The industry in which we operate is subject to significant changes and rapid technological advancement, with the constant introduction of new and enhanced and efficient products. Our success will depend in part on our ability to respond to technological advances and emerging standards and practices on a cost effective and timely basis. We cannot assure you that we will be able to successfully make timely and cost-effective enhancements and additions to our infrastructure, keep up with technological improvements in order to meet our customers' needs or that the technology developed by others will not render our products less competitive or attractive. Our failure to successfully adopt such technologies in a cost effective and a timely manner could increase our costs and lead to us being less competitive in terms of our prices or quality of products we sell. Further, implementation of new or upgraded technology may not be cost effective, which may adversely affect our business, results of operations, cash flows and financial condition.

28. *Failure or disruption of our IT and/or ERP systems may adversely affect our business, financial condition, results of operations and future prospects.*

We have implemented various information technology (“IT”) and/or enterprise resource planning (“ERP”) solutions to cover key areas of our operations, procurement, dispatch and accounting. We rely on our IT systems in connection with order booking, dealer management, material procurement, accounting and production. Therefore, the reliability of our network infrastructure is critical to our business. These systems are potentially vulnerable to damage or interruption from a variety of sources, which could result from (among other causes) cyber-attacks on or failures of such infrastructure or compromises to its physical security, as well as from damaging weather or other acts of nature which could result in a material adverse effect on our operations. Cyber-based risks, in particular, are evolving and include attacks on our IT infrastructure, as well as attacks targeting the security, integrity and/or availability of the hardware, software and information installed, stored or transmitted in our products, including after the purchase of those products and when they are installed into third-party products, facilities or infrastructure. Such attacks could disrupt our business operations, our systems or those of third parties, and could impact the ability of our products to work as intended. A large-scale IT malfunction could disrupt our business or lead to disclosure of sensitive company information. Our ability to keep our business operating depends on the proper and efficient operation and functioning of various IT systems, which are susceptible to malfunctions and interruptions (including those due to equipment damage, power outages, computer viruses and a range of other hardware, software and network problems).

A significant or large-scale malfunction or interruption of one or more of our IT systems could adversely affect our ability to keep our operations running efficiently and affect product availability, particularly in the region or functional area in which the malfunction occurs, and wider or sustained disruption to our business cannot be excluded. In addition, it is possible that a malfunction of our data system security measures could enable unauthorized persons to access sensitive business data, including information relating to our intellectual property or business strategy or those of our customers. Such malfunction or disruptions could cause economic losses for which we could be held liable. A failure of our information technology systems could also cause damage to our reputation which could harm our business. Any of these developments, alone or in combination, could have a material adverse effect on our business, financial condition and results of operations. Due to the evolving nature of such risks, the impact of any potential incident cannot be predicted. Any disruption to our business due to such issues, or an increase in our costs to cover these issues that is greater than what we have anticipated, could have an adverse effect on our competitive position, results of operations, cash flows or financial condition.

Further, unavailability of, or failure to retain, well trained employees capable of constantly servicing our IT/ERP systems may lead to inefficiency or disruption of IT systems thereby adversely affecting our ability to operate efficiently. Any failure or disruption in the operation of these systems or the loss of data due to such failure or disruption (including due to human error or sabotage) may affect our ability to plan, track, record and analyse work in progress and sales, process financial information, meet business objectives based on IT initiatives such as product management, manage our creditors, debtors, manage payables and inventory or otherwise conduct our normal business operations, which may increase our costs and otherwise adversely affect our business, financial condition, results of operations and future prospects.

29. *Our ability to pay dividends in the future will depend upon our future earnings, financial condition, cash flows, working capital requirements and capital expenditures and restrictive covenants in our financing arrangements. Any inability to declare a dividend may adversely affect the trading price of our Equity Shares.*

We may retain all our future earnings, if any, for use in the operations and expansion of our 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 of Directors and will depend on factors that our Board of Directors deem relevant, including among others, our results of operations, financial condition, cash requirements, business prospects and any other financing arrangements. 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, 2013. Our Board may also, from time to time, declare interim dividends from the profits of the Fiscal in which such interim dividend is sought to be declared. Additionally, under some of our loan agreements, we are not permitted to declare any dividends without prior consent from the lenders if there is a default under such loan agreements or unless we have paid all the dues to the lender up to the date on which the dividend is declared or paid or has made satisfactory provisions thereof. Accordingly, realisation of a gain on shareholders investments may largely depend upon the appreciation of the price of our Equity Shares. There can be no assurance that our Equity Shares will appreciate in value.

Additionally, under the Finance Act, 2020, dividend distribution tax is not payable in respect of dividends declared, distributed or paid by an Indian company after March 31, 2020, and accordingly, any dividend payments to our resident and non-resident shareholders would not be tax exempt in their hands.

30. *Industry information included in this Draft Letter of Offer has been derived from an industry report prepared by F&S exclusively commissioned and paid for by us for such a purpose.*

We have used the F&S Report prepared by Frost & Sullivan (India) Private Limited pursuant to appointment vide letter dated March 22, 2024 and exclusively commissioned by our Company for purposes of inclusion of such information in this Draft Letter of Offer. The F&S Report is a paid report and is subject to various limitations and based upon certain assumptions, parameters and conditions that are subjective in nature. It also uses certain methodologies for market sizing and forecasting. Although we believe that the data and contents of the F&S Report may be considered to be reliable, there is no assurance that such information is stated or compiled on the same basis or with the same degree of accuracy as may be the case elsewhere. In addition, statements from third parties that involve estimates, projections, forecasts and assumptions are subject to change, and actual amounts may differ materially from those included in this Draft Letter of Offer. You should consult your own advisors and undertake an independent assessment of information in this Draft Letter of Offer based on, or derived from, the F&S Report.

31. *We are party to certain legal proceedings that, if decided against us, could have an adverse effect on our reputation, business prospects, financial condition and results of operations.*

We are involved in legal proceedings which are in the ordinary course of business. These legal proceedings are pending at different levels of adjudication before various courts and tribunals. In addition, we are involved in various direct tax and indirect tax proceedings, wherein we have claimed certain deductions under the applicable tax laws, which have been disallowed by the relevant tax authorities and we have filed appeals challenging such disallowances at the appellate forums. We cannot assure you that such outstanding legal proceedings will be decided in our favour or that any financial provisions we have made for such legal proceedings will be sufficient. For details of our material legal proceedings, see “*Outstanding Litigation and Defaults*” beginning on page 246. There cannot be any assurance that these legal proceedings will be decided in our favour. Such legal proceedings could divert the management’s time and attention and consume financial resources in their defense or prosecution. In addition, should any new developments arise such as changes in Indian law or rulings against us by the regulators, appellate courts or tribunals, we may need to make provisions in our financial statements, which could increase our expenses and our current liabilities. An adverse outcome in such proceedings could have an adverse effect on our business, reputation and results of operations.

32. *Our Promoters and Promoter Group will continue to hold a majority of our Equity Shares after the Issue and can significantly influence our corporate actions.*

As on March 31, 2024, our Promoters and Promoter Group held 61.60% of our Equity Share capital. As such, our Promoters and Promoter Group exercise significant influence over our business, policies and affairs and all matters requiring a shareholders’ vote. This concentration of ownership also may delay, defer or prevent a merger, acquisition or change in control of our Company and may make some transactions more difficult or impossible without the support of these Shareholders, which may adversely affect our business. We cannot assure you that the interests of our Promoter and members of our Promoter Group will not conflict with the interest of other Shareholders.

EXTERNAL RISK FACTORS

33. *Climate changes may lead to an increase in frequency of natural disasters, which may in turn impact the regions in which we operate.*

Our operations are exposed to physical risks which are event-driven, including the increased severity of extreme weather events such as cyclones, hurricanes and floods. Such events may lead to reduced revenue from decreased production capacity owing to transportation difficulties, supply chain interruptions, health and safety concerns. These may also lead to write-offs and early retirement of assets due to damage to property in high-risk locations. The scarcity of water may impact business operations in our viscose and chemicals businesses. In addition, we may face increased operating costs due to rising raw material prices as a result of climate patterns, and may incur increased capital costs if natural disasters damage our facilities.

34. *Our business is substantially affected by prevailing economic, political and other prevailing conditions in emerging and global markets.*

The Indian economy and securities markets are influenced by economic, political and market conditions in India and globally, including adverse geopolitical conditions such as increased tensions between India and China, the Israel-Hamas conflict and the Russia-Ukraine war. We are incorporated in India, and our operations are primarily located in India. As a result, we are highly dependent on prevailing economic conditions in India and the other emerging and global markets and our results of operations and cash flows are significantly affected by factors influencing the economy in these countries. Factors that may adversely affect the economy, and hence our results of operations and cash flows, may include:

- any increase in interest rates or inflation;
- any increase in oil prices or RLNG prices;

- any exchange rate fluctuations;
- any scarcity of credit or other financing, resulting in an adverse impact on economic conditions and scarcity of financing for our expansions;
- prevailing income conditions among consumers and corporates;
- volatility in, and actual or perceived trends in trading activity on, the relevant market's principal stock exchanges;
- changes in tax, trade, fiscal or monetary policies;
- political instability, terrorism or military conflict in the region or globally. For example, the recent hostilities between Russia and Ukraine;
- occurrence of natural or man-made disasters;
- prevailing regional or global economic conditions, including in the relevant country's principal export markets;
- any downgrading of debt rating by a domestic or international rating agency;
- instability in financial markets;
- disruption of supply chain and logistics arrangements; and
- other significant regulatory or economic developments in or affecting India or the emerging and global markets.

Further, any slowdown or perceived slowdown in the Indian economy or the economy of any emerging and global market, or in specific sectors of such economies, could adversely impact our business, results of operations, cash flows and financial condition and the price of the Equity Shares.

35. *Changing laws, rules and regulations, including taxation laws, may adversely affect our business, results of operations, cash flows and prospects.*

Change in the quantum of taxes and duties levied globally, or in the terms of international trade agreements, environmental regulation or other applicable laws may require us to incur additional costs. The Government of India has implemented two major reforms in Indian tax laws, namely the Goods and Services Tax (“**GST**”), and provisions relating to general anti-avoidance rules (“**GAAR**”). The indirect tax regime in India has undergone a complete overhaul. The indirect taxes on goods and services, such as central excise duty, service tax, central sales tax, state value added tax, surcharge and excise have been replaced by GST with effect from July 1, 2017. The GST regime continues to be subject to amendments and its interpretation by the relevant regulatory authorities is constantly evolving. GAAR became effective from April 1, 2017. The tax consequences of the GAAR provisions being applied to an arrangement may result in, among others, a denial of tax benefit to us and our business. In the absence of any substantial precedents on the subject, the application of these provisions is subjective. If the GAAR provisions are made applicable to us, it may have an adverse tax impact on us. Further, if the tax costs associated with certain of our transactions are greater than anticipated because of a particular tax risk materializing on account of new tax regulations and policies, it could affect our profitability from such transactions.

Earlier, distribution of dividends by a domestic company was subject to Dividend Distribution Tax (“**DDT**”), in the hands of the company at an effective rate of 20.56% (inclusive of applicable surcharge and cess). Such dividends were generally exempt from tax in the hands of the shareholders. However, the GoI has amended the Income-tax Act, 1961 (“**IT Act**”) to abolish the DDT regime. Accordingly, any dividend distribution by a domestic company is subject to tax in the hands of the investor at the applicable rate. Additionally, the domestic company is required to withhold tax on such dividends distributed at the applicable rate.

However, non-resident shareholders may claim benefit of an applicable tax treaty, subject to satisfaction of certain conditions. We may or may not grant the benefit of a tax treaty (where applicable) to a non-resident shareholder for the purposes of withholding tax pursuant to any corporate action including dividends. Further, the Finance Act, 2023 has introduced various amendments to the IT Act. There is no certainty on the impact that the Finance Act, 2023 may have on our business and operations or on the industry in which we operate. Uncertainty in the applicability, 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 affect the viability of our current business or restrict our ability to grow our business in the future.

We cannot predict whether any new tax laws or regulations impacting our services will be enacted, the likely nature and impact of the specific terms of any such laws or regulations or whether, if at all, any laws or regulations would have an adverse effect on our business.

36. *Fluctuation of the Rupee against foreign currencies may have an adverse effect on the price of the Equity Shares.*

Any adverse movement in currency exchange rates during the time that it takes to undertake such conversion may reduce the net dividend to foreign investors. In addition, any adverse movement in currency exchange rates during a delay in repatriating outside India the proceeds from a sale of Equity Shares, for example, because of a delay in regulatory approvals that may be required for the sale of Equity Shares may reduce the proceeds received by Equity shareholders. For example, the exchange rate between the Rupee and the U.S. dollar has fluctuated substantially in recent years and may continue to fluctuate substantially in the future, which may have an adverse effect on the trading price of our Equity Shares and returns on our Equity Shares, independent of our operating results.

37. *A downgrade in ratings of India, may affect our financial performance and 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 outside the control of our Company. 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.

38. *Significant differences exist between Ind AS and other accounting principles, such as US GAAP and IFRS, which may be material to investors' assessments of our financial condition.*

The Audited Consolidated Financial Statements included in this Draft Letter of Offer have been prepared in accordance with Ind AS. In preparation of our consolidated financial statements/ results, certain fair value adjustments are made to the financial statements/ results. We have not attempted to quantify the impact of US GAAP or IFRS on the financial data included in this Draft Letter of Offer, nor do we provide a reconciliation of our financial statements to those of US GAAP or IFRS. US GAAP and IFRS differ in significant respects from Ind AS. Accordingly, the degree to which the Ind AS financial statements, as per the SEBI ICDR Regulations included in this Draft Letter of Offer, will provide meaningful information is entirely dependent on the reader's level of familiarity with Indian accounting practices. Any reliance by persons not familiar with Indian accounting practices on the financial disclosures presented in this Draft Letter of Offer should be limited accordingly.

39. *Rights of shareholders under Indian laws may differ to those under the laws of other jurisdictions.*

Indian laws and legal principles related to corporate procedures, directors' fiduciary duties and liabilities, and shareholders' rights may differ from those that would apply to a company in another jurisdiction. Shareholders' rights under Indian law, including in relation to class actions, may not be as extensive as shareholders' rights under the laws of other countries or jurisdictions. Investors may face challenges in asserting their rights as shareholders in an Indian company than as a shareholder of an entity in another jurisdiction.

40. *Investors may not be able to enforce a judgment of a foreign court against us.*

We are incorporated under the laws of India and a majority of our Directors and Key Management Personnel reside in India. Majority of our assets, and the assets of certain of our Directors, Key Management Personnel and Senior Management, are also located in India. Where investors wish to enforce foreign judgments in India, they may face difficulties in enforcing such judgments. India is not a party to any international treaty in relation to the recognition or enforcement of foreign judgments. India exercises reciprocal recognition and enforcement of judgments in civil and commercial matters with a limited number of jurisdictions. In order to be enforceable, a judgment obtained in a jurisdiction which India recognises as a reciprocating territory must meet certain requirements of the Civil Procedure Code, 1908 ("CPC"). Further, the CPC only permits enforcement of monetary decrees not being in the nature of any amounts payable in respect of taxes or, other charges of a similar nature or in respect of a fine or other penalty and does not provide for the enforcement of arbitration awards. Judgments or decrees from jurisdictions not recognised as a reciprocating territory by India, cannot be enforced or executed in India. Even if a party were to obtain a judgment in such a jurisdiction, it would be required to institute a fresh suit upon the judgment and would not be able to enforce such judgment by proceedings in execution. Further, the party which has obtained such judgment must institute the new proceedings within three years of obtaining the judgment. As a result, the investor may be unable to: (i) effect service of process outside of India upon us and such other persons or entities; or (ii) enforce in courts outside of India judgments obtained in such courts against us and such other persons or entities.

It cannot be assured 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 Indian practice. A party seeking to enforce a foreign judgment in India is required to obtain prior approval from the RBI to repatriate any amount recovered pursuant to the execution of such foreign judgment, and any such amount may be subject to income tax in accordance with applicable laws. In addition, the regulatory regime of our various international territories may have similar restrictions on enforcement of foreign judgments.

RISKS RELATING TO THE ISSUE

41. *The Rights Entitlement of Eligible Equity Shareholders holding Equity Shares in physical form may lapse in case they fail to furnish the details of their demat account to the Registrar.*

In accordance with Regulation 77A of the SEBI ICDR Regulations read with the SEBI ICDR Master Circular, the credit of Rights Entitlements and Allotment of Rights Equity Shares shall be made in dematerialized form only. Prior to the Issue Opening Date, our Company shall credit the Rights Entitlements to the demat accounts of the Eligible Equity Shareholders holding the Equity Shares in dematerialised form.

Our Company has opened a separate demat suspense escrow account (namely, “Borosil Renewables Limited – Suspense Escrow Account”) (“**Demat Suspense Account**”) and would credit Rights Entitlements on the basis of the Equity Shares: (a) held by Eligible Equity Shareholders which are held in physical form as on Record Date; or (b) which are held in the account of the Investor Education and Protection Fund (“**IEPF**”) authority; or (c) of the Eligible Equity Shareholder whose demat accounts are frozen or where the Equity Shares are lying in the unclaimed suspense account / demat suspense account (including those pursuant to Regulation 39 of the SEBI LODR Regulations) or details of which are unavailable with our Company or with the Registrar on the Record Date or where Equity Shares have been kept in abeyance or where entitlement certificate has been issued or where instruction has been issued for stopping issue or transfer or where letter of confirmation lying in escrow account; or (d) where credit of the Rights Entitlements have returned/reversed/failed for any reason; or (e) where ownership is currently under dispute, including any court or regulatory proceedings or where legal notices have been issued, if any.

Our Company shall credit the Rights Entitlements to the Demat Suspense Account on the basis of information available with our Company and to serve the interest of relevant Eligible Equity Shareholders to provide them with a reasonable opportunity to participate in the Issue. The credit of the Rights Entitlements to the Demat Suspense Account by our Company does not create any right in favour of the relevant Eligible Equity Shareholders for transfer of Rights Entitlement to their demat account or to receive any Equity Shares in the Issue.

With respect to the Rights Entitlements credited to the Demat Suspense Account, the Eligible Equity Shareholders are required to provide relevant details (such as applicable regulatory approvals, self-attested PAN and client master sheet of demat account, details/ records confirming the legal and beneficial ownership of their respective Equity Shares, etc.) to our Company or the Registrar no later than two clear Working Days prior to the Issue Closing Date, i.e., by [●] to enable credit of their Rights Entitlements by way of transfer from the Demat Suspense Account to their demat account at least one day before the Issue Closing Date, to enable such Eligible Equity Shareholders to make an application in this Issue, and this communication shall serve as an intimation to such Eligible Equity Shareholders in this regard. In the event that the Eligible Equity Shareholders are not able to provide relevant details to our Company or the Registrar by the end of two clear Working Days prior to the Issue Closing Date, Rights Entitlements credited to the Demat Suspense Account shall lapse and extinguish in due course and such Eligible Equity Shareholder shall not have any claim against our Company and our Company shall not be liable to any such Eligible Equity Shareholder in any form or manner and such lapsing of Rights Entitlement may dilute and adverse impact the interest of certain Eligible Equity Shareholders. For details, please see “*Terms of the Issue*” beginning on page 258.

42. *Our funding requirements and proposed deployment of the Net Proceeds are based on management estimates and have not been independently appraised and may be subject to change based on various factors, some of which are beyond our control.*

Our funding requirements and proposed deployment of the Net Proceeds are based on management estimates and have not been independently appraised and may be subject to change based on various factors, some of which are beyond our control. Our funding requirements and deployment of the Net Proceeds are based on internal management estimates based on current market conditions and have not been appraised by any bank or financial institution or other independent agency. Further, in the absence of such independent appraisal, our funding requirements may be subject to change based on various factors which are beyond our control. For details, see “*Objects of the Issue*” beginning on page 40. However, the deployment of the Net Proceeds will be monitored by the Monitoring Agency.

43. *The Eligible Equity Shareholders holding Equity Shares in physical form will have no voting rights in respect of Rights Equity Shares until they provide details of their demat account and Rights Equity Shares are transferred to such demat account from the demat suspense account thereafter.*

In accordance with the SEBI ICDR Master Circular, the credit of Rights Entitlement and Allotment of Equity Shares shall be made in dematerialised form only. Accordingly, the Rights Entitlements of the Physical Shareholders shall be credited in a suspense escrow demat account opened by our Company during the Issue Period. The Physical Shareholders are requested to furnish the details of their demat account to the Registrar no later than two clear Working Days prior to the Issue Closing Date to enable the credit of their Rights Entitlements in their demat accounts at least one day before the Issue Closing Date. The Rights Entitlements of the Physical Shareholders who do not furnish the details of their demat account to the Registrar no later than two clear Working Days prior to the Issue Closing Date, shall lapse. Further, pursuant to a press release dated December 3, 2018 issued by the SEBI, with effect from April 1, 2019, a transfer of listed Equity Shares cannot be processed unless the Equity Shares are held in dematerialized form (except in case of transmission or transposition of Equity Shares). For further information, see “*Terms of the Issue*” beginning on page 258.

44. *Applicants to this Issue are not allowed to withdraw their Applications after the Issue Closing Date.*

In terms of the SEBI ICDR Regulations, Applicants in this Issue are not allowed to withdraw their Applications after the Issue Closing Date. The Allotment in this Issue and the credit of such Rights Equity Shares to the Applicant’s demat account with its depository participant shall be completed within such period as prescribed under the applicable laws. There is no assurance, however, that material adverse changes in the international or national monetary, financial, political or economic conditions or other events in the nature of force majeure, material adverse changes in our business, results of operation, cash flows or financial condition, or other events affecting the Applicant’s decision to invest in the Rights Equity Shares, would not arise between the Issue Closing Date and the date of Allotment in this Issue. Occurrence of any such events after the Issue Closing Date could

also impact the market price of our Equity Shares. The Applicants shall not have the right to withdraw their applications in the event of any such occurrence. We cannot assure you that the market price of our Equity Shares will not decline below the Issue Price. To the extent the market price for our Equity Shares declines below the Issue Price after the Issue Closing Date, the shareholder will be required to purchase Rights Equity Shares at a price that will be higher than the actual market price for the Equity Shares at that time. Should that occur, the shareholder will suffer an immediate unrealized loss as a result. We may complete the Allotment even if such events may limit the Applicants' ability to sell our Equity Shares after this Issue or cause the trading price of our Equity Shares to decline.

45. Failure to exercise or sell the Rights Entitlements will cause the Rights Entitlements to lapse without compensation and result in a dilution of shareholding.

Rights Entitlements that are not exercised prior to the end of the Issue Closing Date will expire and become null and void, and Eligible Equity Shareholders will not receive any consideration for them. The proportionate ownership and voting interest in our Company of Eligible Equity Shareholders who fail (or are not able) to exercise their Rights Entitlements will be diluted. Even if you elect to sell your unexercised Rights Entitlements, the consideration you receive for them may not be sufficient to fully compensate you for the dilution of your percentage ownership of the equity share capital of our Company that may be caused as a result of the Issue. Renounees may not be able to apply in case of failure of completion of renunciation through off-market transfer in such a manner that the Rights Entitlements are credited to the DEMAT account of the Renounees prior to the Issue Closing Date. Further in case, the Rights Entitlements do not get credited in time, in case of On Market Renunciation, such Renounee will not be able to apply in this Issue with respect to such Rights Entitlements. For details, see "Terms of the Issue" beginning on page 258.

46. Our Company will not distribute the Draft Letter of Offer and other Issue related materials to overseas shareholders who have not provided an address in India for service of documents.

We will not distribute the Issue Material to the shareholders who have not provided an address in India for service of documents. The Issue Material will not be distributed to addresses outside India on account of restrictions that apply to circulation of such materials in various overseas jurisdictions. In the case that Eligible Equity Shareholders have provided their valid e-mail address, this Draft Letter of Offer will be sent only to their valid e-mail address and in the case that such Eligible Equity Shareholders have not provided their e-mail address, then this Draft Letter of Offer will be dispatched, on a reasonable effort basis, to the Indian addresses provided by them.

However, the Companies Act, 2013 requires companies to serve documents at any address which may be provided by the members as well as through e-mail. Presently, there is lack of clarity under the Companies Act, 2013 and the rules thereunder with respect to distribution of Issue Material in overseas jurisdictions where such distribution may be prohibited under the applicable laws of such jurisdiction. While our Company will request its shareholders to provide an address in India for the purposes of distribution of Issue Material, our Company cannot assure that the regulator would not adopt a different view with respect to compliance with the Companies Act, 2013 and may subject our Company to fines or penalties.

47. Overseas shareholders may not be able to participate in the Company's future rights offerings or certain other equity issues.

If our Company offers or causes to be offered to holders of its Equity Shares rights to subscribe for additional Equity Shares or any right of any other nature, our Company will have discretion as to the procedure to be followed in making such rights available to overseas holders of the Equity Shares or in disposing of such rights for the benefit of such holders and making the net proceeds available to such holders. For instance, our Company may not offer such rights to the holders of Equity Shares who have a registered address in the United States unless: (i) a registration statement is in effect, if a registration statement under the U.S. Securities Act is required in order for the Company to offer such rights to holders and sell the securities represented by such rights; or (ii) the offering and sale of such rights or the underlying securities to such holders are exempt from registration under the provisions of the U.S. Securities Act. Our Company has no obligation to prepare or file any registration statement. Accordingly, shareholders who have a registered address in the United States may be unable to participate in future rights offerings and may experience a dilution in their holdings as a result.

48. Investors will be subject to market risks until our Equity Shares credited to the investor's demat account are listed and permitted to trade.

Investors can start trading the Rights Equity Shares Allotted to them only after they have been credited to an investor's demat account, are listed and permitted to trade. Since our Equity Shares are currently traded on the Stock Exchanges, investors will be subject to market risk from the date they pay for the Rights Equity Shares to the date when trading approval is granted for the same. Further, there can be no assurance that the Rights Equity Shares allocated to an investor will be credited to the investor's demat account or that trading in such Equity Shares will commence in a timely manner.

49. Any future issuance of Equity Shares by our Company or sales of our Equity Shares by any of our Company's significant shareholders may adversely affect the trading price of our Equity Shares.

Any future issuance of Equity Shares by us could dilute your shareholding. Any such future issuance of our Equity Shares or sales of our Equity Shares by any of our significant shareholders may also adversely affect the trading price of our Equity Shares and could impact our ability to raise capital through an offering of our securities. We cannot assure you that we will not issue further equity shares or that the shareholders will not dispose of, pledge, or otherwise encumber their equity shares. In addition, any perception by investors that such issuances or sales might occur could also affect the trading price of our Equity Shares.

50. *The Rights Equity Shares may experience price and volume fluctuations.*

The market price of the Rights Equity Shares can be volatile as a result of several factors beyond our control, including volatility in the Indian and global securities markets, our results of operations, the performance of our competitors, developments in the Indian finance and lending sector, changing perceptions in the market about investments in this sector in India, investor perceptions of our future performance, adverse media reports about us or our sector, changes in the estimates of our performance or recommendations by financial analysts, significant developments in India's economic liberalization and deregulation policies, and significant developments in India's fiscal regulations. In addition, the stock exchanges may experience significant price and volume fluctuations, which may have a material adverse effect on the market price of the Rights Equity Shares.

General or industry specific market conditions or stock performance or domestic or international macroeconomic and geopolitical factors unrelated to our performance also affect the price of the Rights Equity Shares. In particular, the stock market as a whole recently experienced extreme price and volume fluctuations that have affected the market price of many companies in ways that may have been unrelated to the companies' operating performances. For these reasons, investors should not rely on recent trends to predict future share prices, results of operations or cash flow and financial condition.

51. *No market for the Rights Entitlements may develop and the price of the Rights Entitlements may be volatile.*

No assurance can be given that an active trading market for the Rights Entitlements will develop on the Stock Exchanges during the Renunciation Period or that there will be sufficient liquidity in Rights Entitlements trading during this period. The trading price of the Rights Entitlements will not only depend on supply and demand for the Rights Entitlements, which may be affected by factors unrelated to the trading in the Equity Shares, but also on the quoted price of the Equity Shares, amongst others. Factors affecting the volatility of the price of the Equity Shares, as described herein, may magnify the volatility of the trading price of the Rights Entitlements, and a decline in the price of the Equity Shares will have an adverse impact on the trading price of the Rights Entitlements. Since the trading of the Rights Equity Shares will be on a separate segment compared to the Equity Shares on the floor of the Stock Exchanges, the trading of Rights Equity Shares may not track the trading of Equity Shares.

52. *Foreign investors are subject to foreign investment restrictions under Indian law that limit our Company's ability to attract foreign investors, which may adversely affect the market price of the Equity Shares.*

Under the foreign exchange regulations currently in force in India, transfers of shares between non-residents and residents and issuances of shares to non-residents are freely permitted (subject to certain exceptions) if they comply with the requirements specified by the RBI. If such issuances or transfers of shares are not in compliance with such requirements or fall under any of the specified exceptions, then prior approval of the RBI will be required. We have undertaken or recorded such transactions in the past based on a *bona fide* interpretation of the law. We cannot assure you that our interpretation would be upheld by the Indian regulators. Any change in such interpretation could impact the ability of our Company to attract foreign investors.

In addition, shareholders who seek to convert the Indian Rupee proceeds from a sale of shares in India into foreign currency and repatriate that foreign currency from India will require a no-objection or tax clearance certificate from the income tax authority. Additionally, the Government of India may impose foreign exchange restrictions in certain emergency situations, including situations where there are sudden fluctuations in interest rates or exchange rates, where the Government of India experiences extreme difficulty in stabilizing the balance of payments, or where there are substantial disturbances in the financial and capital markets in India. These restrictions may require foreign investors to obtain the Government of India's approval before acquiring Indian securities or repatriating the interest or dividends from those securities or the proceeds from the sale of those securities. We cannot assure you that any approval required from the RBI or any other government agency can be obtained on any particular terms, or at all.

53. *Rights of shareholders under Indian law may differ or may be more limited than under the laws of other jurisdictions.*

The Companies Act and rules made thereunder, the rules and regulations issued by SEBI and other regulatory authorities, the Memorandum of Association, and the Articles of Association govern the corporate affairs of our Company. Indian legal principles relating to these matters and the validity of corporate procedures, directors' fiduciary duties and liabilities, and shareholders' rights may differ from those that would apply to a company in another jurisdiction. In accordance with the provisions of the Companies Act the voting rights of an equity shareholder in a company shall be in proportion to the share of a person in the paid-up equity share capital of that company. Further, Section 106(1) of the Companies Act read with the Articles of Association specifically provides that no member shall exercise any voting right in respect of any shares registered in his name on which any calls or other sums presently payable by him have not been paid.

54. *You may be subject to Indian taxes arising out of capital gains on the sale of the Rights Equity Shares.*

Under the current Indian tax laws and regulations, capital gains arising from the sale of equity shares in an Indian company are generally taxable in India. Additionally, a securities transaction tax (“STT”) is levied both at the time of transfer and acquisition of the equity shares (unless exempted under a prescribed notification), and the STT is collected by an Indian stock exchange on which equity shares are sold. Any gains realized on the sale of equity shares held for more than 12 months are subject to long term capital gains tax in India. Such long-term capital gains exceeding ₹100,000 arising from the sale of listed equity shares on the stock exchange are subject to tax at the rate of 10% (plus applicable surcharge and cess). This beneficial provision is, *inter alia*, subject to payment of STT. Further, any capital gains realised on the sale of listed equity shares of an Indian company, held for more than 12 months, which are sold using any platform other than a recognized stock exchange and on which no STT has been paid, will be subject to long-term capital gains tax in India at the rate of 10% (plus applicable surcharge and cess), without indexation benefits.

Further, any capital gains realized on the sale of listed equity shares held for a period of 12 months or less immediately preceding the date of transfer will be subject to short term capital gains tax in India at the rate of 15% (plus applicable surcharge and cess), subject to STT being paid at the time of sale of such shares. Otherwise, such gains will be taxed at the applicable rates. Capital gains arising from the sale of the Rights Equity Shares will not be chargeable to tax in India in cases where relief from such taxation in India is provided under a treaty between India and the country of which the seller is resident and the seller is entitled to avail benefits thereunder, subject to certain conditions.

Generally, Indian tax treaties do not limit India’s ability to impose tax on capital gains. As a result, residents of other countries may be liable for tax in India as well as in their own jurisdiction on a gain upon the sale of the Rights Equity Shares.

Investors are advised to consult their own tax advisors and to carefully consider the potential tax consequences of owning, investing or trading in the Rights Equity Shares.

55. Investors may be restricted in their ability to exercise pre-emptive rights under Indian law and thereby may suffer future dilution of their ownership position.

Under the Companies Act, a company having share capital and incorporated in India must offer its holders of equity shares pre-emptive rights to subscribe and pay for a proportionate number of shares to maintain their existing ownership percentages before the issuance of any new equity shares, unless the pre-emptive rights have been waived by adoption of a special resolution by the company. However, if the law of the jurisdiction the investors are in, does not permit them to exercise their pre-emptive rights without our Company filing an offering document or registration statement with the applicable authority in such jurisdiction, the investors will be unable to exercise their pre-emptive rights unless our Company makes such a filing. If we elect not to file a registration statement, the new securities may be issued to a custodian, who may sell the securities for the investor’s benefit. The value such custodian receives on the sale of such securities and the related transaction costs cannot be predicted. In addition, to the extent that the investors are unable to exercise pre-emptive rights granted in respect of the Equity Shares held by them, their proportional interest in our Company would be reduced.

SECTION III: INTRODUCTION

THE ISSUE

The Issue has been authorized by way of resolution passed by our Board on February 7, 2024, and by way of the resolution passed by the Securities Issue Committee on March 1, 2024, pursuant to section 62(1)(a) of the Companies Act, 2013 and other applicable provisions. The terms and conditions of the Issue including the Record Date, Rights Entitlement, Issue Price, timing of the Issue and other related matters have been approved by a resolution passed by Securities Issue Committee at its meeting held on [●], 2024.

The following is a summary of the Issue. This summary should be read in conjunction with, and is qualified in its entirety by, more detailed information in “*Terms of the Issue*” beginning on page 258.

Rights Equity Shares being offered by our Company	Up to [●]^ Equity Shares of face value ₹ 1 each
Rights Entitlement for the Rights Equity Shares	[●] Rights Equity Share of face value ₹ 1 each for every [●] Equity Shares of face value ₹ 1 each held on the Record Date
Record Date	[●]
Face Value per Equity Share	₹1 each
Issue Price	₹ [●] per Rights Equity Share of face value ₹ 1 each (including a premium of ₹[●] per Rights Equity Share)
Issue Size	Up to ₹ 45,000 lakhs* *Assuming full subscription
Equity Shares issued, subscribed, paid-up and outstanding prior to the Issue	13,05,37,795 Equity Shares. For details, see “ <i>Capital Structure</i> ” beginning on page 38
Equity Shares outstanding after the Issue (assuming full subscription for and Allotment of the Rights Entitlement)	[●] Equity Shares of face value ₹ 1 each
Security Codes for the Equity Shares	ISIN: INE666D01022 BSE: 502219 NSE: BORORENEW
ISIN for Rights Entitlements	[●]
Terms of the Issue	For further information, see “ <i>Terms of the Issue</i> ” beginning on page 258
Use of Issue Proceeds	For further information, see “ <i>Objects of the Issue</i> ” beginning on page 40

^To be updated upon finalization of the Issue Price

For details in relation fractional entitlements, see “*Terms of the Issue – Basis for the Issue and Terms of the Issue – Fractional Entitlements*” beginning on page 272.

Terms of Payment

Due Date	Amount payable per Rights Equity Shares (including premium)
On the Issue application (i.e. along with the Application Form)	₹[●]

GENERAL INFORMATION

Our Company was originally incorporated as “*Borosil Glass Works Limited*” under the Companies Act, 1956, pursuant to a certificate of incorporation dated December 14, 1962 issued by the Registrar of Companies, Maharashtra at Mumbai. Our Company commenced its business on February 13, 1963, pursuant to a certificate of commencement of business issued by the RoC. Pursuant to the scheme, Vyline Glass Works Limited, Fennel Investment and Finance Private Limited, and Gujarat Borosil Limited were amalgamated into our Company, followed by the demerger of our Company’s scientific, industrial and consumer products business into Borosil Limited. Consequent to the scheme, the name of our Company was changed to “*Borosil Renewables Limited*”, pursuant to a fresh certificate of incorporation consequent upon change of name issued by the RoC dated February 11, 2020.

Registered and Corporate Office of our Company

1101, Crescenzo, G Block,
Opposite MCA Club,
Bandra Kurla Complex,
Bandra (East), Mumbai 400 051,
Maharashtra, India
Tel : +91 22 6740 6300
Website: www.borosilrenewables.com
Corporate Identity Number: L26100MH1962PLC012538
Registration Number: 012538
E-mail: investor.relations@borosilrenewables.com

Address of the RoC

Our Company is registered with the RoC, which is situated at the following address:

Registrar of Companies
100, Everest
Marine Drive
Mumbai 400 002
Maharashtra, India

Company Secretary and Compliance Officer

Ravi Vaishnav is the Company Secretary and Compliance Officer of our Company. His details are as follows:

Ravi Vaishnav
1101, Crescenzo, G Block,
Opposite MCA Club,
Bandra Kurla Complex,
Bandra (East), Mumbai 400 051,
Maharashtra, India
Tel: +91 22 6740 6300
E-mail: ravi.vaishnav@borosil.com

Lead Manager to the Issue

ICICI Securities Limited
ICICI Venture House
Appasaheb Marathe Marg, Prabhadevi
Mumbai 400 025
Maharashtra, India
Tel: +91 22 6807 7100
E-mail: borosil.renew@icicisecurities.com
Investor Grievance ID: customercare@icicisecurities.com
Website: www.icicisecurities.com
Contact Person: Harsh Thakkar/ Abhijit Diwan
SEBI Registration No.: INM000011179

Legal Counsel to the Issue

J. Sagar and Associates
One Lodha Place,

27th Floor, Senapati Bapat Marg,
Lower Parel, Mumbai – 400013,
Maharashtra, India
Tel: +91 22 4341 8900

Statutory Auditor of our Company

Chaturvedi & Shah LLP, Chartered Accountants

912, Tulsiani Chambers

212, Nariman Point

Mumbai – 400 21

Tel: +91 22 41638500

E-mail: cas@cas.ind.in

Firm Registration No.: 101720W/W100355

Peer Review Certificate No.: 015413

Registrar to the Issue

Link Intime India Private Limited

C-101, 1st Floor, 247 Park

L.B.S. Marg, Vikhroli (West)

Mumbai 400 083

Maharashtra, India

Tel: +91 81081 14949

E-mail: borosil.rights2024@linkintime.co.in

Website: www.linkintime.co.in

Investor Grievance ID: borosil.rights2024@linkintime.co.in

Contact Person: Ms. Shanti Gopalakrishnan

SEBI Registration No.: INR000004058

Investors may contact the Registrar to the Issue or our Company Secretary and Compliance Officer for any pre-Issue or post-Issue related matters. All grievances relating to the ASBA process may be addressed to the Registrar to the Issue, with a copy to the SCSB, giving full details such as name, address of the Applicant, contact number(s), e-mail address of the sole/ first holder, folio number or demat account, number of Rights Equity Shares applied for, amount blocked, ASBA Account number and the Designated Branch of the SCSB where the Application Forms, or the plain paper application, as the case may be, was submitted by the Investors along with a photocopy of the acknowledgement slip. For details on the ASBA process, see “*Terms of the Issue*” beginning on page 258.

Experts

Our Company has received consent from its Statutory Auditors, Chaturvedi & Shah LLP, Chartered Accountants through their letter dated June 10, 2024 to include their name as required under Section 26(1) of the Companies Act, 2013 in this Draft Letter of Offer and as an “expert” as defined under Section 2(38) of the Companies Act, 2013 in respect of the Audited Consolidated Financial Statements of the Statutory Auditors, and the statement of special tax benefits dated June 10, 2024 and such consents have not been withdrawn as of the date of this Draft Letter of Offer. However, the term “expert” shall not be construed to mean an “Expert” as defined under the U.S. Securities Act.

Our Company has received written consent dated June 7, 2024 from R K Malpani & Co., Chartered Accountants, to include their name in this Draft Letter of Offer, as an “expert” as defined under section 2(38) of the Companies Act, 2013 to the extent and in their capacity as an independent chartered accountant to our Company. and in respect of the certificates dated June 7, 2024 and June 10, 2024, as applicable, issued by them and the details derived from the certificates and to be included in this Draft Letter of Offer, and such consent has not been withdrawn as on the date of this Draft Letter of Offer.

Our Company has received written consent dated June 7, 2024, from the independent chartered engineer, namely Prakash Lokhandwala (registration number: M 100110-2 (Chartered Engineer)), to include his name in this Draft Letter of Offer and as an “expert” as defined under Section 2(38) of the Companies Act, 2013, to the extent and in his capacity as a chartered engineer, in relation to his certificate dated June 7, 2024, certifying the capacity utilization of the manufacturing facilities included under “*Our Business*” beginning on page 75 of this Draft Letter of Offer and such consent has not been withdrawn as on the date of this Draft Letter of Offer.

Banker(s) to the Issue

[•]

Self-Certified Syndicate Banks

The list of banks that have been notified by SEBI to act as the SCSBs for the ASBA process is provided on the website of SEBI at <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34> and updated from time to time.

For a list of branches of the SCSBs named by the respective SCSBs to receive the ASBA Forms from the Designated Intermediaries, please refer to the above-mentioned link.

Issue Schedule

Last Date for credit of Rights Entitlements	[●]
Issue Opening Date	[●]
Last date for On Market Renunciation of Rights Entitlements #	[●]
Issue Closing Date*	[●]
Finalization of Basis of Allotment (on or about)	[●]
Date of Allotment (on or about)	[●]
Date of credit (on or about)	[●]
Date of listing (on or about)	[●]

Eligible Equity Shareholders are requested to ensure that renunciation through off market transfer is completed in such a manner that the Rights Entitlements are credited to the demat account of the Renounees on or prior to the Issue Closing Date.

* Our Board or the Securities Issue Committee will have the right to extend the Issue Period as it may determine from time to time but not exceeding 30 days from the Issue Opening Date (inclusive of the Issue Opening Date). Further, withdrawal of Application shall not be permitted by any Applicant after the Issue Closing Date.

The above schedule is indicative and does not constitute any obligation on our Company or the Lead Manager.

Please note that if Eligible Equity Shareholders holding Equity Shares in physical form as on Record Date, have not provided the details of their demat accounts to our Company or to the Registrar, they are required to provide their demat account details to our Company or the Registrar not later than two Working Days prior to the Issue Closing Date, i.e., [●] to enable the credit of the Rights Entitlements by way of transfer from the demat suspense escrow account to their respective demat accounts, at least one day before the Issue Closing Date, i.e., [●].

Investors are advised to ensure that the Application Forms are submitted on or before the Issue Closing Date. Our Company, the Lead Manager or the Registrar will not be liable for any loss on account of non-submission of Application Forms on or before the Issue Closing Date. Further, it is also encouraged that the applications are submitted well in advance before Issue Closing Date. For details on submitting Application Forms, see “Terms of the Issue - Process of making an Application in the Issue” beginning on page 259.

The details of the Rights Entitlements with respect to each Eligible Equity Shareholders can be accessed by such respective Eligible Equity Shareholders on the website of the Registrar at www.linkintime.co.in after keying in their respective details along with other security control measures implemented thereat. For further details, see “Terms of the Issue - Credit of Rights Entitlements in demat accounts of Eligible Equity Shareholders” beginning on page 269.

Please note that if no Application is made by the Eligible Equity Shareholders of Rights Entitlements on or before the Issue Closing Date, such Rights Entitlements shall lapse and shall be extinguished after the Issue Closing Date. No Rights Equity Shares for such lapsed Rights Entitlements will be credited, even if such Rights Entitlements were purchased from the market and the purchaser will lose the premium paid to acquire such Rights Entitlements. Persons who are credited with the Rights Entitlements are required to make an Application and apply for Rights Equity Shares offered under the Issue for subscribing to the Rights Equity Shares offered under the Issue.

Inter se allocation of responsibilities

Since ICICI Securities Limited is the sole Lead Manager appointed for purposes of the Issue, there is no requirement of an inter-se allocation of responsibilities.

Credit Rating

As the Issue is of Equity Shares, there is no credit rating required for the Issue.

Debenture Trustee

As the Issue is of Equity Shares, the appointment of a debenture trustee is not required.

Monitoring Agency

Our Company will appoint a monitoring agency, in accordance with Regulation 82 of the SEBI ICDR Regulations, prior to filing of the Letter of Offer with the Stock Exchanges.

Minimum Subscription

Minimum subscription of 90% of the Issue size is applicable to this Issue in terms of clause (b) of sub-regulation (1) of Regulation 86, since the members of the Promoter and Promoter group have not undertaken to subscribe fully to their rights entitlement.

In the event of non-receipt of minimum subscription referred to in sub-regulation (1) of Regulation 86, all application monies

received shall be refunded to the applicants forthwith within four days from the closure of the issue.

The objects of the Issue involve the following – (i) repayment or prepayment, in full or in part, of all or a portion of certain borrowing availed by our Company; (ii) investment by our Company into our wholly owned subsidiary Geosphere Glassworks GmbH for further investment in our Material Subsidiary, GMB Glasmanufaktur Brandenburg GmbH for repayment / prepayment, in full or in part, of certain outstanding borrowings availed by GMB; and (iii) General corporate purposes.

The allotment of Equity Shares of the Company subscribed by the Promoters and other members of the Promoter Group in this Issue shall be eligible for exemption from open offer requirements in terms of Regulation 10(4)(a) and 10(4)(b) of the SEBI Takeover Regulations. The Issue shall not result in a change of control of the management of our Company in accordance with provisions of the SEBI Takeover Regulations. Our Company is in compliance with Regulation 38 of the SEBI LODR Regulations and will continue to comply with the minimum public shareholding requirements under applicable law, pursuant to this Issue.

Underwriting

This Issue is not underwritten.

Filing

This Draft Letter of Offer has been filed with SEBI for its observations electronically through the SEBI intermediary portal at <https://siportal.sebi.gov.in> in terms of the SEBI circular bearing reference no. SEBI/HO/CFD/DIL1/CIR/P/2018/011 dated January 19, 2018, and with the Stock Exchanges. Further, in light of the SEBI notification dated March 27, 2020, our Company has submitted a copy of this Draft Letter of Offer to the e-mail address: cfddil@sebi.gov.in After SEBI gives its observations, the final Letter of Offer will be filed with SEBI and the Stock Exchanges simultaneously with the filing of the Letter of Offer with the Designated Stock Exchange as per the provisions of the SEBI ICDR Regulations.

CAPITAL STRUCTURE

The equity share capital of our Company as at the date of this Draft Letter of Offer, and the details of the Equity Shares proposed to be issued in the Issue, and the issued, subscribed and paid up share capital after the Issue, are set forth below:

(In ₹ lakhs, except share data)

		Aggregate Value at Face Value	Aggregate Value at Issue Price*
A	AUTHORISED SHARE CAPITAL		
	91,65,00,000 Equity Shares of face value ₹ 1 each	916,500,000	NA
	9,22,50,000 Preference Shares of face value ₹ 10 each	922,500,000	NA
	Total	1,83,90,00,000	
B	ISSUED, SUBSCRIBED AND PAID-UP SHARE CAPITAL BEFORE THE ISSUE		
	13,05,37,795 Equity Shares of face value ₹ 1 each	13,05,37,795	NA
C	PRESENT ISSUE IN TERMS OF THIS DRAFT LETTER OF OFFER		
	Up to [●] Rights Equity Shares of face value ₹ 1 each ⁽¹⁾	[●]	Up to [●]
D	ISSUED, SUBSCRIBED AND PAID-UP SHARE CAPITAL AFTER THE ISSUE⁽³⁾		
	[●] Equity Shares of face value ₹ 1 each	[●]	[●]
SECURITIES PREMIUM ACCOUNT			<i>(in ₹ lakhs)</i>
	Before the Issue ⁽²⁾		54,304.09
	After the Issue ⁽³⁾		[●]

* To be updated upon finalisation of the Issue Price.

⁽¹⁾ The Issue has been authorised by the Board pursuant to a resolution dated February 7, 2024, and the Securities Issue Committee pursuant to a resolution dated March 1, 2024. The terms of the Issue including the Record Date and Rights Entitlement Ratio, have been approved by a resolution passed by the Securities Issue Committee at its meeting held on [●], 2024.

⁽²⁾ As on date of this Draft Letter of Offer.

⁽³⁾ Assuming full subscription for and Allotment of Equity Shares. Subject to finalisation of Basis of Allotment, Allotment and deduction of Issue related expenses.

Notes to the Capital Structure

1. Shareholding Pattern of our Company as per the last filing with the Stock Exchanges in compliance with the provisions of the SEBI LODR Regulations

- a) The shareholding pattern of our Company as on March 31, 2024, can be accessed on the website of BSE at <https://www.bseindia.com/stock-share-price/borosil-renewables-ltd/bororenew/502219/shareholding-pattern/> and the website of NSE at <https://www.nseindia.com/companies-listing/corporate-filings-shareholding-pattern?symbol=BORORENEW&tabIndex=equity>.
- b) The statement showing holding of Equity Shares of persons belonging to the category “Promoters and Promoter Group” including the details of lock-in, pledge of and encumbrance thereon, as on March 31, 2024, can be accessed on the website of BSE at <https://www.bseindia.com/corporates/shpPromoterNGroup.aspx?scripcd=502219&qtrid=121.00&QtrName=March%202024> and the website of NSE at <https://www.nseindia.com/companies-listing/corporate-filings-shareholding-pattern?symbol=BORORENEW&tabIndex=equity>.
- c) The statement showing details of shareholders of our Company belonging to the category “Public” including Equity Shareholders holding more than 1% of the total number of Equity Shares as on March 31, 2024 as well as details of shares which remain unclaimed for public can be accessed on the website of BSE at <https://www.bseindia.com/corporates/shpPublicShareholder.aspx?scripcd=502219&qtrid=121.00&QtrName=March%202024> and the website of NSE at <https://www.nseindia.com/companies-listing/corporate-filings-shareholding-pattern?symbol=BORORENEW&tabIndex=equity>.

No Equity Shares have been acquired by the Promoters or members of the Promoter Group in the year immediately preceding the date of filing of this Draft Letter of Offer with the Stock Exchanges and submission to SEBI

2. Except as stated below, there are no outstanding options or convertible securities, including any outstanding warrants or rights to convert debentures, loans or other instruments convertible into our Equity Shares as on the date of this Draft Letter of Offer:

Our Company has in force the following ESOP scheme as on date of this Draft Letter of Offer:

- (i) Borosil Employee Stock Option Scheme 2017

Particulars	Borosil Employee Stock Option
-------------	-------------------------------

	Scheme 2017 (“ESOS 2017”)
Total number of options reserve under ESOP Scheme	46,20,000
Total number of options granted	8,31,988
Total number of options vested	7,97,472
Total number of options exercised	6,74,228
Total number of options lapsed or forfeited	19,500
Total number of options outstanding as on June 8, 2024	1,38,260

The above options have been granted to the employees (as defined under the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, as amended).

3. **Subscription to the Issue by the Promoters and the Promoter Group**

Our Promoters and Promoter Group have confirmed that they may (i) subscribe to their Rights Entitlements in the Issue or may renounce a portion of their Rights Entitlements in favour of the Promoters or other member(s) of our Promoter Group or in favour of existing shareholders of the Company or third party investors; (ii) subscribe to additional Rights Equity Shares including subscribing to any unsubscribed portion in the Issue, if any, or subscription pursuant to Rights Entitlement acquired through renunciation, either individually or jointly and/ or severally with the Promoter(s) or any other members of the Promoter Group, subject to compliance with the Companies Act, the SEBI ICDR Regulations, the SEBI Takeover Regulations and other applicable laws/ regulations. Provided that if any of the Promoters or members of the Promoter Group renounce any Rights Entitlements in favour of any third party investor (not being a Promoter or a member of the Promoter Group), whether or not an existing member of the Company, (i) such renouncing Promoters or member of the Promoter Group may not apply for subscription to additional Rights Entitlement and (ii) in the event that minimum subscription of 90% is not met, all application monies received shall be refunded to the applicants forthwith, but not later than four days from the closure of the Issue, in compliance with Regulation 86 (2) of the SEBI ICDR Regulations

The allotment of Equity Shares of the Company subscribed by the Promoters and other members of the Promoter Group in this Issue shall be eligible for exemption from open offer requirements in terms of Regulation 10(4)(a) and 10(4)(b) of the SEBI Takeover Regulations. The Issue shall not result in a change of control of the management of the Company in accordance with provisions of the SEBI Takeover Regulations. Our Company is in compliance with Regulation 38 of the SEBI LODR Regulations and will continue to comply with the minimum public shareholding requirements under applicable law, pursuant to this Issue.

4. The ex-rights price of the Equity Shares as per regulation 10(4)(b) of the SEBI Takeover Regulations is ₹ [●].
5. Our Company shall ensure that any transaction in the Equity Shares by the Promoters and the Promoter Group during the period between the date of filing this Draft Letter of Offer and the date of closure of the Issue shall be reported to the Stock Exchange within 24 hours of such transaction.
6. At any given time, there shall be only one denomination of the Equity Shares of our Company.
7. All Equity Shares are fully paid-up and there are no partly paid-up Equity Shares as on the date of this Draft Letter of Offer. Further, the Rights Equity Shares allotted pursuant to the Issue, shall be fully paid up.
8. The details of the equity shareholders holding more than 1% of the issued and paid-up Equity Share capital of our Company as on March 31, 2024 is as detailed below:

S. No.	Shareholder	Number of Equity Shares of face value ₹ 1 each held on a fully diluted basis	Percentage of pre-Issue Equity Share capital held on a fully diluted basis (%)
1.	Pradeep Kumar Family Trust	2,56,09,360	19.62
2.	Bajrang Lal Family Trust	2,56,09,360	19.62
3.	Croton Trading Private Limited	1,30,87,339	10.03
4.	Kiran Kheruka	46,61,056	3.57
5.	Gujarat Fusion Glass LLP	31,36,404	2.40
6.	Investor Education and Protection Fund Authority Ministry of Corporate Affairs	28,03,984	2.15
7.	Rekha Kheruka	21,85,807	1.67
8.	Shreevar Kheruka	19,51,747	1.50
9.	Pradeep Kumar Kheruka	18,70,082	1.43
Total		8,09,15,139	61.99

OBJECTS OF THE ISSUE

Our Company intends to utilize the Net Proceeds from the Issue towards funding of the following objects:

1. Repayment or prepayment, in full or in part, of all or a portion of certain borrowing availed by our Company;
2. Investment by our Company into our wholly owned subsidiary Geosphere Glassworks GmbH (“**Geosphere**”) for further investment in our Material Subsidiary, GMB Glasmanufaktur Brandenburg GmbH (“**GMB**”) for repayment / pre-payment, in full or in part, of certain outstanding borrowings availed by GMB; and
3. General corporate purposes.

The main objects and objects incidental and ancillary to the main objects set out in our Memorandum of Association enable us to undertake: (i) our existing business activities and other activities set out therein; (ii) the activities proposed to be funded from the Net Proceeds and (iii) the activities towards which the loans proposed to be repaid or pre-paid from the Net Proceeds were utilised.

Net Proceeds

The details of the Net Proceeds of the Issue are set out below:

Particulars	Estimated Amount (in ₹ lakhs)
Gross proceeds of the Issue*	Upto 45,000
(Less) Estimated Issue related expenses **	[●]
Net Proceeds**	[●]

* Assuming full subscription in the Issue and subject to finalization of the Basis of Allotment and to be adjusted per the Rights Entitlement ratio.

** To be finalized upon determination of the Issue Price and updated in the Letter of Offer. Please see “- Estimated Issue Expenses” on page 44.

Utilization of Net Proceeds

Our Company proposes to utilize the Net Proceeds in accordance with the details set forth in the below table:

Particulars	Estimated amount (in ₹ lakhs)
Repayment or prepayment, in part or in full, of all or a portion of certain borrowing availed by our Company	12,813.96
Investment by our Company in our wholly owned subsidiary Geosphere for further investment in our Material Subsidiary, GMB for repayment / pre-payment, in full or in part, of certain outstanding borrowings availed by GMB	21,111.48
General corporate purpose*	[●]
Net Proceeds*	[●]

* To be finalized upon determination of Issue Price and updated in the Letter of Offer. The amount shall not exceed 25% of the Issue Proceeds

Means of finance

The funding requirements mentioned above are based on the internal management estimates of our Company and have not been appraised by any bank, financial institution or any other external agency. They are based on current circumstances of our business and our Company may have to revise its estimates from time to time on account of various factors beyond its control, such as market conditions, competitive environment, and interest or exchange rate fluctuations. Consequently, the funding requirements of our Company and deployment schedules are subject to revision in the future at the discretion of our management and will be subject to applicable laws and regulations. If additional funds are required for the purposes as mentioned above, such requirement may be met through internal accruals, additional capital infusion, debt arrangements or any combination of them, subject to compliance with applicable laws. Further, depending on the funding requirements of our Company and subject to market and other considerations, our Company may vary the size of the Issue by 20% of the Issue size disclosed in this Draft Letter of Offer in accordance with the SEBI ICDR Regulations and other applicable law.

Since our Company is not proposing to fund any specific project from the Net Proceeds, the requirement to make firm arrangements of finance through verifiable means towards 75% of the stated means of finance for such projects proposed to be funded from the Net Proceeds is not applicable.

Proposed schedule of implementation and deployment of Net Proceeds

The following table provides the schedule of utilisation of the Net Proceeds:

Particulars*	Estimated utilization from Net Proceeds (in ₹ lakhs)	Estimated schedule of deployment of Net Proceeds
		Fiscal 2025 (in ₹ lakhs)
Repayment or prepayment, in full or in part, of all or a portion of certain	12,813.96	12,813.96

outstanding borrowings availed by our Company from commercial banks		
Investment by our Company in our wholly owned subsidiary Geosphere for further investment in our Material Subsidiary, GMB for repayment / pre-payment, in full or in part, of certain outstanding borrowings availed by GMB	21,111.48	21,111.48
General corporate purposes*	●	●
Total	●	●

* To be finalized upon determination of Issue Price and updated in the Letter of Offer. The amount shall not exceed 25% of the Issue Proceeds.

In the event that the estimated utilization of the Net Proceeds in a scheduled Financial Year is not completely met (in full or in part), due to factors stated above and other factors such as (i) economic and business conditions; (ii) the timing of completion of the Issue; (iii) market conditions outside the control of our Company; and (iv) any other business and commercial considerations, the remaining Net Proceeds shall be utilized (in full or in part) in subsequent periods as may be determined by our Company, in accordance with applicable laws. If the actual utilisation towards the repayment or prepayment, in full or in part, of certain borrowings availed by our Company and GMB is lower than the proposed deployment such balance will be used for future growth and towards general corporate purposes to the extent that the total amount to be utilised towards general corporate purposes will not exceed 25% of the Gross Proceeds in accordance with the SEBI ICDR Regulations.

In the event that the Net Proceeds are not completely utilized for the purposes stated above and as per the estimated schedule of utilisation specified above, the same would be utilized in subsequent Financial Years for achieving the Objects.

Details of the activities to be financed from the Net Proceeds

The details in relation to the objects of the Issue are set forth below.

1. Repayment or prepayment, in full or in part, of all or a portion of certain outstanding borrowings availed by our Company

Our Company has, in the regular course of business, entered into various financing arrangements, including, term loans and working capital loans. The aggregate outstanding amounts under these borrowings may vary from time to time.

As at March 31, 2024, the amount of term loans outstanding under various borrowing arrangements of our Company to be fully or partially repaid or prepaid from the Net Proceeds was ₹ 13,861.08 lakhs. Our Company proposes to utilise an estimated amount of upto ₹ 12,813.96 lakhs from the Net Proceeds towards full or partial repayment or pre-payment of borrowings availed by our Company. Our Company may avail further loans and/ or draw down further funds under existing or new borrowing arrangements, from time to time. Further, our Company has obtained consents from the lenders of these borrowings as on the date of this Letter of Offer. The amounts outstanding under these borrowings as well as the sanctioned limits are dependent on several factors and may vary with our business cycle with multiple intermediate repayments, drawdowns and enhancement of sanctioned limits.

The following table sets forth the outstanding debt of our Company as at March 31, 2024 on a consolidated basis:

Outstanding debt on a consolidated basis

	As at March 31, 2024 (in ₹ lakhs)
Current borrowings	15,184.69
Non-Current borrowings	41,916.67
Total	57,101.36

We may repay or refinance some loans set out in the table below, prior to filing of the Letter of Offer. In such a situation, we may utilise the Net Proceeds for part or full repayment of any such additional loan or loans obtained to refinance any of our existing loans.

We may choose to repay or pre-pay certain borrowings availed by us, other than those identified in the table below, which may include additional borrowings we may avail after the filing of this Draft Letter of Offer. Given the nature of these borrowings and the terms of repayment/pre-payment, the aggregate outstanding borrowing amounts may vary from time to time. In light of the above, at the time of filing the Letter of Offer, the table below shall be suitably updated to reflect the revised amounts or loans as the case may be which have been availed by us. In the event our Board deems appropriate, the amount allocated for the estimated schedule of deployment of Net Proceeds in a particular fiscal may be repaid/ pre-paid in part or full by our Company in the subsequent fiscal. The selection of borrowings proposed to be repaid/prepaid by us shall be based on various factors including (i) any conditions attached to the borrowings restricting our ability to prepay the borrowings and time taken to fulfil such requirements, (ii) levy of any prepayment penalties and the quantum thereof, (iii) other commercial considerations including, among others, the interest rate on the loan facility, the amount of the loan outstanding and the remaining tenor of the loan, (iv) receipt of consents for prepayment or waiver from any conditions attached to such prepayment from our lenders and (v) provisions of any law, rules, regulations governing such borrowings. Further, our Company has obtained written consents from our lenders for undertaking the Issue.

We believe that such repayment or prepayment will help reduce our outstanding indebtedness and our debt-equity ratio and enable utilization of our internal accruals for further investment in business growth. In addition, we believe that the strength of

our balance sheet and our leverage capacity will further improve, which shall enable us to raise further capital in the future at competitive rates to fund potential business development opportunities and plans to grow and expand our business in the coming years.

The following table sets forth the details of certain borrowings availed by our Company, which are outstanding on March 31, 2024, out of which our Company may repay/prepay, all or a portion of the following borrowings, from the Net Proceeds:

Sr. No.	Name of Lender	Nature of Borrowing as per the Sanction Letter	Sanctioned amount as at March 31, 2024 (in ₹ lakh)	Amount Utilized as at March 31, 2024 (in ₹ lakh)	Amount proposed to be repaid out of Net Proceeds (in ₹ lakh)	Date of repayment	Purpose of raising the loan	Whether the loan has been utilized for the purpose for which it was availed
1.	IndusInd Bank	Term Loan	1,536.00	521.50	417.00	April 2025 (Repayable in instalments due in April 2025)	For the purpose of funding our projects	Yes
2.	IndusInd Bank	Term Loan		575.90	461.00	April 2025 (Repayable in instalments due in April 2025)	For the purpose of funding our projects	Yes
3.	Kotak Mahindra Bank	Term Loan	1,639.00	1,008.96	883.00	January 2026 (Repayable in instalments due in January 2026)	For the purpose of funding our projects	Yes
4.	Kotak Mahindra Bank	Term Loan	1,473.43	1,309.72	1,227.86	March 2028 (Repayable in instalments due in March 2028)	For reimbursement of capital expenditure	Yes
5.	Kotak Mahindra Bank	Foreign currency term loan*	4,526.57	4,120.00	3,862.60	March 2028 (Repayable in instalments due in March 2028)	For reimbursement of capital expenditure	Yes
6.	HDFC Bank	Term Loan	3,500.00	1,900.00	1,800.00	October 2028 (Repayable in instalments due in October 2028)	For reimbursement of capital expenditure	Yes
7.	HDFC Bank	Term Loan		1,425.00	1,350.00	1,350.00	October 2028 (Repayable in instalments due in October 2028)	For reimbursement of capital expenditure
8.	HSBC Bank	Term Loan	3,000.00	3,000.00	2,812.50	January 2028 (Repayable in instalments due in January 2028)	For reimbursement of capital expenditure	Yes
Total					12,813.96			

Sr. No.	Name of Lender	Nature of Borrowing as per the Sanction Letter	Sanctioned amount as at March 31, 2024 (in ₹ lakh)	Amount Utilized as at March 31, 2024 (in ₹ lakh)	Amount proposed to be repaid out of Net Proceeds (in ₹ lakh)	Date of repayment	Purpose of raising the loan	Whether the loan has been utilized for the purpose for which it was availed
			15,675.00	13,861.08				

*Exchange rate being 1 Euro = 90.22 INR as on March 31, 2024 (Source: www.fbil.org.in)

Note: The exchange rates are rounded off to two decimal places and in case March 31 of any of the respective years is a public holiday, the previous Working Day not being a public holiday has been considered.

The interest rate for our term loans typically ranges from 5.80 % p.a. to 9.50 % p.a.

Some of our borrowings may require us to pay a prepayment or repayment penalty as per the terms of the relevant financing agreement which will be finally negotiated in the due course.

2. Investment by our Company in our wholly owned subsidiary Geosphere for further investment in our Material Subsidiary, GMB for repayment / pre-payment, in full or in part, of certain outstanding borrowings availed by GMB

Our Company proposes to invest up to ₹ 21,111.48 lakhs from the Net Proceeds in our wholly owned subsidiary Geosphere Glassworks GmbH (“**Geosphere**”), which will further invest into GMB. Both the investments, i.e., by our Company into our wholly owned subsidiary Geosphere, and by our wholly owned subsidiary Geosphere into GMB will be made in the form of investment in either equity or debt instruments or in any other manner as may be mutually agreed between our Company, our wholly owned subsidiary Geosphere and GMB in accordance with applicable law. The actual mode of such deployment has not been finalised as on the date of this Draft Letter of Offer. As of March 31, 2024, GMB had total outstanding borrowings of ₹ 21,652.28 lakhs. We propose to utilize a portion of the Net Proceeds aggregating to ₹ 21,111.48 lakhs for repayment or pre-payment, in full or in part, of certain outstanding borrowings availed by GMB.

To the extent required, GMB has obtained the 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, pre-payment of certain indebtedness may attract pre-payment charges as prescribed by the respective lender. Such pre-payment charges, as applicable, will also be funded out of the Net Proceeds and/or internal accruals.

The repayment / pre-payment of certain loans by utilizing the Net Proceeds will help reduce our outstanding indebtedness. Further, it will reduce our debt-servicing costs and improve our debt equity ratio.

Details of utilization

The details of certain outstanding borrowings availed by GMB proposed for repayment or pre-payment, in full or in part, from the Net Proceeds are set forth below:

Sr. No.	Name of Lender	Nature of Borrowing as per the Sanction Letter	Sanctioned amount as at March 31, 2024 (in ₹ lakh)	Amount Utilized as at March 31, 2024 (in ₹ lakh)	Amount proposed to be repaid out of Net Proceeds (in ₹ lakh)	Date of repayment	Purpose of raising the loan	Whether the loan has been utilized for the purpose for which it was availed
1.	HDFC Bank	Foreign Currency Term Loan*	10,826.14	10,826.14	10,826.14	July 2029 (Repayable in instalments due in July 2029)	For the purpose of funding our projects	Yes
2.	HSBC Bank	Foreign Currency Term Loan*	10,826.14	10,826.14	10,285.08	March 2029(Repayable in instalments due in March 2029)	For the purpose of funding our projects	Yes
Total			21,652.28	21,652.28	21,111.22			

*Exchange rate being 1 Euro = 90.22 INR as on March 31, 2024 (Source: www.fbil.org.in)

The foreign currency term loans availed by our Material Subsidiary typically have an interest rate in the range of 6.00% p.a.

to 6.25% p.a.

The above borrowings may require us to pay a prepayment or repayment penalty as per the terms of the relevant financing agreement which will be negotiated in the due course.

3. General corporate purposes

Our Company intends to deploy the balance Net Proceeds aggregating up to ₹ [●] lakhs towards general corporate purposes, provided that the amount to be utilized for general corporate purposes shall not exceed 25% of the Gross Proceeds. Such utilisation towards general corporate purposes shall be to drive our business growth, including, amongst other things, investments for inorganic growth, capital expenditure, funding growth opportunities, including strategic initiatives, meeting our working capital requirements, payment of interest on borrowings, and, meeting of exigencies which our Company may face in its course of the business and any other purpose as permitted by applicable laws and as approved by our Board or a duly appointed committee thereof, subject to meeting regulatory requirements and obtaining necessary approvals/ consents, as applicable. Our management will have flexibility in utilizing the proceeds earmarked for general corporate purposes.

Estimated Issue Expenses

The total expenses of the Issue are estimated to be approximately ₹ [●] lakhs.

The estimated Issue related expenses are set out below.

Activity	Estimated amount	Percentage of the total estimated Issue expenses	Percentage of the total Issue size
	(₹ lakhs)	(%)	(%)
Fees payable to the Lead Managers	[●]	[●]	[●]
Fees payable to the legal advisors, other professional service providers [^]	[●]	[●]	[●]
Fees payable to the Registrar to the Issue	[●]	[●]	[●]
Advertising, marketing expenses and shareholder outreach expenses			
Fees payable to regulators, including Stock Exchanges, SEBI, depositories and other statutory fee	[●]	[●]	[●]
Printing and stationery, distribution, postage, etc.	[●]	[●]	[●]
Other expenses (including miscellaneous expenses and stamp duty)	[●]	[●]	[●]
Total estimated Issue expenses*	[●]	[●]	[●]

* Amount will be finalized at the time of filing of the Letter of Offer and determination of the Issue price and other details.

[^]Includes fees payable to the Legal Counsels, Statutory Auditors, Frost & Sullivan (India) Private Limited for preparing the industry report commissioned by our Company, the virtual data room provider in connection with due diligence for the Issue.

Interim use of the Net Proceeds

Our Company shall deposit the Net Proceeds, pending utilisation of the Net Proceeds for the purposes described above, by depositing the same with scheduled commercial banks included in the second schedule of Reserve Bank of India Act, 1934.

Appraising entity

None of the objects of the Issue for which the Net Proceeds will be utilised has been appraised by any bank, financial institution or any other external agency.

Bridge financing facilities

Our Company has not raised any bridge loans from any bank or financial institution as of the date of this Draft Letter of Offer, which are proposed to be repaid from the Net Proceeds.

Monitoring of utilization of funds

Our Company will appoint a monitoring agency to monitor utilization of proceeds from the Issue, including the proceeds proposed to be utilised towards general corporate purposes, prior to filing of the Letter of Offer in accordance with Regulation 82 of the SEBI ICDR Regulations. Our Company undertakes to place the Net Proceeds in a separate bank account which shall be monitored by the Monitoring Agency for utilization of the Net Proceeds. Our Company undertakes to place the report(s) of the Monitoring Agency on receipt before the Audit Committee without any delay. Our Company will disclose and continue to disclose the utilization of the Net Proceeds, including interim use, under a separate head in its balance sheet for such fiscal periods as required under the SEBI ICDR Regulations, the SEBI Listing Regulations and any other applicable laws or regulations, specifying the purposes for which the Net Proceeds have been utilized. Our Company will also, in its balance sheet for the applicable fiscal periods, provide details, if any, in relation to all such Net Proceeds that have not been utilized, if any, of such currently unutilized Net Proceeds.

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 Net Proceeds, which shall discuss, monitor and approve the use of the Net Proceeds along with our Board. On an annual basis, our Company shall prepare a statement of funds utilized for purposes other than those stated in this Draft Letter of Offer and place it before the Audit Committee and make other disclosures as may be required until such time as the Net Proceeds remain unutilized. Such disclosure shall be made only until such time that all the Net Proceeds have been utilized in full. The statement prepared on an annual basis for utilization of the Net Proceeds shall be certified by the Auditors.

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 utilization of the proceeds of the Issue from the Objects; and (ii) details of category wise variations in the actual utilization of the proceeds of the Issue from the Objects. This information will also be published on our website.

Strategic or Financial Partners

There are no strategic or financial partners to the Objects of the Issue.

Other confirmations

No part of the Net Proceeds of the Issue will be paid by our Company to our Promoters, our Promoter Group, our Directors or Key Managerial Personnel.

Our Promoters, our Promoter Group and our Directors do not have any interest in the objects of the Issue.

There are no material existing or anticipated transactions in relation to utilization of Net Proceeds with our Promoter, our Promoter Group, our Directors and our Key Managerial Personnel.

STATEMENT OF SPECIAL TAX BENEFITS

STATEMENT OF SPECIAL TAX BENEFITS AVAILABLE TO THE COMPANY, ITS MATERIAL SUBSIDIARY AND ITS SHAREHOLDERS UNDER THE APPLICABLE LAWS IN INDIA

To,

The Board of Directors

Borosil Renewables Limited

1101, 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 “Lead Manager” or “LM”)

Dear Sirs/Madams,

Sub: Proposed rights issue of equity shares of face value of ₹ 1 each (the “Equity Shares”) by Borosil Renewables Limited (the “Company”, and such issue, the “Issue”)

1. This certificate is issued in accordance with the terms of our arrangement letter executed between us, the Company and the LM 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 tax benefits available to the Company, its shareholders and its subsidiaries (including material subsidiaries), under direct tax and indirect tax laws presently in force in India and in the respective country, as amended and read with the rules, circulars and notifications, applicable for financial year 2023-24 in the context of the Issue in accordance with the SEBI ICDR Regulations.
3. The Company has two wholly owned subsidiaries, viz. Geosphere Glassworks GmbH situated in Germany, Laxman AG situated in Liechtenstein and two material subsidiaries, viz. GMB Glasmanufaktur Brandenburg GmbH situated in Germany and Interfloat Corporation situated in Liechtenstein. The aforesaid Statement (defined below) also covers possible special tax benefits in the hands of these material subsidiaries, under direct and indirect tax laws presently in force in the German and Liechtenstein, applicable for the financial year ending March 31, 2024.
4. The accompanying statement in Annexure – 1 (the “Statement”) contains the summary of possible special tax benefits available to the Company, its subsidiaries (including material subsidiaries) and its shareholders under the direct tax and indirect tax laws presently in force in the respective country and , as amended (“**Taxation Laws**”) and the rules, regulations, circulars and notifications issued in connection with the Taxation Laws, each as amended and as applicable to the assessment year 2024-25 relevant to the financial year 2023-24 in respect of Company and its subsidiaries (including material subsidiaries).
5. Several of these benefits are dependent on the Company or its subsidiaries (including material subsidiaries) or its shareholders, as the case may be, fulfilling the conditions prescribed under the relevant statutory provisions. Hence, the ability of the Company and/or its subsidiaries (including material subsidiaries) and /or 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 or its subsidiaries (including material subsidiaries) or its shareholders, face in the future, the Company or its subsidiaries (including material subsidiaries) or its shareholders may or may not choose to fulfil such conditions for availing possible special tax benefits.
6. This certificate of possible special tax benefits is required as per Schedule VI Part A 9(L) 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/or its subsidiaries (including material subsidiaries) and /or its shareholders, the same would include those benefits as enumerated in the Annexure - 1. Any benefits available under the Taxation Laws other than those specified in the Annexure - 1 are considered to be general tax benefits available to the Company and/or its subsidiaries (including material subsidiaries) and /or 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

7. 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 the possible special tax benefits available to

the Company and/or its subsidiaries (including material subsidiaries) and /or its shareholders under the provisions of the applicable direct and indirect tax laws, as amended, applicable for financial year 2023-2024. 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.

8. 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.
9. The Management is also responsible for ensuring that the Company complies with the requirements of the SEBI ICDR Regulations.

Auditor's Responsibility

10. 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/or its subsidiaries (including material subsidiaries) and /or its shareholders as of date, in accordance with the respective tax laws as at the date of our certificate.
11. 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.
12. Insofar as possible special tax benefits under direct and indirect tax laws in the Germany as applicable to Geosphere Glassworks GmbH and GMB Glasmanufaktur Brandenburg GmbH, are concerned, we have relied on the certificate dated June 5, 2024 issued by BEITEN Consulting & Assurance GmbH Wirtschaftsprüfungsgesellschaft without independently verifying the correctness of the certificate or content therein.
13. Insofar as possible special tax benefits under direct and indirect tax laws in the Liechtenstein as applicable to Laxman AG and Interfloat Corporation situated in Liechtenstein, are concerned, we have relied on the certificate dated June 6, 2024 issued by EWS Wirtschaftsprüfung AG ("EWS"), without independently verifying the correctness of the certificate or content therein.
14. 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

15. According to the information and explanations provided to us and based on the representation obtained from the Company and based on the certificates received from the auditors of the subsidiaries, we are of the view that as on date of this certificate, the possible special tax benefits available to the Company, its subsidiaries (including material subsidiaries) and the shareholders of the Company under the applicable tax laws are given in the Statement, applicable for the financial year 2023-24 and relevant to the assessment year 2024-25, presently in force in the respective country.
16. 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.
17. We do not express any opinion or provide any assurance on whether:
 - The Company, its subsidiaries (including material subsidiaries) 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.
18. 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

19. We consent to the inclusion of the above information or any extract thereof in the Draft Letter of Offer, Letter of Offer or any other material used in connection with the Issue ("**Issue Documents**") to be filed by the Company with the

- Securities and Exchange Board of India (“**SEBI**”) and 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.
20. 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 LM 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.
 21. We also authorise LM to deliver this letter to SEBI, 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.
 22. Terms capitalized and not defined herein shall have the same meaning as ascribed to them in the Draft Letter of Offer, as applicable.

For Chaturvedi & Shah LLP

Chartered Accountants

Firm Registration Number: 101720W / W100355

Anuj Bhatia

Partner

Membership Number: 122179

UDIN: 24122179BKFBGO4548

Place: Mumbai

Date: June 10, 2024

ANNEXURE -1

STATEMENT OF POSSIBLE SPECIAL TAX BENEFITS AVAILABLE TO THE COMPANY, ITS SHAREHOLDERS AND ITS SUBSIDIARIES (INCLUDING MATERIAL SUBSIDIARIES) UNDER THE APPLICABLE TAX LAWS

The information provided below sets out the possible special tax benefits available to the Company, its subsidiaries (including material subsidiaries) 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 / its subsidiaries (including material subsidiaries) /shareholders / fulfilling the conditions prescribed under the relevant Taxation Laws. Hence, the ability of the Company / its subsidiaries (including material subsidiaries) / shareholders to derive the tax benefits is dependent upon fulfilling such conditions, which, based on business / commercial imperatives, the Company/ its subsidiaries (including material subsidiaries) / shareholders / may or may not choose to fulfil.

The information provided below sets out the possible special tax benefits available to the Company, its subsidiaries (including material subsidiaries) and its shareholders under the applicable Tax Laws applicable for the financial year 2023-24.

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 its subsidiaries (including material subsidiaries)

- (i) From Indian tax laws perspective, there are no special tax benefits available to the subsidiaries of the Company in India.
- (ii) From the tax laws perspective applicable in the respective country of the subsidiaries, there are no special tax benefits available to the subsidiaries of the Company.

3. 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 Renewables Limited

Ashok Jain
Whole-time Director
DIN: 00025125

Place: Mumbai
Date: June 10, 2024

SECTION IV: ABOUT OUR COMPANY

INDUSTRY OVERVIEW

All information in this section is sourced from the Frost and Sullivan Report prepared by Frost & Sullivan (India) Private Limited (“F&S”) pursuant to engagement letter dated March 22, 2024. The F&S Report has been commissioned and paid for by our Company for an agreed fee only for the purposes of confirming our understanding of the industry in connection with the Issue. F&S is not in any manner related to our Company, our Directors or our Promoters.

Except as noted otherwise, all forward-looking statements, estimates and projections in this section are F&S’s forward-looking statements, estimates and projections. The F&S Report is subject to various limitations and is based on certain assumptions that are subjective in nature. Therefore, discussions of matters relating to India, its economy, the global economy and the industry in which we operate are subject to the caveat that data and statistics upon which such discussions are based may be inaccurate, incomplete or unreliable. Statements from third parties that involve estimates are subject to change, and actual amounts may differ materially from those included in this Draft Letter of Offer. Industry sources and publications may also base their information on estimates, projections, forecasts and assumptions that may prove to be incorrect. Industry sources and publications are also prepared based on information as of specific dates and may no longer be current or reflect current trends.

In view of the foregoing, investors may be unable to seek legal recourse for any losses resulting from undertaking any investment in the Issue pursuant to reliance on the information in this Draft Letter of Offer based on, or derived from, the F&S Report.

1. MACROECONOMIC OVERVIEW OF GLOBAL ECONOMY

1.1 Real GDP review and outlook

The Global economy (real GDP), which is now well on the path of recovery, has undergone stress in the last few years due to extended trade conflicts, slowdown in investments across the world and then a novel virus. Global economy was showing signs of slowdown since CY2018 and then entered a recession in CY2020 owing to the unprecedented crisis caused by COVID-19 pandemic. The pandemic brought economic activity to a near standstill in CY2020 and to an extent in CY2021, as many countries had to impose strict restrictions to curb the spread of the virus.

The global economy showed tremendous resilience and recorded a sharp growth in CY2021. However, the global economy once again was affected with multiple hurdles in CY2022 – These were Russia-Ukraine war, inflation, slowdowns in US and Europe, supply chain issues and other difficulties. The impact of these factors got moderated in CY2023 with global real GDP stabilized at 3.1% growth. The global economy is expected to grow at the same pace in CY2024 and slightly accelerate to 3.2% in CY2025 and CY2026 before moderating to 3.1% in CY2027 and CY2028. However, this outlook faces headwinds in the form of higher interest rates implemented by central banks to combat inflation and reduced government spending due to accumulated debt.

Exhibit 1.1: Real GDP Growth – Historic and Forecast, World, CY2018 – CY2028E

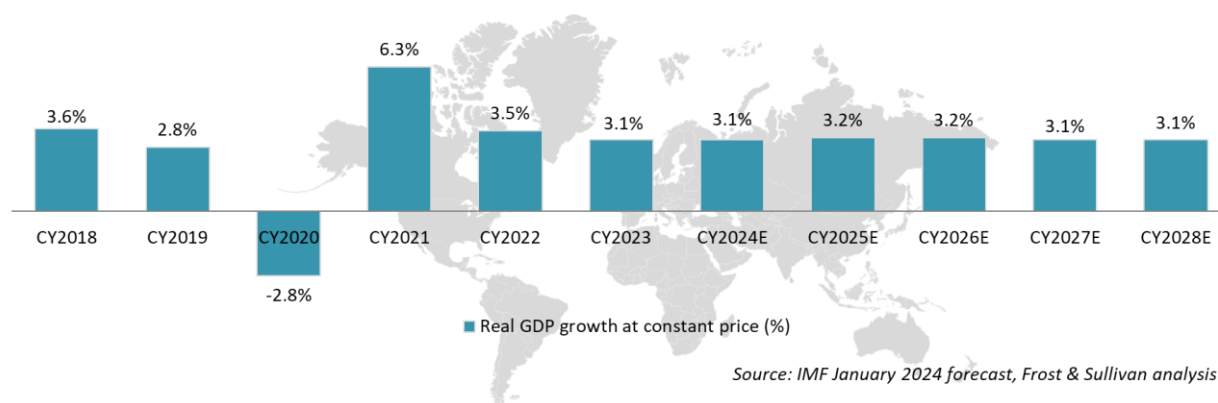


Exhibit 1.2: Real GDP Growth by Select Regions & Countries – Historic and Forecast, World, CY2018 – CY2028E

Country / Region	CY2018	CY2019	CY2020	CY2021	CY2022	CY2023	CY2024E	CY2025E	CY2026E	CY2027E	CY2028E
World	3.6%	2.8%	-2.8%	6.3%	3.5%	3.1%	3.1%	3.2%	3.2%	3.1%	3.1%
United States	2.9%	2.3%	-2.8%	5.9%	2.1%	2.5%	2.1%	1.7%	2.1%	2.1%	2.1%
China	6.8%	6.0%	2.2%	8.4%	3.0%	5.2%	4.6%	4.1%	4.1%	3.7%	3.4%
India	6.5%	3.9%	-5.8%	9.1%	7.2%	6.7%	6.5%	6.5%	6.3%	6.3%	6.3%
North America	2.8%	2.0%	-3.5%	5.8%	2.3%	2.3%	1.9%	1.7%	2.0%	2.1%	2.1%
Europe	2.3%	2.0%	-5.5%	6.0%	2.4%	0.5%	0.9%	1.7%	1.9%	1.7%	1.6%
Asia and Pacific	5.3%	4.1%	-0.8%	6.9%	4.1%	4.4%	4.1%	4.2%	4.2%	4.0%	3.9%
Middle East and Central Asia	2.8%	1.6%	-2.6%	4.3%	5.6%	2.0%	2.9%	4.2%	3.6%	3.8%	3.7%
Africa	3.4%	3.0%	-1.7%	4.8%	3.9%	3.3%	3.8%	4.1%	4.2%	4.3%	4.4%
Latin America	1.1%	0.2%	-7.0%	7.3%	4.1%	2.5%	1.9%	2.5%	2.5%	2.6%	2.5%

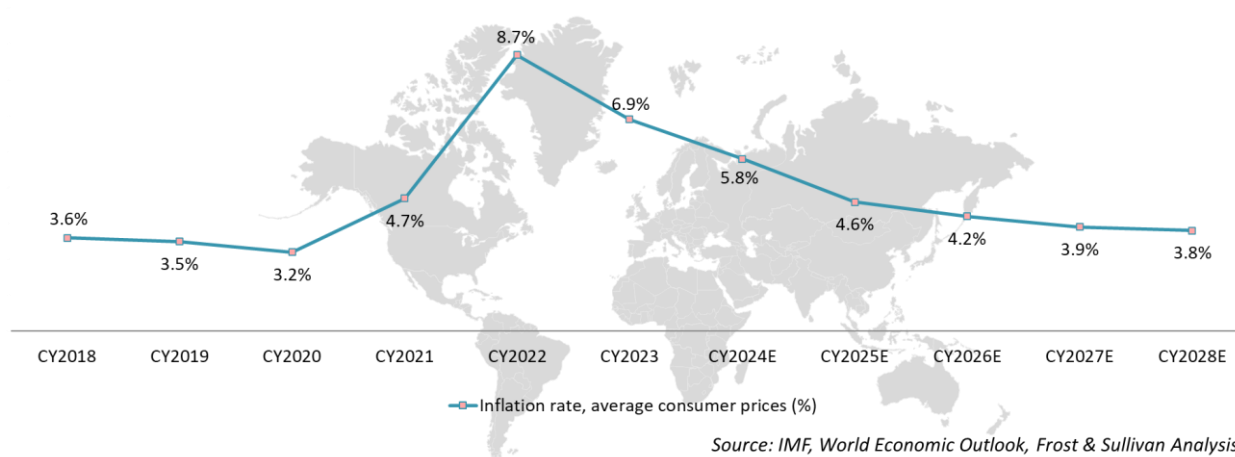
Source: IMF, World Economic Outlook, Frost & Sullivan Analysis

India is the fastest growing large economy in the world since CY2021 and registered a real GDP growth of 6.7% in CY2023, after recording a growth of 7.2% in CY2022. The USA's GDP has grown by 2.5% in CY2023 backed by increases in consumer spending, non-residential fixed investment, state and local government spending, exports, and federal government spending. China's economy has grown by 5.2% in CY2023, primarily driven by removal of COVID restrictions during end CY2022/beginning CY2023. On the other hand, Europe's GDP growth was muted in CY2023 – the region is grappling with multiple issues including a war and higher energy prices and registered a mere 0.5% growth in CY2023.

1.2 Inflation

After reaching a peak of 8.7% in CY2022, global inflation gradually eased to 6.9% in CY2023 and is projected to decline to 5.8% in CY2024. This anticipated decline is attributed to tighter monetary policies implemented by central banks, coupled with a decrease in international commodity prices. However, core inflation is likely to exhibit a slower decline, delaying the return to target levels in most regions until CY2025.

Exhibit 1.3: Inflation Rate – Historic and Forecast, World, CY2018 – CY2028E

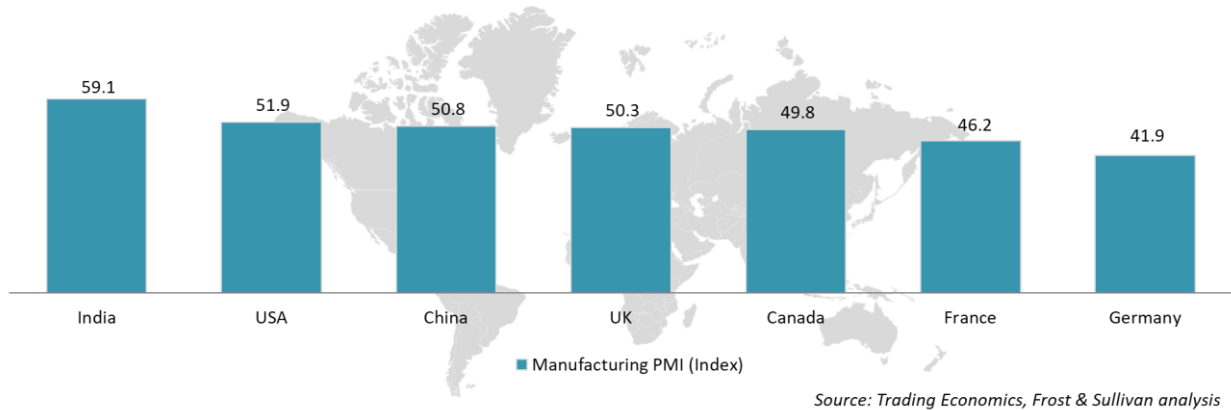


With disinflation and steady growth, the likelihood of a marked economic slowdown has receded, and risks to global growth are broadly balanced. On the upside, faster disinflation could lead to further easing of financial conditions. Stronger structural reform momentum could bolster productivity with positive cross-border spillovers. On the downside, new commodity price spikes from geopolitical shocks including continued attacks in the Red Sea and supply disruptions or more persistent underlying inflation could prolong tight monetary conditions. Deepening property sector woes in China or, elsewhere, a disruptive turn to tax hikes and spending cuts could also cause growth disappointments.

1.3 Manufacturing Purchasing Manager's Index (PMI)

The manufacturing Purchasing Manager's Index (PMI) is an indicator of economic health for the manufacturing sector. In January 2024, global manufacturing output (PMI 50.0 compared to 48.9 at the end of CY2023) notably expanded for the first time in eight months despite ongoing disruptions in the Red Sea. Confidence improved among global manufacturers with prospects of financial easing and global destocking. (Source: S&P Global). India led all the other regions in PMI growth – India's PMI reading recovered from 18-month low level of 54.9 at the end of CY2023, to 59.1 in March 2024. US manufacturing sector PMI increased from the contractionary value of 47.9 at the end of CY2023 to 51.9 in March 2024 indicating renewed expansion in new orders in the first quarter of the year. European manufacturing sector was one of the most affected due to attacks on ships in the red sea - this impacted supply chain and delivery times across a variety of manufacturing sectors.

Exhibit 1.4: Manufacturing PMI, Select Countries, March 2024



The global economy has shown tremendous resilience in CY2023 despite the fastest monetary policy tightening cycle in four decades, severe banking sector stress, and wars in Ukraine and Israel. Some of the factors that contributed to this exceptional performance are stronger labor market growth, a delayed rebalancing in the growth mix driven by services, less severe drag from tighter monetary policy due to healthy household and corporate balance sheets, and fiscal policy support in some economies. A decline in global inflation made this economic outperformance even more special. Easing supply constraints, reduced labor shortages, cooling energy prices, and moderating demand growth have led to a notable easing of inflation pressures globally. All these trends are likely to continue in CY2024 and beyond and global economy is poised to grow at a CAGR of 3.1% over the next 5 years.

2. MACROECONOMIC OVERVIEW OF INDIAN ECONOMY

2.1 Indian Macro-economic overview

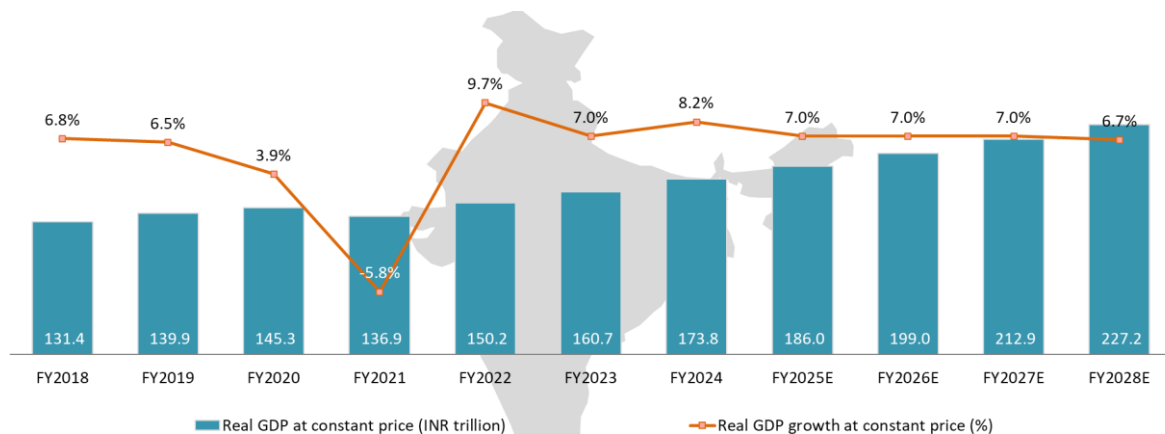
Indian economy has shown robust performance in the last three financial years and achieved 8.2% growth in FY2023, outperforming many other major economies in the world. The government has been promoting structural reforms to make India a global manufacturing hub. The FY2024 budget proposed a total capex outlay of INR 9.5 trillion, which is a 33% increase y-o-y and 3.3% of the total GDP. In addition, the government announced seven priorities – ‘Saptarishi’ that include inclusive development, reaching the last mile, infrastructure, and investment, unleashing the potential, green growth, youth power, and the financial sector.

In CY2019, the Indian government set a target of becoming a USD 5 trillion economy by FY2025. As a result of the COVID pandemic, the original timeline has been revised by 18–24 months. India’s GDP is likely to surpass USD 4 trillion in FY2025 and expected to reach USD 5 trillion in another 3-4 years to become the third largest economy by surpassing Germany and Japan.

2.2 Review and outlook of Real GDP growth in India

The last decade was a mixed bag for the economy with a see-saw movement in the GDP growth between FY2011 and FY2021. The economy, which was already slowing down since FY2018, received a massive jolt due to Covid-19 pandemic and shrunk by 5.8% in FY2021. However, the economy showed tremendous resilience and bounced back on the back of a series of corrective measures taken by the government during and post the pandemic. FY2022 and FY2023 were strong, and the Indian economy registered 9.7% and 7.0% growth respectively, outperforming many other major economies. The economy has further swelled and achieved a record growth of 8.2% in FY2024, exceeding all the expectations. This surge showcases the resilience and strength of the Indian economy amidst evolving global dynamics. The manufacturing sector has emerged as a key driver of this growth, witnessing a surge of 9.9% in FY2024, a stark contrast to -2.2% growth registered in the previous year.

Exhibit 2.1: Annual Real GDP and growth, value in INR trillion, India, FY2018 – FY2028E



The Indian government has implemented a slew of measures to get the economy back on track post the Covid-19 pandemic.

There has been a strong focus from the government to make the country a global manufacturing hub through various policy initiatives such as Atmanirbhar Bharat, PLI schemes, etc. These initiatives along with stable domestic demand and private investments will help the economy to grow at 7% CAGR between FY2025 and FY2028.

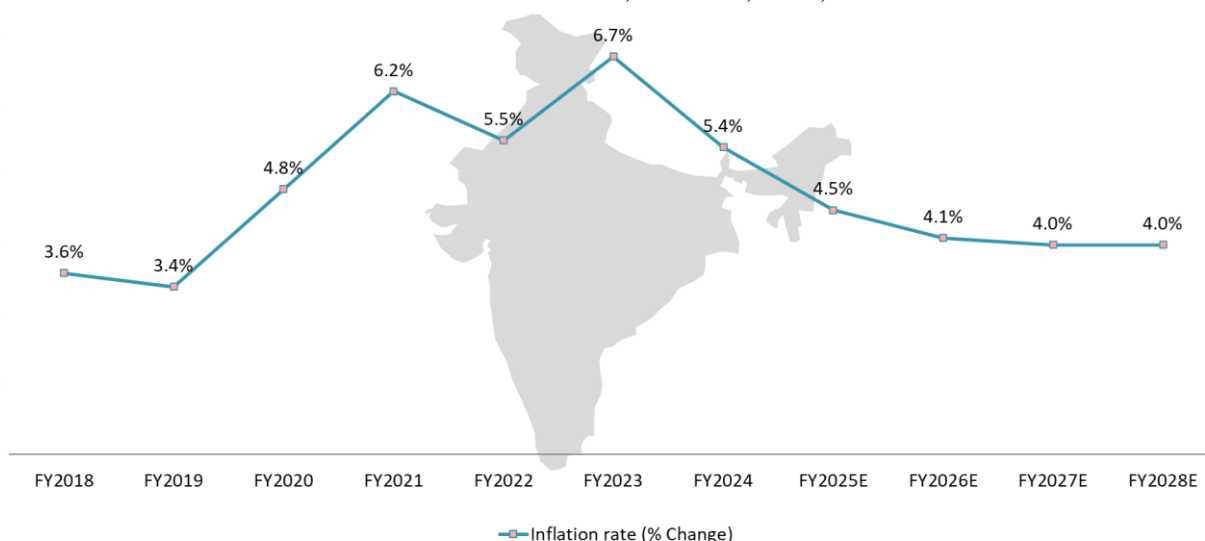
2.3 Inflation in India – historical and outlook

Indian Government, Reserve Bank of India (RBI), and associated institutions had taken suitable measures in the past to control inflation in the economy. As a result, inflation gradually started to decline since the mid of last decade and reached its lowest at 3.4% during FY2019. Factors such as sharp drop in global crude price between CY2014 and CY2018, stable global commodity prices, improved supply management, and fiscal prudence were the key reasons for the steady moderation in the inflation rate in the second half of the last decade.

However, the Indian economy buffeted by multiple shocks in the last three and half years – first, it was Covid-19 pandemic, followed by supply chain shocks, and then Russia-Ukraine war which caused widespread inflation in the economy. Inflation started showing an upward trend since FY2019 and increased to 6.7% in FY2023. Rising inflation emerged as a key macroeconomic concern in FY2023 with prices of almost every commodity touching new heights.

However, in line with the global trend, the inflation in India moderated to 5.4% in FY2024 due to drop in commodity prices and actions taken by Reserve Bank of India (RBI). The RBI has left its inflation forecast for FY2025 unchanged at 4.5% even though there is spike in crude oil prices and persisting worries about supply chain due to the Red Sea crisis. In the medium term, RBI expects the inflation to be stabilized at around 4% by FY2028.

Exhibit 2.2: India – Annual inflation rate, rate in %, India, FY2018 – FY2028E

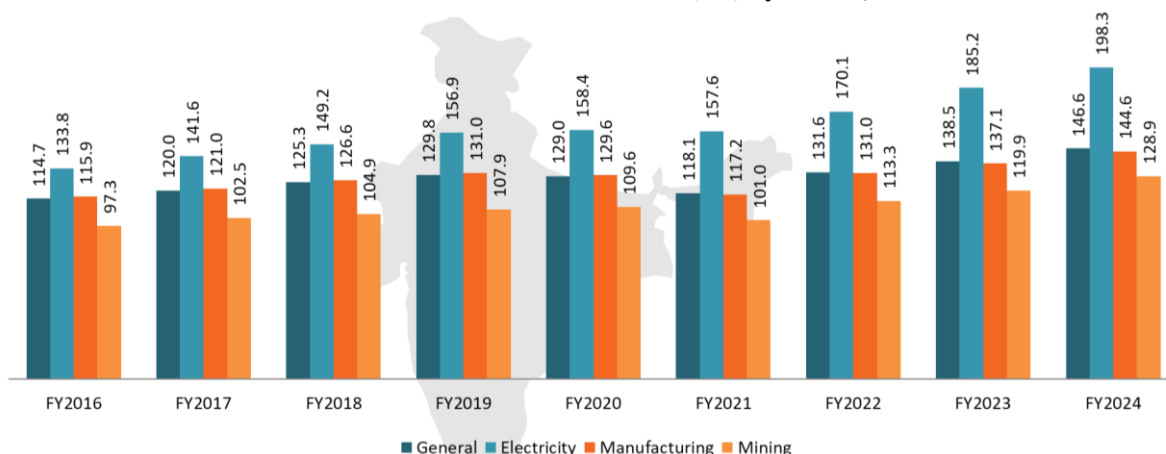


Source: RBI, CMIE, Frost & Sullivan Analysis

2.4 Index of Industrial Production (IIP)

Post pandemic, since June 2021, industrial activity in the country started picking up and continued its momentum through FY2022 – FY2024 with industrial output recording a sharp growth across all the four constituent sectors in the last three consecutive years. FY2024 IIP provisional data indicates 5.8% cumulative growth in FY2024 and 5.5% growth for the manufacturing sector. The other three segments i.e., Mining, Electricity, and General have grown by 7.5%, 7.1%, and 5.8% respectively in FY2024.

Exhibit 2.3: India – Index of Industrial Production (IIP) by sectors, FY2016 – FY2024



Source: MoSPI (Annual Estimates of GDP at constant price, 2011-12 series); RBI (Reserve Bank of India); Frost & Sullivan Analysis

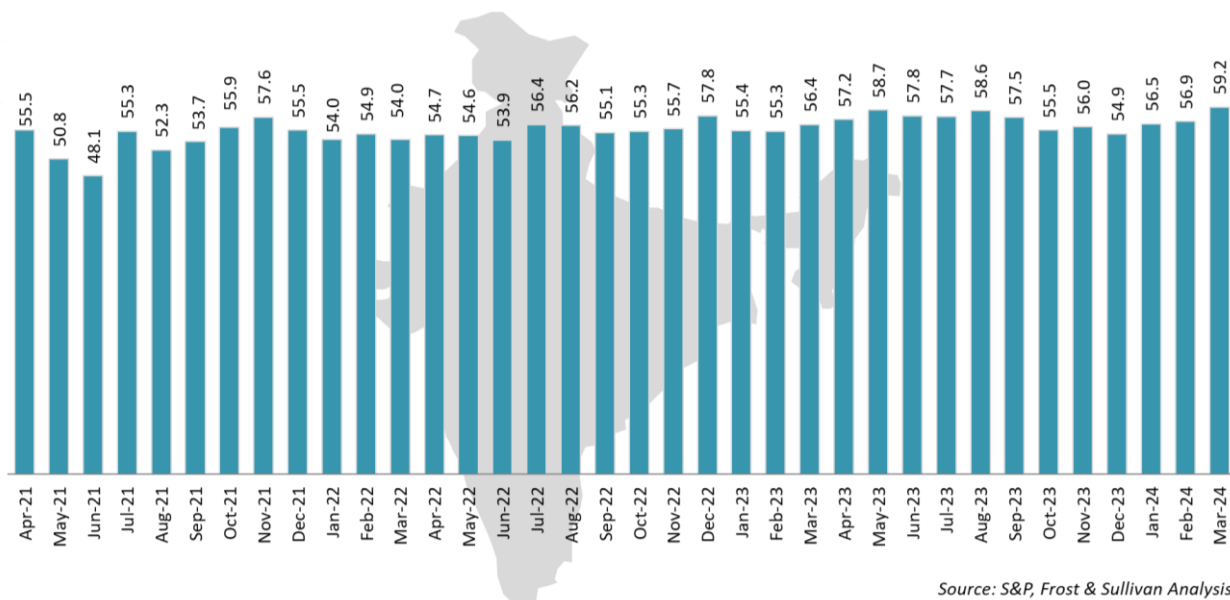
India's Business Confidence Index (BCI) has also increased to 135.4 points in Q3 FY2024 from 132.5 points in the previous

quarter. The survey also revealed that the business confidence in Q3 2024 was the highest in nearly eight years. The BCI however declined to 130.3 in Q4 FY2024 (source: Statista).

2.5 India manufacturing PMI (Purchase Managers Index)

The S&P Global India Manufacturing Purchasing Managers’ Index measures the performance of the manufacturing sector and is derived from a survey of 500 manufacturing companies. The Manufacturing Purchasing Managers Index is based on five individual indexes with the following weights: New Orders (30%), Output (25%), Employment (20%), Suppliers’ Delivery Times (15%), and Stock of Items Purchased (10 percent), with the Delivery Times index inverted so that it moves in a comparable direction.

Exhibit 2.4: Indian manufacturing PMI, April 2021 – March 2024



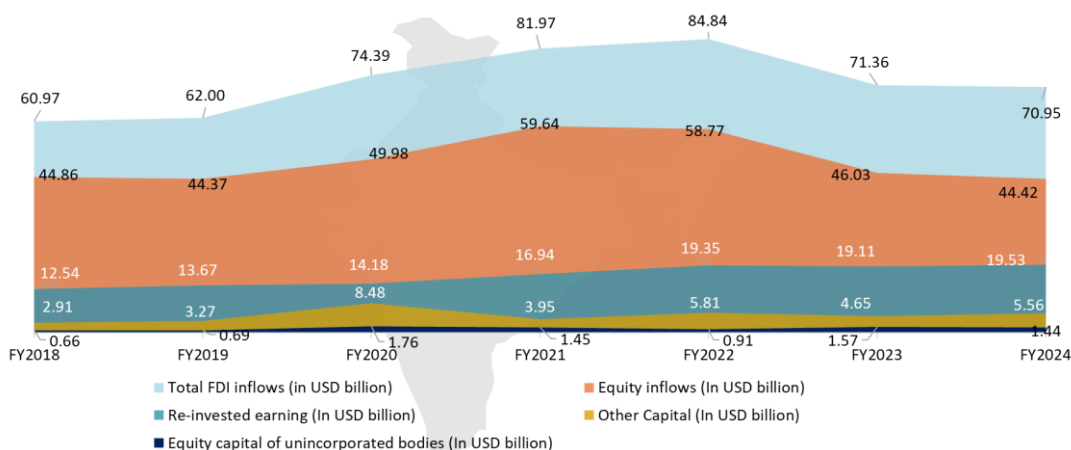
A reading above 50 indicates an expansion of the manufacturing sector compared to the previous month; below 50 represents a contraction, while 50 indicates no change. Manufacturing PMI reached the maximum reading of 58.7 in May 2023, the strongest improvement in factory activity since October 2020, boosted by strength of demand. Output growth was at a 28-month high, new orders expanded for the 23rd month running, with the rate of increase steepest since January 2021, and both overseas orders and employment increased the most in six months. However, the manufacturing PMI fell to an 18-month low of 54.9 in December 2023 before recovering to 56.5 in January 2024. This was due to weaker new orders, lower output, fading demand for certain types of products, and slower growth in export orders.

2.6 Foreign Direct Investment (FDI)

Foreign Direct Investment (FDI) in India has significantly increased in the last few years on the backdrop of improved ‘Ease of Doing Business’ ranking and proactive manufacturing policies from the Indian Government. The country received a record USD 434.9 billion FDI between FY2018 and FY2023. FDI reached a record USD 84.8 billion in FY2022 – the highest FDI in any fiscal year till date. Even though the FDI declined to USD 71.4 billion in FY2023, it is still at par with the last 6 year’s average FDI in the country – India has achieved this feat despite the Indian government’s restrictions on FDI from China.

In FY2024, India has registered a gross FDI inflow of USD 70.95 billion. Despite high interest rates across the globe, India’s FDI inflows remained steady as compared to its peer developing economies, because of the ‘demand strength’ of the economy.

Exhibit 2.5: FDI inflow in India, in USD billion, FY2018 – FY2024 (till December 2023)

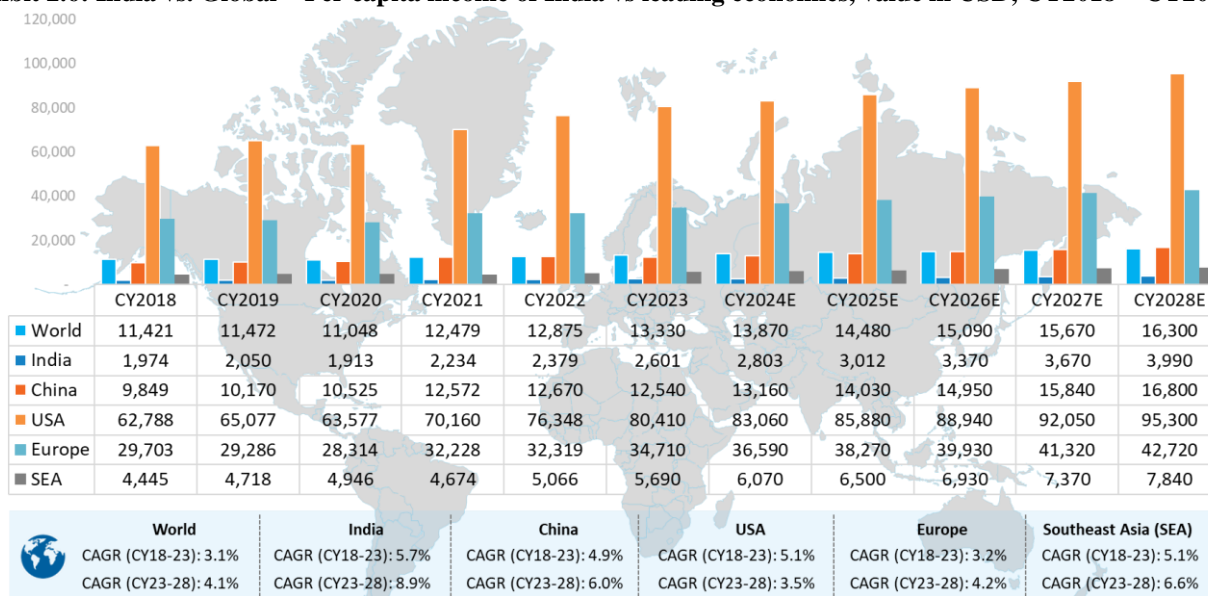


2.7 Per capita income – India vs. leading global economies

Per capita income is a broad indicator of the prosperity of an economy. Consumer confidence and discretionary consumption both improve with the rising per capita income. India’s per capita income in CY2023 was USD 2,601 and is considered a lower middle-income country.

For India to become a middle-income country, its per capita income needs to grow by almost 2.3 times to USD 6,100. Even though India’s per capita income grew by almost 100% since FY2015, wealth distribution among India’s 1.4 billion people remains highly skewed. Equitable access to healthcare, quality education, and jobs would be critical for India to deliver sustained growth in per capita income. Global average per capita income in CY2023 was 5.1 times higher than India at USD 13,330. CY2023 per capita income of USA, Europe, and China was USD 80,410, USD 34,710, and USD 12,540 respectively.

Exhibit 2.6: India vs. Global – Per capita income of India vs leading economies, value in USD, CY2018 – CY2028E



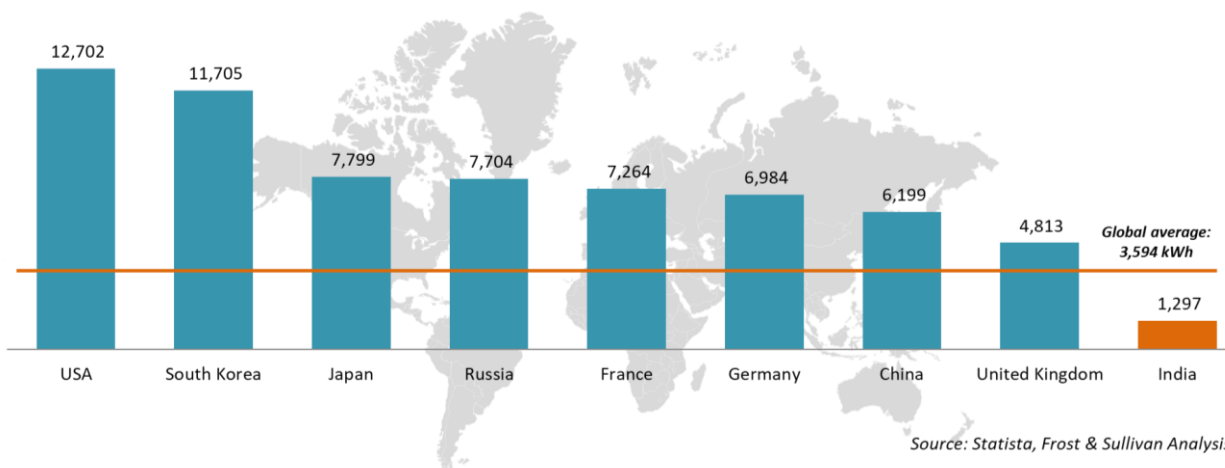
Source: IMF, World Economic Outlook; Frost & Sullivan Analysis

India in the last few years has seen a significant expansion of middle-class households. Robust economic development, growing population, relatively slower aging, and rising income levels coupled with urbanization would result in nearly 400 million additional middle-class and high-income population being added to the country’s economy by FY2031 effectively pushing the share of upper middle class and high-income earners to nearly 58% of the population by FY2031 – this in turn would drive the growth in per capita income of the country.

2.8 Per capita electricity consumption

Power-intensive industries, the purchasing power of the average citizen, household size, and general power efficiency standards all contribute to the amount of electricity that is consumed per person every year. However, in terms of total electricity consumption, a country’s size and population can also play an important role. Among the top 10 global economies, per capita electricity consumption is the highest for USA whereas, it is the lowest for India – 1,297 kWh, approximately one third of the global average of 3,594 kWh at the end of CY2022.

Exhibit 2.7: Per capita electricity consumption of global leading economies vs India, in kWh, CY2022

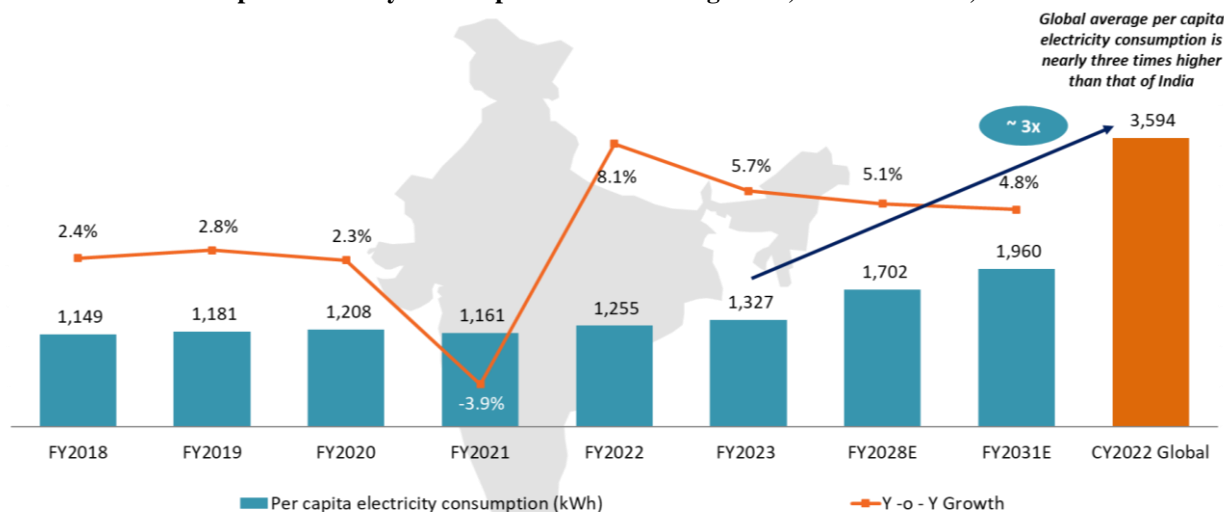


Source: Statista, Frost & Sullivan Analysis

India’s per capita electricity consumption has steadily increased from 1,149 kWh in FY2018 to 1,327 kWh in FY2023. Per capita electricity consumption has grown at a healthy pace of 8.1% and 5.7% in FY2022 and FY2023. The reasons for such increase include electrification of the villages, heightened economic and manufacturing activities, and increasing penetration of various consumer durables products. Considering a historical average multiplier of 0.8 with the GDP growth, per capital

electricity consumption may cross 1,700 kWh by FY2028 and may touch 2,000 kWh by FY2031.

Exhibit 2.8: Per capita electricity consumption of India and growth, in kWh and %, FY2018 – FY2031E



Source: Central Electricity Authority, Statista, Frost & Sullivan Analysis

The government of India launched Deen Dayal Upadhyaya Gram Jyoti Yojana (DDUGJY) in December 2014 for the rural areas with the objective of electrification of all un-electrified villages as per Census 2011. Similarly, Pradhan Mantri Sahaj Bijli Har Ghar Yojana (SAUBHAGYA) was launched in October 2017 with the objective to achieve universal household electrification by providing electricity connections to all un-electrified households in rural areas and all poor households in urban areas of the country. These programmes have successfully electrified nearly all households across the length and breadth of the country. 100% of urban households and 99.3% of Indian rural households have access to electricity at the end of FY2022 as per a report from the World Bank.

2.9 India is now emerging as a global manufacturing hub

India recorded USD 451 billion and USD 437 billion of merchandise export in FY2023 and FY2024 respectively and is well on its course to become a global manufacturing hub with the potential to export goods worth USD 1 trillion by CY2030 (source: IBEF). Indian manufacturing sector accounts for 17% of GDP and employs more than 62 million people. The Indian government plans to increase the share of manufacturing in the economy to 25% by CY2025 through the implementation of various programs and policies. These include introduction of Goods and Services Tax, reduction in corporate tax, introduction of Production Linked Incentive (PLI) schemes for various sectors, interventions to improve ease of doing business, FDI policy reforms, measures for reduction in compliance burden, policy measures to boost domestic manufacturing through public procurement orders, Phased Manufacturing Programme (PMP), to name a few. The Indian government has announced an outlay of INR 1,995 billion for implementing PLI schemes for 14 key manufacturing sectors. With the announcement of PLI Schemes, significant creation of production, skills, employment, economic growth, and exports is expected over the next five years and more.

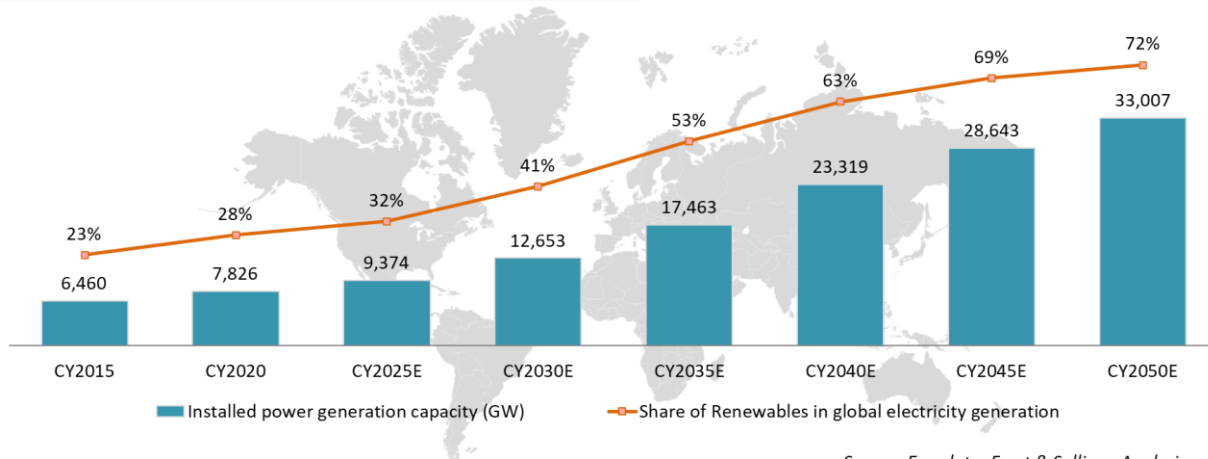
3. OVERVIEW OF GLOBAL POWER AND SOLAR SECTOR

3.1 Global installed power generation capacity

As per the latest data available, global installed power generation capacity has reached 9,063 GW at the end of CY2023. Asia-Pacific region accounts for approximately 40% share of this installed capacity, followed by 22% share by North America, and 18% share by Europe. India accounts for approx. 5% global installed power generation capacity at the end of CY2023. Global installed power generation capacity is expected to grow at 4.8% CAGR till CY2050 to reach approximately 33,000 GW. Nearly three-quarter of this capacity would be added through renewable sources.

Exhibit 3.1: Growth in global installed power generation capacity and share of Renewables in electricity generation, CY2015 – CY2050E

CAGR Global installed capacity (CY2015-CY2050): 4.8%
 CAGR Electricity generation from Renewables (CY2015-CY2050): 6.5%



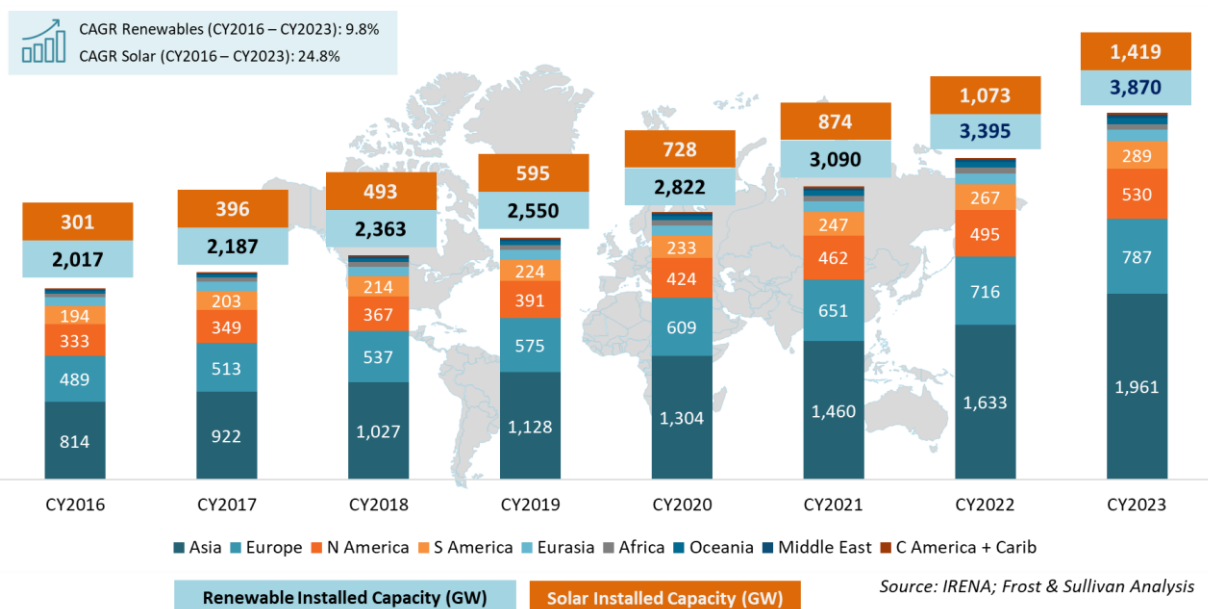
Source: Enerdata, Frost & Sullivan Analysis

3.2 Global installed Renewable Energy capacity

The Paris Agreement and subsequent COP meets have spurred international action on climate change, with many countries implementing low carbon development strategies to meet their individual net zero targets. Renewable Energy (RE) capacity additions is central to these strategies. Globally, RE capacity has grown at 9.8% CAGR between CY2016 and CY2023 to reach 3,870 GW, approx. 43% of the global power generation capacity. Asia accounts for 51% of this installed capacity, followed by Europe with 20% share and North America with 14% share. During this period, Solar capacity has grown at 24.8% CAGR to cross 1.4 TW mark.

Global annual renewable capacity additions increased by almost 55% to nearly 475 GW in CY2023 as against 305 GW in CY2022, the fastest growth rate in the past two decades. As per the latest projections available with IEA, global RE installed capacity is expected to cross 7,300 GW by CY2028. Share of Renewables in global electricity generation is expected to increase from 28.5% in CY2020 to 72.3% by CY2050 – from approximately 5,700 TWh in CY2020 to 51,000 TWh in CY2050 at a CAGR of 6.5% (source: Enerdata). In India, share of Renewables in electricity generation stands at 24.2% in FY2024 (till February 2024). As per the climate actions presented by the Indian government during COP-26, 50 percent of the country’s energy requirement would be met from Renewable sources by CY2030.

Exhibit 3.2: Renewables installed capacity by geography, Global, in GW, CY2016 - CY2023



Source: IRENA; Frost & Sullivan Analysis

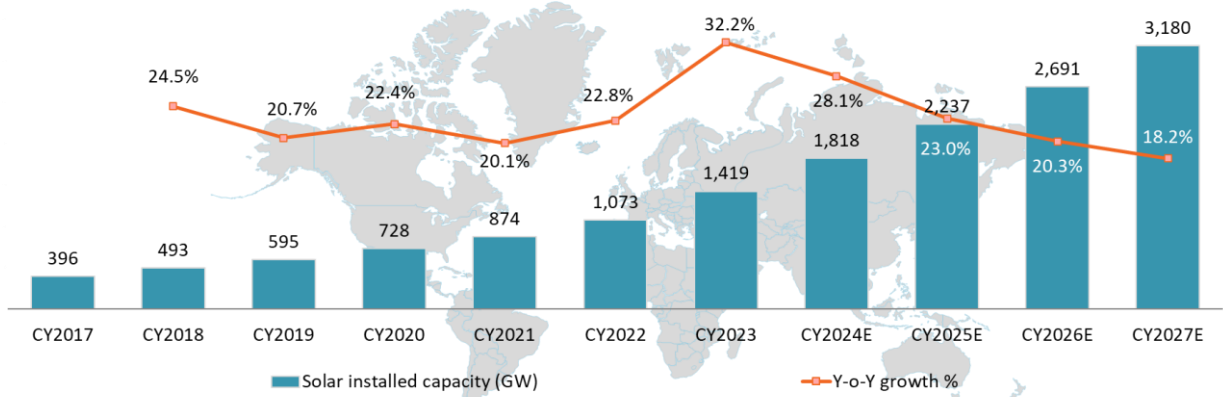
3.3 Global installed solar capacity

Solar will continue to dominate with installed capacity projected to reach from 1,419 GW in CY2023 to 3,180 GW by CY2027 at a CAGR of 22.3%. By CY2024, solar power is expected to overtake hydropower, followed by natural gas in CY2026, and coal in CY2027, thereby becoming the largest installed electricity capacity globally. Despite facing challenges such as Covid-related disruptions and supply-chain bottlenecks, solar PV continued its rapid growth trajectory. The renewable energy sector remained resilient, with solar power leading the charge towards a cleaner and more sustainable energy future.

The Russia-Ukraine conflict acted as a catalyst for this clean energy transitions, underscoring the importance of energy security on a global scale. This geopolitical event highlighted the need for diversified and distributed energy sources and accelerated

the adoption of clean and renewable energy technologies worldwide.

Exhibit 3.3: Solar installed capacity, Global, in GW, CY2017 - CY2027E

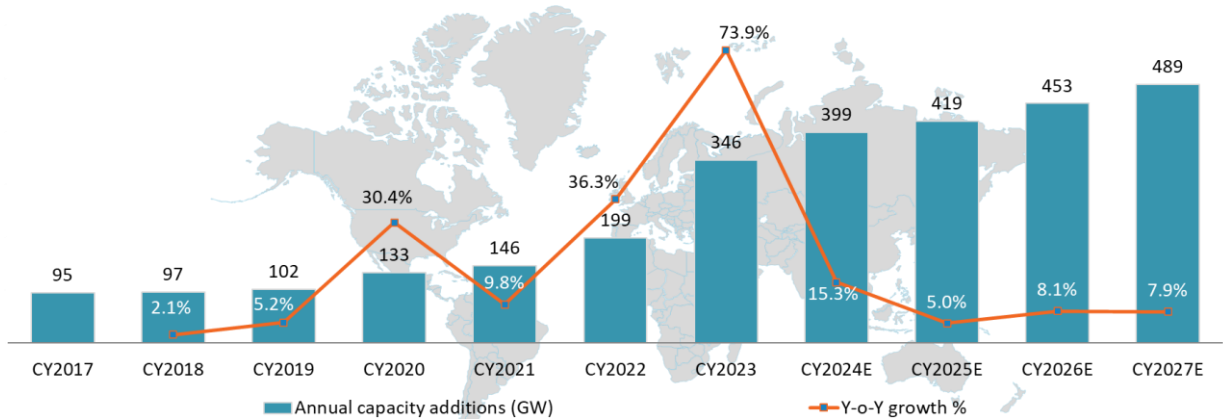


Note: Future capacity has been calculated based on CY2023 actual installed capacity + annual capacity additions projected by IEA till CY2027

Source: IRENA, IEA, Frost & Sullivan Analysis

Similar to overall RE capacity additions, 2023 has also been a landmark year for global solar capacity additions. Annual solar capacity additions increased at a record 75% - from 199 GW in CY2022 to 346 GW in CY2023. Annual solar capacity additions will continue to grow at a healthy pace and may reach 489 GW by CY2027.

Exhibit 3.4: Annual solar capacity additions, Global, in GW, CY2017 - CY2027E



Note: Future capacity has been calculated based on CY2023 actual installed capacity + annual capacity additions projected by IEA till CY2027

Source: IRENA, IEA, Frost & Sullivan Analysis

Leading economies like China, the US, and India are spearheading this transition, aiming to double their renewable energy capacity within the next five years. Policy initiatives such as the REPowerEU plan and the Inflation Reduction Act in the US are providing long-term support for solar investments and manufacturing. Other policies, including feed-in tariffs, renewable energy mandates, and tax breaks, have made solar a more attractive and cost-competitive option for electricity generation. This trend is expected to continue, with investments in solar PV projected to surge as it becomes the preferred and most economical power source globally.

The factors that are driving the global Solar Energy landscape are:

A. Corporate Sustainability Initiatives (RE100 & ISA):

- **RE100:** A global initiative in which businesses commit to powering their operations with 100% renewable energy. This initiative directly translates to increased demand for solar power purchase agreements (PPAs) and on-site solar installations.
- **International Solar Alliance (ISA):** An alliance of over 100 signatory countries including India focused on promoting solar energy deployment in member nations. The ISA facilitates knowledge sharing, technology transfer, and joint project development, collectively accelerating solar adoption across the globe.

B. Government Policy Frameworks (IRA & Green Grids Initiative):

- **Inflation Reduction Act (IRA):** The US Inflation Reduction Act offers tax credits and incentives for renewable energy projects, including solar. The act extends and expands the existing Investment Tax Credit (ITC) for solar photovoltaic systems to 30% for the next decade, making solar installations more affordable. Additionally, the IRA introduces a new Clean Electricity Investment Tax Credit (CEITC) starting in 2025, offering similar benefits for clean energy generation, including solar. This is likely to stimulate domestic solar systems demand in the US.

- **Green Grids Initiative:** One Sun, One World, One Grid: This initiative aims to create a global interconnected grid capable of transmitting renewable energy across borders. This would enable greater utilization of solar resources and further incentivize investment in solar generation capacity.

C. International Climate Change Negotiations (COP28):

- **COP28:** The 28th Conference of the Parties to the United Nations Framework Convention on Climate Change (UNFCCC) will likely see renewed focus on ambitious climate goals. Stringent emissions reduction targets set at COP28 could translate into increased policy support for renewable energy, including solar, further propelling demand.

4. OVERVIEW OF INDIAN POWER AND SOLAR SECTOR

4.1 India is the third largest power producer and consumer globally

With 442 GW installed generation capacity at the end of FY2024, India is the third-largest producer and consumer of electricity globally – the capacity is expected to reach 622 GW by FY2028. Power generation capacity has grown more than 100-fold since independence and growth in electricity demand has been even higher due to heightened economic activities. As a result, India’s energy companies have made substantial progress in the global energy market.

India is making a big shift from coal to renewable energy primarily through solar power. The government has set an ambitious goal of 500 GW renewable energy capacity by CY2030, out of which 300 GW would come from Solar. To achieve this, the government has allocated USD 885 million (INR 73,270 million) for solar power projects in FY2024 budget. This includes grid-connected solar, off-grid solar applications, and the Pradhan Mantri Kisan Urja Suraksha evam Utthan Mahaabhiyaan (PM-KUSUM) program which promotes solar pumps for farmers. Additionally, the Government plans to replace 81 coal plants with renewable energy sources by 2026. This move towards cleaner energy sources is a positive step for India’s future. With these plans from the government, solar is estimated to be the major contributor to the Indian power sector in the coming years. Given India’s focus on net-zero carbon emissions and innovative collaborations with international organizations and countries, the steps taken towards energy transition should lead to a greener future for the country.

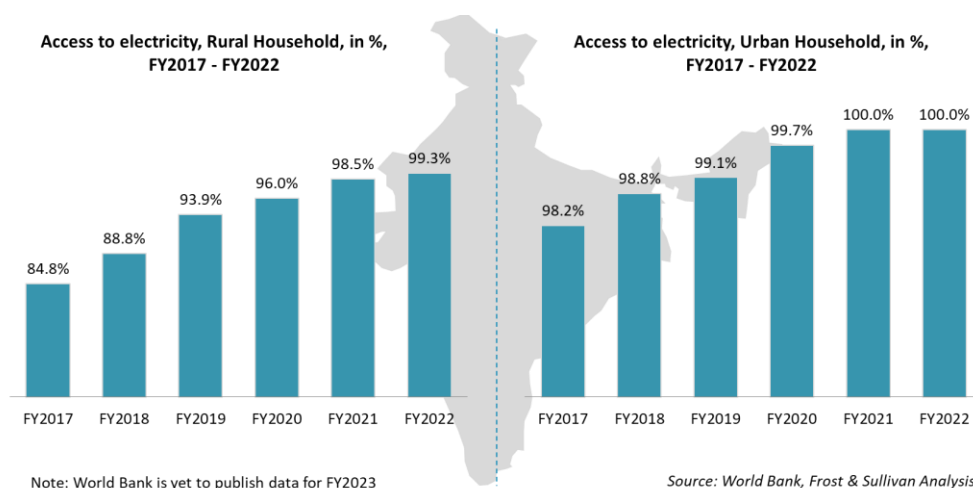
4.2 Growth in Household electrification in India

Power is among the most critical components of infrastructure, crucial for the economic growth, industry, and welfare of nations. The Indian government has made significant efforts over the past decades to turn the country from one with a power shortage to one with a surplus by establishing a single national grid, fortifying the distribution network, and achieving universal household electrification.

Objective of Pradhan Mantri Sahaj Bijli Har Ghar Yojana (SAUBHAGYA), launched in October 2017, along with Deen Dayal Upadhyay Gram Jyoti Yojana (DDUGJY) was to achieve universal household electrification across the length and breadth of the country. These programmes have successfully electrified 100% of urban households and 99.3% of Indian rural households at the end of FY2022 as per a report from the World Bank.

The government is further supporting States for electrification of any left-out households under the ongoing scheme of Revamped Distribution Sector Scheme (RDSS). RDSS has an outlay of INR 3,038 billion with gross budgetary support of INR 976 billion from Government of India over a period of five years from FY2022 to FY2026. RDSS has a universal coverage and is mainly focused on strengthening of sub-transmission and distribution network of project areas for the benefit of consumers. In addition, all identified PVTG (Particularly Vulnerable Tribal Groups) households under PM-JANMAN for on-grid electricity connection shall be eligible for funding under RDSS as per the scheme guidelines. Under RDSS, proposal for 4.96 lakh household electrification works have been sanctioned for the state of Uttar Pradesh, Rajasthan, and Andhra Pradesh for a cost of INR 8.1 billion. Further, under PM-JANMAN, on-grid electrification of a total of 87,863 households in 7,113 habitations have been sanctioned.

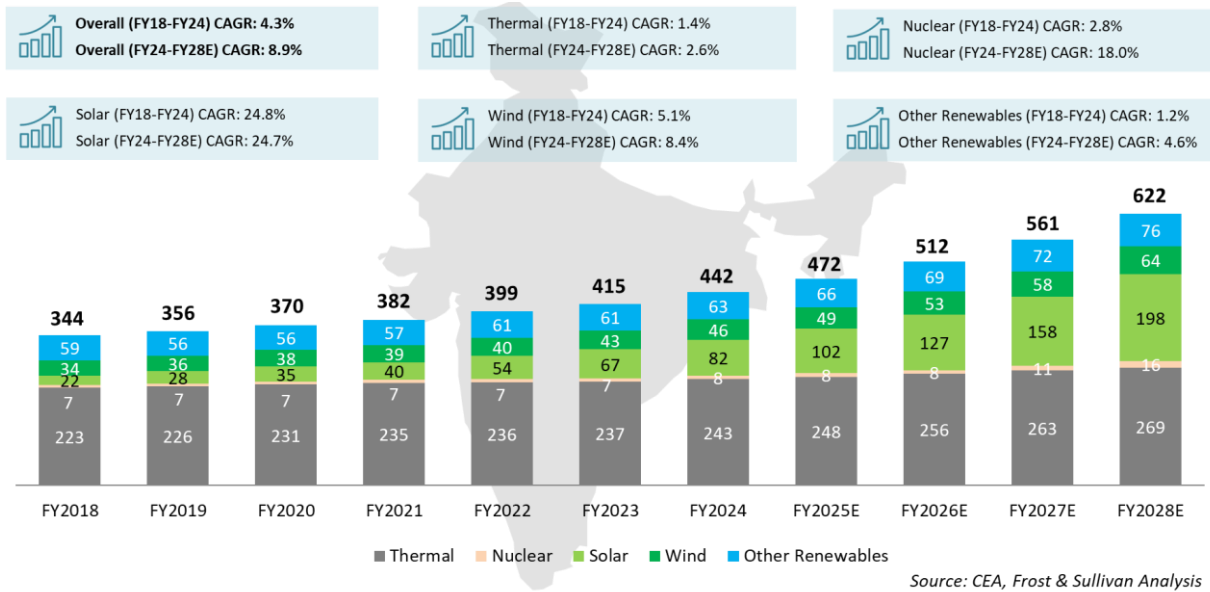
Exhibit 4.1: Access to electricity, in % of household, Rural and Urban India, FY2017 – FY2022



4.3 Growth in installed Power generation capacity in India

India's total installed power generation capacity has reached 442 GW at the end of FY2024. Based on generation capacity addition plans of the government and projects on ground, Frost & Sullivan estimates that an additional 180 GW of power generation capacity would realistically be added till FY2028, taking the country's total installed power generation capacity to 622 GW. Approximately 65% of this capacity would be added through Solar – this would take the country's installed Solar capacity from 82 GW in FY2024 to 198 GW by FY2028.

Exhibit 4.2: All India installed power generation capacity by fuel sources, GW, FY2018 – FY2028E



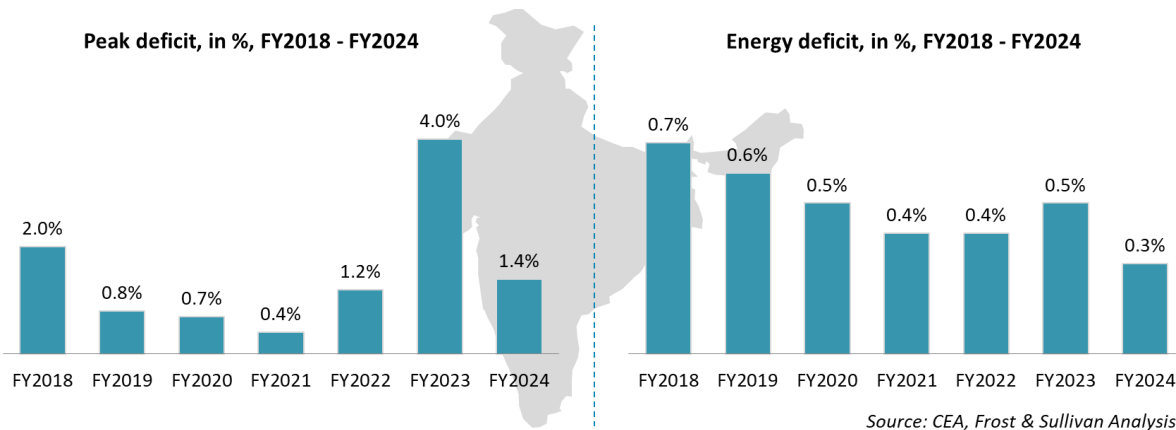
Thermal power accounts for 55% of the country's installed capacity at the end of FY2024. Renewable energy including large Hydro is the second biggest contributor with 43% share, out of which share of Solar is around 19%. As solar capacity additions will be accelerated in the coming years, this mix is expected to see a drastic change – Share of solar may double to 32% by FY2028 while, share of Coal may go down to 43%.

4.4 Overview of Power demand-supply scenario in India

Indian power sector has seen a huge turnaround with peak power deficit reaching from 16.6% in FY2008 to 0.4% in FY2021. However, the peak deficit reached higher levels of 1.2% in FY2022 and 4.0% in FY2023. Sudden spike in electricity demand during the monsoon months and inadequate firm capacity additions in the recent years may have caused this higher peak deficit. Peak deficit however significantly dropped to 1.4% in FY2024 due to better fuel management.

To avoid the high peak deficit situation in future, Indian Govt. has decided to add nearly 88 GW capacity of base load thermal power plants to meet 295 GW and 366 GW of peak power demand by FY2028 and FY2032 respectively. Besides, converting the RE plants to RTC plants would also mitigate the risks of higher deficits in the coming years.

Exhibit 4.3: Peak deficit and Energy deficit in India, in %, FY2018 – FY2024



Energy deficit on the other hand has shown a more consistent trend and remained within 0.3% - 0.7% between FY2018 – FY2024. Energy requirement of the country in FY2024 was 1,626 billion units and the country's power generating stations and grid were able to supply 1,622 billion units.

4.5 Factors that will drive electricity demand in India

Urbanization and Industrialization are two critical drivers in boosting the country's electricity demand in the foreseeable future. As per IEA's India Energy Outlook 2021, Over the period to CY2040, an estimated 270 million people are likely to be

added to India’s urban population. Urbanization underpins a massive increase in total residential floor space from less than 20 billion square metres today to more than 50 billion in two decades’ time. Additionally, the growing middle class with rising disposable incomes is fueling demand for appliances and improved living standards, both of which necessitate increased electricity consumption. Further fueling the electricity demand is India’s rapid industrialization. Modern factories rely heavily on electricity for machinery, lighting, and climate control. As industries adopt automation and advanced technologies, their consumption increases even more creating a ripple effect, with increased demand for electricity through other sectors.

Government initiatives: The Government’s initiatives such as ‘Make in India’ and related schemes like the Production Linked Incentive (PLI) and Aatmanirbhar Bharat Abhiyaan have significantly bolstered industrialization in the country. Electrification of railway tracks by Indian Railways would also create domestic market opportunities. These initiatives are anticipated to boost domestic manufacturing, further amplifying electricity consumption. As part of their China+1 strategy, many global manufacturing majors are exploring setting up their manufacturing units in India to cater both local and export demand. As per IEA, the Industrial sector currently uses the most energy in the country and its share is expected to rise from 36% today to 41% by CY2040. Several other Government initiatives like the National Infrastructure Pipeline and Saubhagya scheme are expanding access to electricity across the country.

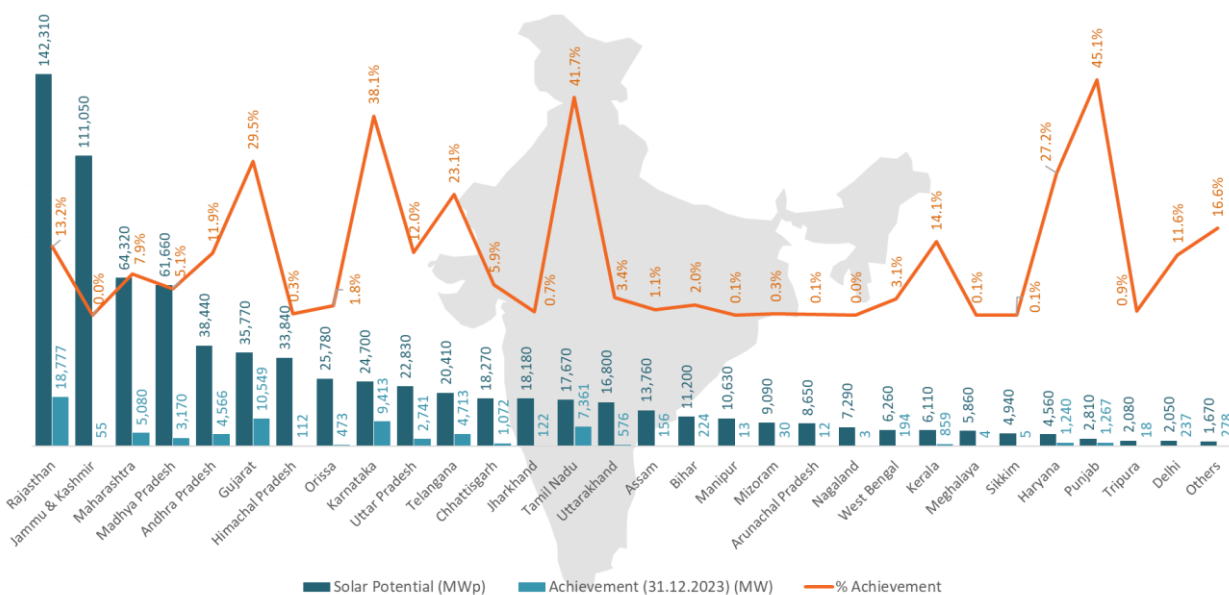
EV Charging Infrastructure: India has committed to achieving carbon neutrality by 2070, with widespread promotion and adoption of electric vehicles being a key strategy. This move aims to reduce India’s dependence on foreign fossil fuels and address the critical issue of air pollution. As per an article from Economic Times, the country is likely to have 10,000 public charging stations by CY2025 and would require 2 million charging stations by CY2030 to complement the EV sales till that time. This will create an additional electricity demand of 4 – 5 billion units in the country.

National Hydrogen Mission: Lunched in August 2021 by the Indian govt., the mission aims to produce 5 MMT of green hydrogen by CY2030 with an estimated investment of INR 8 trillion. Approximately 125 GW of Renewable Energy would be required to produce 5 MMT of green hydrogen.

4.6 India’s Solar power generation potential

India is bestowed with vast solar energy potential. About 5,000 trillion kWh per year energy is incident over India’s land area with most parts receiving 4-7 kWh per sqm per day. Solar PV based power can be harnessed at a utility scale and on distributed basis to meet demand for power, heating, and cooling in both rural and urban areas. This also provides energy security in the current geopolitical scenario due to its abundant availability. There has been a visible impact of solar energy in the Indian energy scenario - millions of people have benefitted from Solar in Indian villages by meeting their cooking, lighting, and other energy needs. Further, Solar has emerged as the fastest growing power generation technology.

Exhibit 4.4: State-wise Solar energy potential and achievement at the end of December 2023



National Institute of Solar Energy (NISE) has assessed the country’s solar potential of about 748 GWp assuming 3% of the waste land area to be covered by Solar PV modules. The top five states Rajasthan, Jammu & Kashmir, Maharashtra, Madhya Pradesh, and Andhra Pradesh account for approximately 56% of this potential. At the end of December 2023, India has harnessed roughly 10% of this potential or 73 GW. The top five states in terms of Solar capacity additions in the country are Rajasthan, Gujarat, Karnataka, Tamil Nadu, and Maharashtra – these five states account for 70% of the solar capacity additions till the end of CY2023.

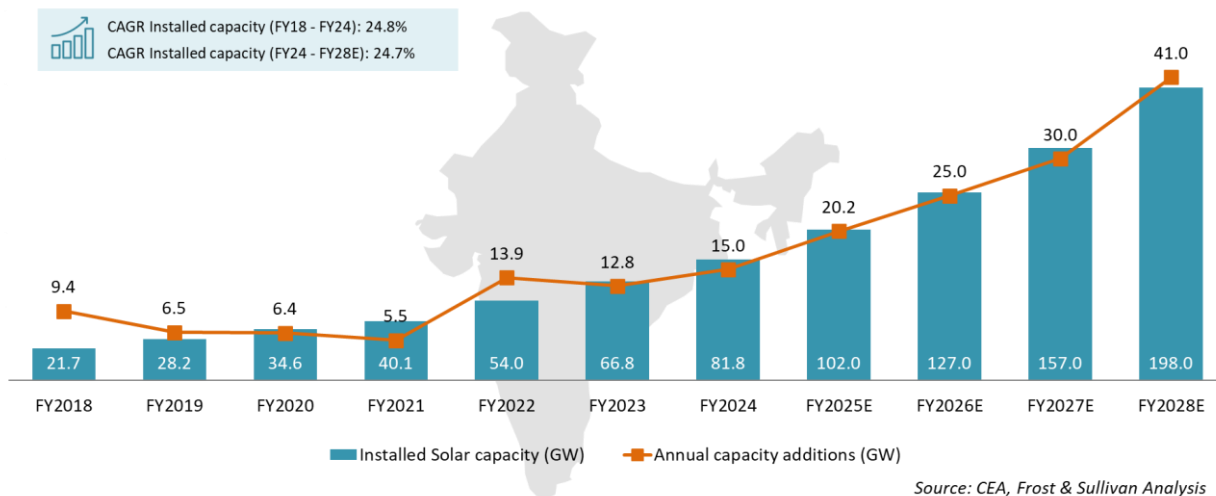
In terms of percentage of potential achieved, Punjab leads the list with 45.1% achievement, followed by Tamil Nadu (41.7%), Karnataka (38.1%), Gujarat (29.5%), and Haryana (27.2%). These achievements support the country’s vision of sustainable growth while ensuring the country’s energy security.

4.7 Growth in India’s Solar power installed capacity.

India’s strategic location in the solar belt, spanning from 400 S to 400 N, positions it as one of the world’s prime recipients of solar energy, boasting abundant availability throughout the year. The nation’s commitment to solar energy is evidenced by a

remarkable increase in installed solar capacity, which has grown by nearly four times in the past six years – from 22 GW in FY2018 to 82 GW in FY2024. The transition to solar energy has not only contributed to environmental sustainability but also yielded significant economic benefits. Based on various demand and supply side measures and as per Frost & Sullivan analysis, the country is well on course to achieve nearly 200 GW of Solar capacity at the end of FY2028.

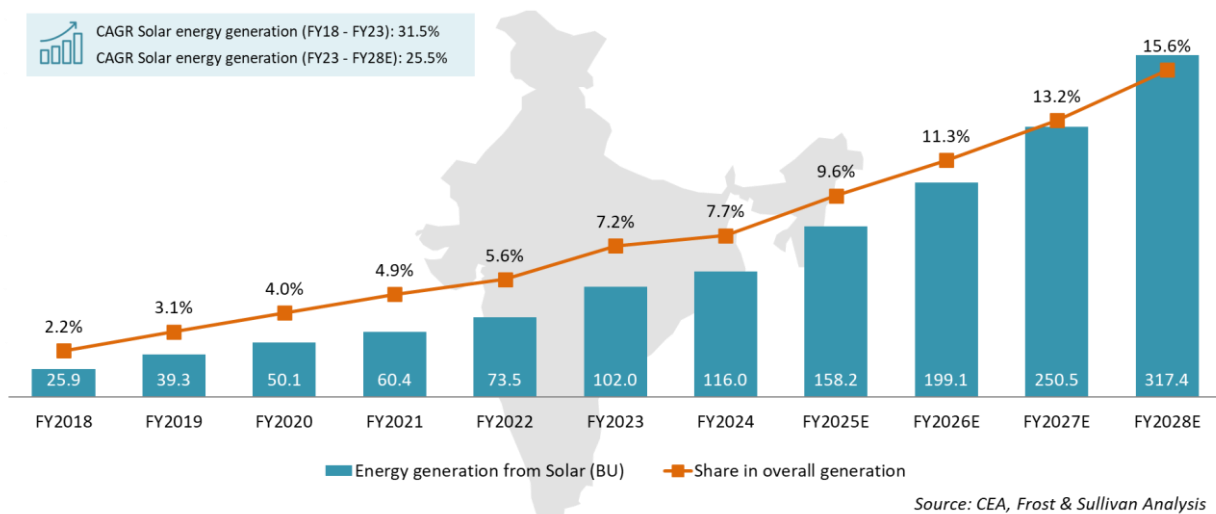
Exhibit 4.5: Growth in Solar installed capacity, India, GW, FY2018 – FY2028E



4.8 Electricity generation from Solar energy

Electricity generation from Solar energy has grown four folds between FY2018 and FY2023 to cross 100 BU milestone. Share of Solar in the country’s overall generation has increased from 2.2% to 7.2% during this period. Solar energy generation has further increased by 14% to reach 116 BU in FY2024 – 7.7% of the country’s overall electricity generation. As the country is gearing for capacity addition at an accelerated pace, Solar energy generation is expected to cross 300 BU by FY2028 – accounting for more than 15% share in the country’s overall generation.

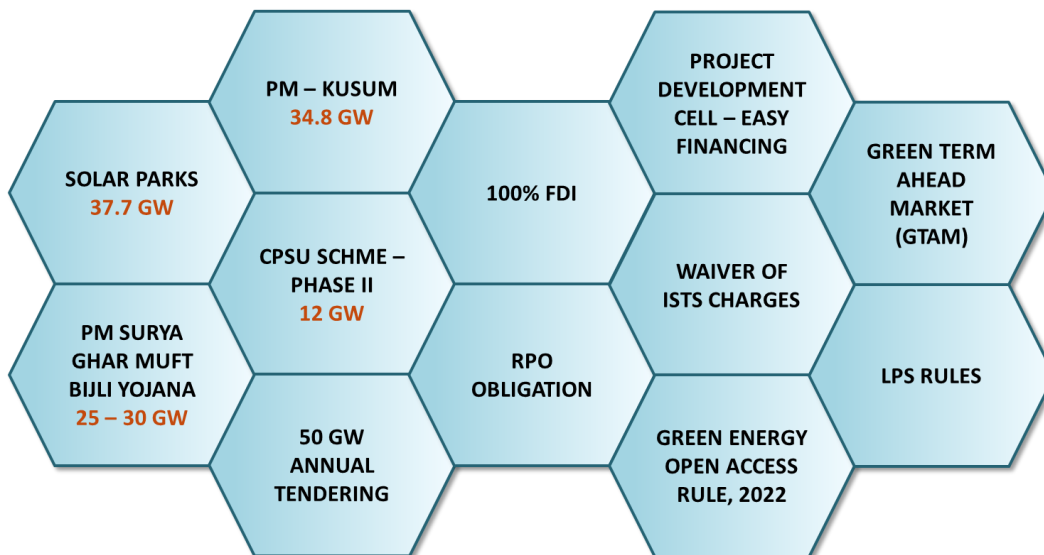
Exhibit 4.6: Growth in Solar energy generation, India, Billion Units (BU), FY2018 – FY2028E



4.9 Policy initiatives to drive the Solar sector in India

The Indian government in the last few years have taken multitude of demand and supply measures to boost the Solar powers sector in India. On the demand side, schemes have been launched to promote solar capacity additions to meet the 300 GW installed capacity by CY2030. On the supply side, policies have been initiated to attract investments in the domestic Solar manufacturing industry and safeguard the domestic Solar component manufacturing companies from their counterparts in China and other Southeast Asian countries.

Exhibit 4.7: Demand side measures for promotion of Solar energy in the country



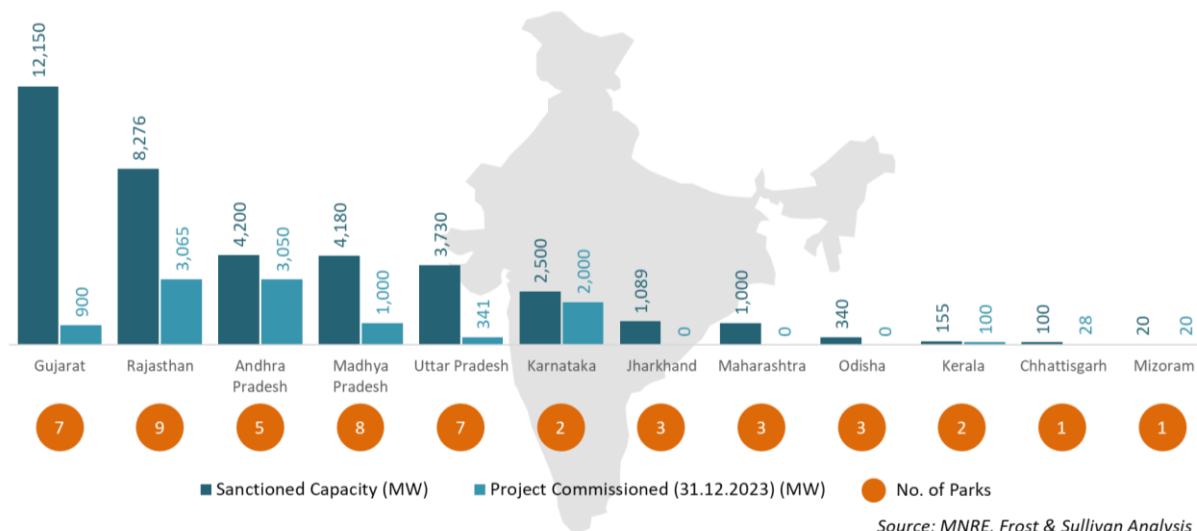
Source: Frost & Sullivan Research & Analysis

A brief description of some of the notable demand side measures have been provided below:

A. Solar Parks – 37.7 GW

This scheme underscores India's commitment to solar energy, aiming to establish 51 Solar Parks each of 500 MW and above by 2025-26, with a cumulative capacity of 37.7 GW. These parks serve as pivotal hubs for solar energy generation, stimulating investments and fostering an environment conducive to solar power development, thereby enhancing affordability and accessibility. Till the end of December 2023, approx. 10.5 GW of solar projects have been commissioned under this scheme.

Exhibit 4.8: State-wise Solar Park sanctioned capacity and commissioned capacity, MW, December 2023



Source: MNRE, Frost & Sullivan Analysis

B. PM Surya Ghar Muft Bijli Yojana: 25-30 GW

With an allocation of over INR 750 billion, the scheme aims to provide financial assistance through capital subsidies, facilitating the installation of rooftop solar panels and granting up to 300 units of free electricity every month to approximately 10 million households across India. The objective of this scheme is to reduce the electricity costs of the households by installing rooftop solar panels and harnessing freely available solar energy. This scheme aims to decrease dependency on traditional energy sources and moving towards sustainable energy practices. The scheme exclusively requires the utilization of DCR solar modules. The government has proposed to provide the below subsidies for implementation of this programmer:

- For up to 2 kW - Rs. 30,000 per kW
- For additional capacity up to 3 kW - Rs. 18,000 per kW
- Total subsidy for systems larger than 3 kW - Maximum Rs. 78,000

As per Frost & Sullivan analysis, this scheme is expected to generate 25 – 30 GW of rooftop solar installation opportunities over the next 2-3 years.

C. PM-KUSUM Scheme – 34.8 GW

The main objectives of the Pradhan Mantri Kisan Urja Suraksha evam Utthaan Mahabhiyan (PM-KUSUM) include de-dieselisation of the farm sector, providing water and energy security to farmers, increasing the income of farmers, and curbing environmental pollution. The Scheme has three components targeted to achieve solar power capacity addition of 34.8 GW by

31.03.2026 with total central financial support of INR 344 million. The three components of the scheme are:

- **Component A:** Setting up of 10,000 MW of decentralized ground/stilt mounted solar power plants on barren/fallow/pasture/marshy/cultivable land of farmers. Such plants can be installed by individual farmer, solar power developer, cooperatives, panchayats, and farmers producer organizations.
- **Component B:** Installation of 1.4 million stand-alone Solar Water Pumps in off-grid areas.
- **Component C:** Solarization of 3.5 million grid connected agriculture pumps through (i) Individual Pump Solarization (IPS) and (ii) Feeder Level Solarization (FLS).

Exhibit 4.9: Targets and Achievements under PM-KUSUM, April 2024

COMPONENTS	SANCTIONED	INSTALLED (30.04.2024)
COMPONENT A (MW)	4,766	168.28
COMPONENT B (NOS.)	1,294,787	331,648
COMPONENT C (NOS.)	IPS – 161,204 FLS – 3,376,466	IPS – 2,574 FLS – 9,603

Source: PM-KUSUM Portal, Frost & Sullivan Analysis

D. CPSU Scheme – Phase II – 12 GW

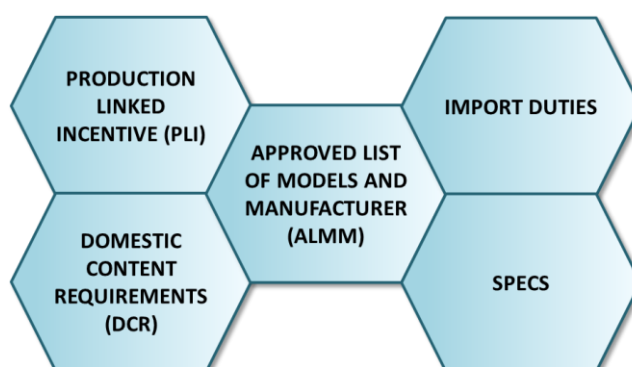
The CPSU Scheme Phase-II, also known as the Government Producer Scheme, is a significant initiative from the Indian government to promote domestic solar power generation and enhance energy security. Key features of the scheme are:

- **Financial Assistance:** The scheme offers Viability Gap Funding (VGF) of up to INR 7 million per MW to incentivize participation and address project cost viability concerns.
- **Capacity Target:** The scheme initially aimed to develop a total of 12,000 MW of grid-connected solar power capacity through plants set up by the eligible entities. While the deadline for the project commissioning has already passed, the scheme continues to be operational for unallocated projects.
- **Implementation:** The scheme is implemented through a competitive bidding process managed by the Solar Energy Corporation of India (SECI). Eligible entities can submit proposals for setting up solar power plants, and SECI selects the most competitive proposals based on pre-defined criteria.

With government initiatives like the PM-KUSUM, PM-Surya Ghar Muft Bijli Yojana, and the CPSU scheme in play, there is an emphasis on the utilization of DCR solar modules within the domestic solar market.

Along with these demand side measures, Indian government has also initiated a number of initiatives to strengthen the domestic Solar manufacturing industry. A brief description of some of the notable supply side measures have been provided below:

Exhibit 4.10: Supply side measures to strengthen domestic Solar manufacturing industry



Source: Frost & Sullivan Research & Analysis

E. Production Linked Incentive (PLI)

The Indian Govt. has implemented Production Linked Incentive (PLI) Scheme for national programme on high efficiency Solar PV modules, for achieving manufacturing capacity of Giga Watt (GW) scale with an outlay of INR 240 billion. The scheme offers incentives to the selected Solar PV module manufacturers on manufacture and sale of high efficiency Solar PV modules. The scheme is applicable for the first five years from the actual commissioning date or from the scheduled commissioning date, whichever is earlier. The objectives of the scheme include the following:

- To build up Solar PV manufacturing capacity of high efficiency modules.

- To bring cutting-edge technology to India for manufacturing of high efficiency modules. The scheme will be technology agnostic however, the technologies that would yield better module performance will be incentivized.
- To promote setting up of integrated plants for better quality control and competitiveness.
- To develop an ecosystem for sourcing of local material in solar manufacturing.
- Employment generation and technological self-sufficiency.

The PLI Scheme is being implemented in two tranches as follows:

- **Tranche-I:** Under this tranche, Indian Renewable Energy Development Agency Limited (IREDA), the implementing agency on behalf of MNRE for the PLI Scheme, issued Letters of Award (LOA) in November and December 2021 to three successful bidders for setting up of 8,737 MW capacity of fully integrated Solar PV Module manufacturing units with an outlay of INR 45 billion.
- **Tranche-II:** MNRE, on 30th September 2022, has issued guidelines for implementation of Tranche-II with an outlay of INR 195 billion. In this tranche, Solar Energy Corporation of India (SECI), the implementing agency on behalf of MNRE, issued Letters of Award (LOA) to 11 bidders in April 2023 for setting up 39,600 MW of fully / partially integrated solar PV module manufacturing units.

F. Domestic Content Requirements (DCR)

The Domestic Content Requirement (DCR) is a policy implemented by the Indian government that mandates a specific percentage of components including Cells and Modules used in solar power projects, particularly those funded by the government, to be sourced from domestic manufacturers. This percentage has been steadily increasing over the years and going forward, the 40% minimum domestic content requirement is set to increase annually, to 45% for projects starting construction in CY2025, 50% in CY2026 and 55% thereafter.

The Domestic Content Requirement (DCR) policy in India mandates the use of domestically manufactured components in specific government-funded projects. This policy aims to boost domestic manufacturing, create jobs, and reduce dependence on imports. In August last year, the Ministry waived off domestic requirement norms for projects awarded on or before June 20, 2023. However, not all sectors are subject to DCR, and certain exemptions exist. DCR is applicable for grid-connected solar power plants, rooftop solar installations on government buildings, and off-grid solar solutions. The DCR policy serves the following benefits to the Indian Solar Cell and Module manufacturers:

- **Guaranteed market:** DCR acts as a powerful market driver by ensuring a guaranteed demand for domestically produced solar cells and modules. This provides manufacturers with the confidence and stability needed to invest in setting up new facilities, expanding existing ones, and adopting advanced technologies. This leads to a significant increase in overall domestic manufacturing capabilities.
- **Reduced competition:** By making imported components less competitive, DCR fosters a level playing field for domestic manufacturers. This reduces the threat from cheaper imports, allowing Indian companies to establish themselves in the market and improve their competitiveness through economies of scale and technological advancements.
- **Technology development:** DCR incentivizes manufacturers to invest in research and development (R&D) activities to enhance the efficiency and quality of their products. This not only helps them compete effectively in the domestic market but also positions them for global competition, fostering technological innovation and a future-proof industry.

As per a recent briefing, Indian government is planning to set up data repository of India made solar modules. The objective of this initiative is to check imports and ensure adherence to domestic content rules (DCR) for solar projects under central government schemes.

G. Approved List of Models and Manufacturers (ALMM)

The ALMM program establishes a pre-approved list of reliable solar photovoltaic (PV) modules and cell manufacturers. This program ensures quality and efficiency of solar installations in India by requiring developers and investors to source their equipment from ALMM-listed vendors. By promoting high-quality domestic and imported products, ALMM fosters trust and encourages the adoption of reliable solar solutions throughout the country. ALMM policy was introduced in April 2022 and after being under suspension for FY2024, the policy is again in effect from April 1, 2024, and as per the latest list published by MNRE, the ALMM list still does not have any foreign manufacturer.

H. Import Duties

- **Basic Customs Duty (BCD):** The Government has imposed a basic customs duty on solar cells (at 25% plus a surcharge of 10% thereof) and solar modules (at 40% plus a surcharge of 10% thereof) from April 1, 2022. This has led to a rise in module/cell manufacturing capacity within the country and propelled domestic manufacturing which in turn has created a higher demand for all the components including solar glass.
- **Level playing field for manufacturers in Domestic Tariff Area (DTA):** The Government in March 2021, issued an extra-ordinary gadget notification from the Ministry of Law and Justice, that if there is any Countervailing Duty, Safeguard

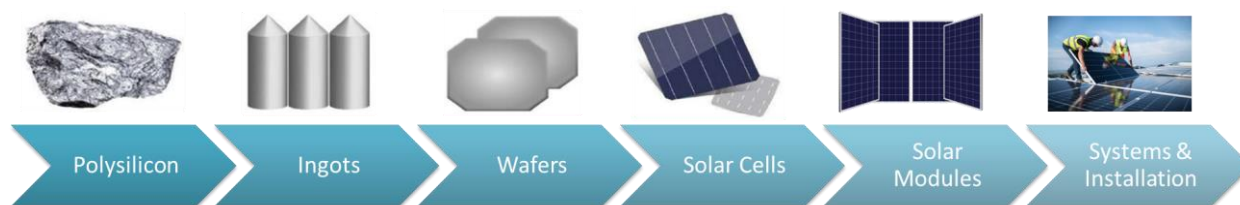
Duty, and Anti-dumping Duty applicable on the import of any item, then that part of the duty should be paid by special economic zone (“SEZ”) unit while supplying finished goods to DTA. This has made domestically produced components competitive with imports and established a level playing field for SEZ and DTA.

5. SOLAR GLASS MARKET AND VALUE CHAIN

5.1 Solar PV value chain

Solar PV value chain encompasses various processes and activities for transforming raw materials i.e., Polysilicon into installed solar panels that are ready for electricity generation. It's a complex and globalized network, with each step contributing to the final product's cost, performance, and sustainability.

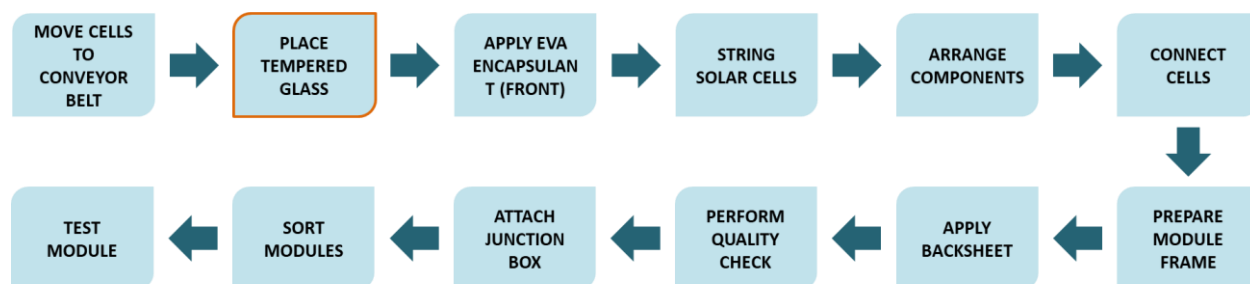
Exhibit 5.1: Solar PV value chain



Source: Frost & Sullivan Research & Analysis

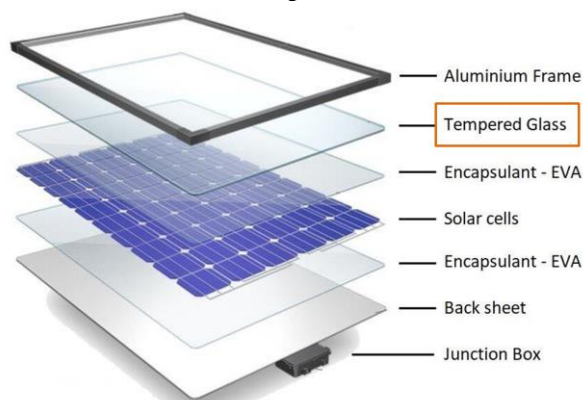
A solar module is constructed through a series-parallel configuration of individual solar cells. This interconnected array is then safeguarded from the elements with layers of glass, encapsulant, and backsheet material. Additionally, a junction box is integrated to facilitate the extraction of electrical power from the module. From the meticulous selection of individual solar cells to the rigorous quality checks that guarantee performance, the module assembly process leverages robotic precision for handling delicate components. Advanced automation flawlessly manages material flow, minimizing human error and material loss. Simultaneously, sophisticated testing procedures guarantee dependable power generation. This reduces the incidence of human error and possible degradation in the quality of the modules.

Exhibit 5.2: Solar Module manufacturing process



Source: Stakeholder consultation, Frost & Sullivan Analysis

Exhibit 5.3: Various components of a Solar Module



5.2 Overview of Solar Glass used in manufacturing of Solar modules

Solar Glass is a vital component in a solar panel providing protection, enhancing efficiency, and ensuring durability. The crystalline solar cells consist of low or poor mechanical strength and are prone to breakages. Besides, performance of the solar cells can be significantly impacted if they are exposed to atmospheric moisture, dust, and other harsh conditions. Thus, solar glasses play the following roles in a Solar panel:

- **Provides protective shield:** The solar glass acts as a protective shield for the solar cells thereby safeguarding them from environmental elements such as dust, rain, hail, water vapor, oxygen to prevent oxidation, and having good insulation while still allowing sunlight to penetrate.

- **Increases the efficiency of Solar Panels:** The anti-reflective coating in the glass helps to reduce the loss of sunlight due to reflection which eventually maximizes the absorption of sunlight and consequently improves the efficiency of solar panels.
- **Strengthens the Solar Panel:** Solar glass is considered as the strengthening agent for the solar panel, especially for those used in larger areas as they prevent warping and any damage that may be caused due to wind or snow loads. They overall enhance the structural integrity of panels.
- **Convenience:** Due to its self-cleaning and anti-soiling properties, solar glass is considered the most convenient choice for the application of solar panels as they are of low-maintenance and require minimal cleaning.
- **Lightweight:** Solar glasses are thin glass and light in weight helps in reducing the overall weight of the solar panel which makes it easier to transport and install them.
- **Transmitting Light:** The top surface of the solar glass is designed like a suede that transmits the maximum amount of sunlight while blocking harmful UV and infrared rays. This ensures that only the beneficial portion of the solar spectrum reaches the solar cells.

Two main types of glass are commonly used in solar panels:

- **Float Glass:** Most of the companies consider this type of glass as they provide the best quality at an affordable rate. It is created by floating molten glass on a bed of molten metal, resulting in a flat, uniform surface. They are poured into a molten tin that contains a mixture of hydrogen and nitrogen gas which helps to prevent the glass from oxidizing.
- **Rolled Glass:** This type of glass is used on surfaces that are not flat. It is manufactured by rolling a glass ribbon onto a cooling drum to produce sheets of glass with varying thicknesses. These are mainly used for making flexible solar panels and for installation in smaller areas.

The following chart depicts various ways a solar glass can be categorized - by market segments, thickness, manufacturing process, sizes, coatings, and value additions.

Exhibit 5.4: Categorization of Solar Glass

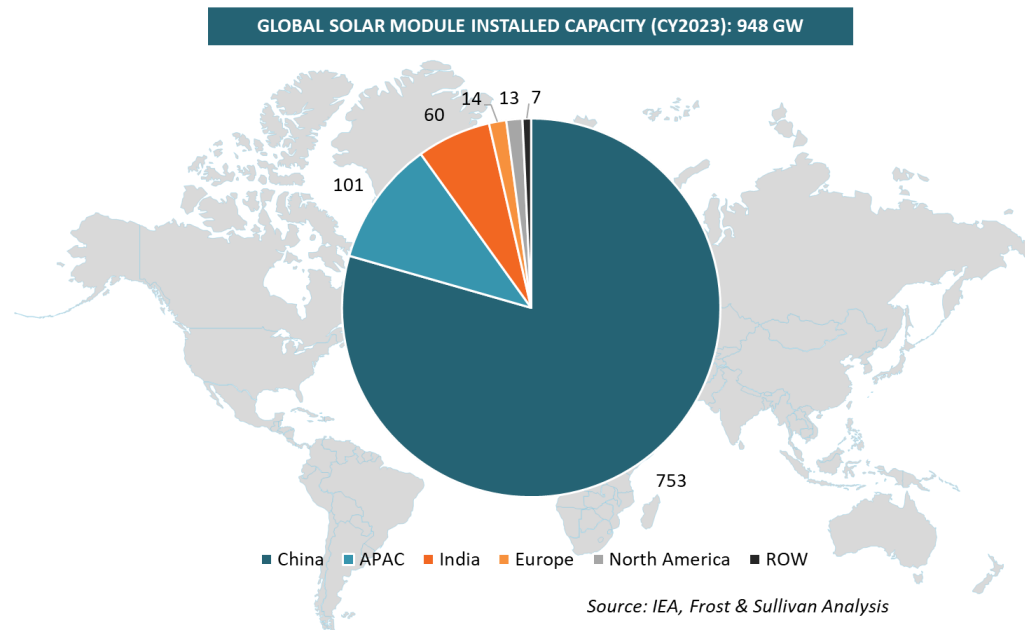
Market Segments	Thickness	Manufacturing Process
<ul style="list-style-type: none"> ▪ Utility Scale ▪ Solar Rooftop ▪ Building Integrated PV ▪ Solar Thermal 	<ul style="list-style-type: none"> ▪ 2 mm ▪ 2.5 mm ▪ 2.8 mm ▪ 3.2 mm ▪ 4.0 mm 	<ul style="list-style-type: none"> ▪ Float Glass (Tempered) ▪ Rolled Glass
Sizes	Coatings	Value Additions
<ul style="list-style-type: none"> ▪ Glass for 60 / 72 / 96 cells module ▪ Customized sizes ▪ Small Area Modules (SAM) 	<ul style="list-style-type: none"> ▪ Anti-reflective Coatings (AR) ▪ Anti-soiling Coatings (AS) ▪ AR + AS Coatings 	<ul style="list-style-type: none"> ▪ Anti-glare Solar Glass ▪ Matt finish ▪ Low antimony content, etc.

Source: Frost & Sullivan Research & Analysis

5.3 Global Solar PV manufacturing capacity and production trend

As per ‘Renewable Energy Market Update’ by International Energy Agency (IEA), global solar PV manufacturing capacity have reached approximately 948 GW at the end of CY2023 and is expected to cross 1 TW in 2024. China has been leading the global Solar PV manufacturing with an installed capacity of 753 GW at the end of CY2023. The country's sustained investment in solar energy infrastructure, ambitious energy targets, and favourable regulatory environment have propelled its position as the world's largest solar market. While China remains the dominant player in the global solar PV market, the ongoing trends suggest potential diversification within the supply chain.

Exhibit 5.5: Solar Module manufacturing capacity split by region, CY2023



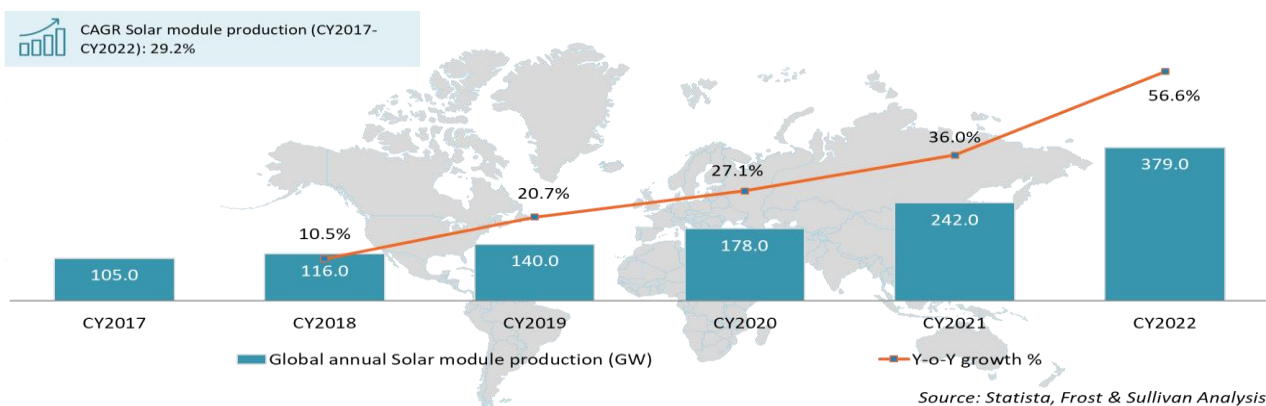
The Asia-Pacific region ranks second, with a total module manufacturing capacity of 101 GW. While Vietnam is the second largest solar module manufacturer, countries like Japan, South Korea, and Australia have emerged as significant contributors to solar energy deployment, driven by supportive policies, technological advancements, and growing environmental awareness. India is the third largest solar module manufacturer in the world with an installed capacity of 60 GW at the end of CY2023.

However, overdependence on China for cells, modules, wafers, and other raw materials have created an environment of anxiety in the industry that is fostering a ‘China Plus One’ strategy, encouraging the diversification of manufacturing bases. A heightened focus on solar photovoltaic (PV) supply chain diversification has emerged in recent months, with governments in the United States, Europe, and India spearheading the initiative.

To reduce reliance on imported products, the US government has implemented various measures, including anti-dumping duties on shipments from China and Taiwan. To reduce reliance on imported products, the government has implemented various measures, including anti-dumping duties on shipments from China and Taiwan. Additionally, the passing of the Inflation Reduction Act (IRA) in 2022 aims to bolster domestic manufacturing capabilities. In CY2023, USA’s module manufacturing capacity has grown from 8.5 GW to 16.1 GW. To further strengthen the domestic manufacturing base, the Department of Energy (DoE) has set an ambitious target of achieving an integrated manufacturing capacity of over 50 GW by CY2030. To support this goal, several key industry players have announced expansion plans to increase production capacity within the country.

As per IEA estimates, the EU region has an annual Solar module installed capacity of 14 GW. RECOM Technology, Voltec, Solarwatt, Sonnenstromfabrik, Soluxtec, etc. are the leading module manufacturers in Europe. However, the capacity utilization has drastically fallen in CY2023 and is almost standstill due to record-low import prices for photovoltaics. The European Solar Manufacturing Council (ESMC) called for swift support from the EU Commission, including options such as the Temporary Crisis and Transition Framework (TCTF), the Net Zero Industry Act (NZIA), and stringent measures against products tied to forced labour. NZIA proposes 30 GW of solar manufacturing capacity in the EU by 2030.

Exhibit 5.6: Global Solar Module production trend, GW, CY2017 – CY2022



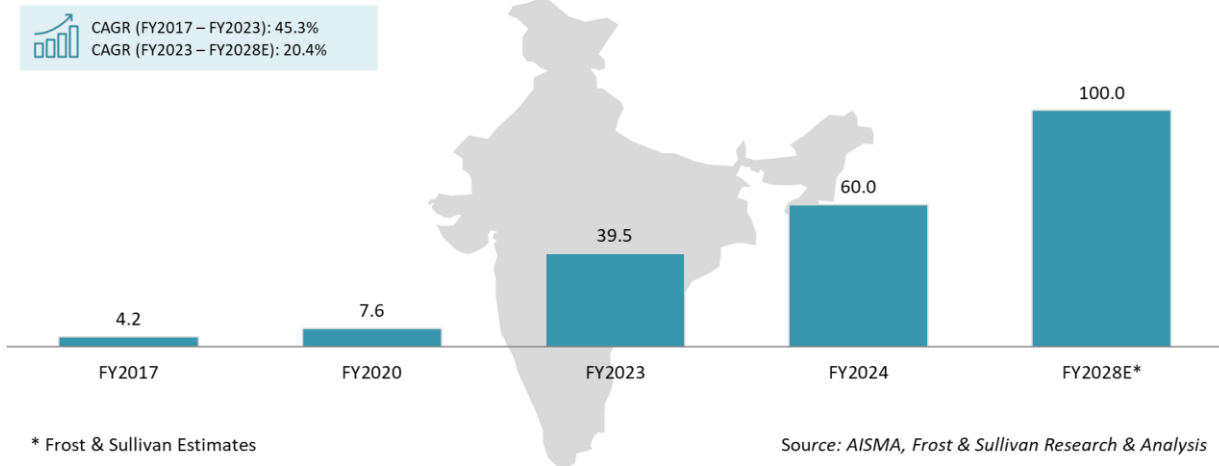
In line with the capacity additions, global solar module production has grown at an exponential rate of 29.2% CAGR between CY2017 and CY2022 to reach 379.0 GW at the end of CY2022. China accounted for 77.8% share of this production with Longi Green Energy, Trina Solar, JA Solar, Jinko Solar, and Canadian Solar are the top 5 global manufacturers of Solar PV modules in CY2022.

5.4 Indian Solar PV manufacturing capacity addition trend

Various supply side measures have put the Indian Solar manufacturing sector on an accelerated growth trajectory in the last few years. With immense potential for solar power generation, India is actively developing its cell and module manufacturing capabilities. The country’s module manufacturing capacity has crossed 60 GW mark in November 2023. This positions India as the third largest Solar module manufacturers in the world after China, and Vietnam.

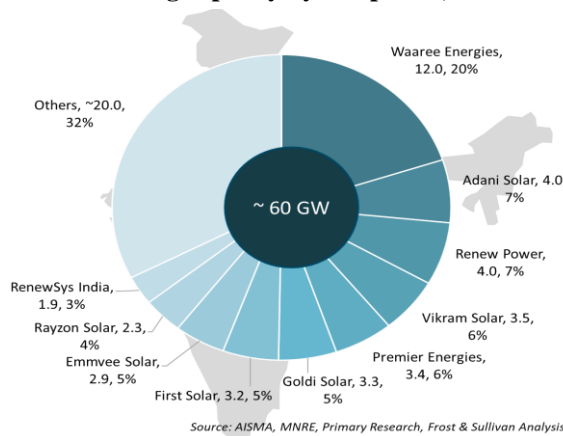
Since FY2017, India's Solar Module manufacturing capacity witnessed a phenomenal increase, from 4.2 GW to 39.5 GW at the end of FY2023 at a CAGR of 45.3%. The capacity has further swelled to 60 GW in FY2024 and may cross 100 GW by FY2028.

Exhibit 5.7: Solar Module manufacturing installed capacity trends, GW, India, FY2017 – FY2028E



Indian government, under PLI scheme, has allocated integrated module manufacturing capacity of 48.3 GW in two tranches with an outlay of INR 240 billion. Tranche - I of 8.7 GW was allocated during November-December 2021 and Tranche – II of 39.6 GW has been allocated during April 2023. Manufacturing capacity totaling 7,400 MW is expected to become operational by October 2024, 16,800 MW capacity by April 2025, and the balance 15,400 MW capacity by April 2026.

Exhibit 5.8: Solar Module manufacturing capacity by companies, in GW and % share, India, FY2024

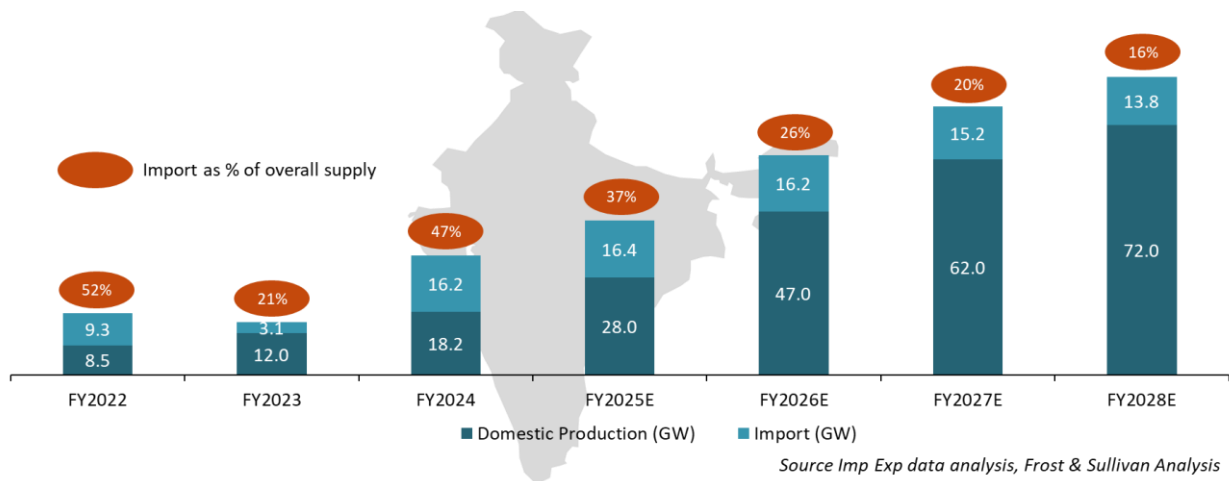


A recent announcement from All India Solar Manufacturers’ Association (AISMA) suggests that there are over 100 solar module manufacturers in the country. The top 10 manufacturers have a cumulative manufacturing capacity of 40 GW and the same for top 25 manufacturers stands at a little over 50 GW. The top 10 module manufacturers are Waaree Energies, Adani Solar, Tata Power, Renew Power, Vikram Solar, Premier Energies, Goldi Solar, First Solar (with thin film technology), Emmvee Solar, Rayzon Solar, and RenewSys India in that order.

5.5 Solar module production trend in India

Indian Solar Module market (domestic consumption of India made or imported solar modules + export of domestically manufactured solar modules) is expected to grow from 17.8 GW in FY2022 to 85.8 GW by FY2028, at a CAGR of 30%. As Indian module manufacturers are expanding their capacities and as more companies are entering into module manufacturing in India, a large part this demand would be met through domestic production – India’s import dependency is expected to reduce from 52% in FY2022 to approximately 16% by FY2028 on a significantly higher base. This in turn will create tremendous growth opportunities for the domestic Solar glass manufacturers.

Exhibit 5.9: Domestic production and Import of Solar Modules in India, GW, FY2022 – FY2028E

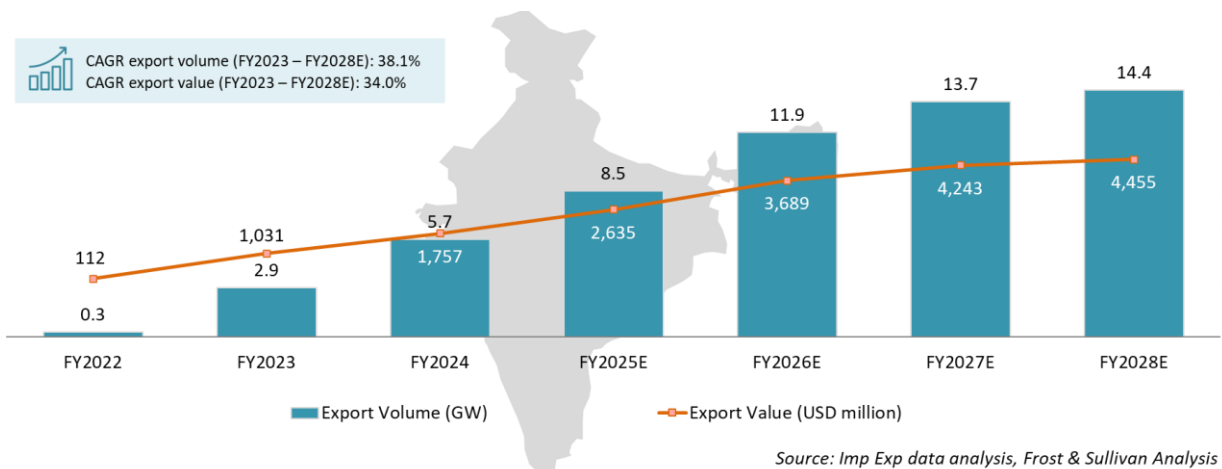


5.6 Solar Module export from India

PV module export from India has grown by more than 9 times in FY2023 over FY2022 – from a mere USD 112 million in FY2022 to USD 1.03 billion in FY2023. During this time, India’s export to USA have grown by 16 times in value terms. In FY 2023, India exported around USD 1 billion worth of PV modules to the USA, which is around 97% of the entire global module exports from India. The export has further swelled to USD 1.46 billion in the first 10 months of FY2024 and expected to cross USD 1.7 billion at the end of FY2024. In volume terms, Solar Module export from India has increased from 0.3 GW in FY2022 to 2.9 GW in FY2023 and expected to almost double in FY2024 to 5.7 GW.

India’s Solar Module exports to the USA will keep rising till FY2026 and may start decline post FY2028. The implementation of the Inflation Reduction Act (IRA) and the Green Deal, key policies that promote local manufacturing in the USA and the European Union (EU) respectively, are expected to establish domestic solar PV manufacturing capabilities in these regions. Once the domestic manufacturing of the USA and the EU develops, Indian exports of modules will start declining to these regions however may pick up for the other regions such as Africa and Latin America.

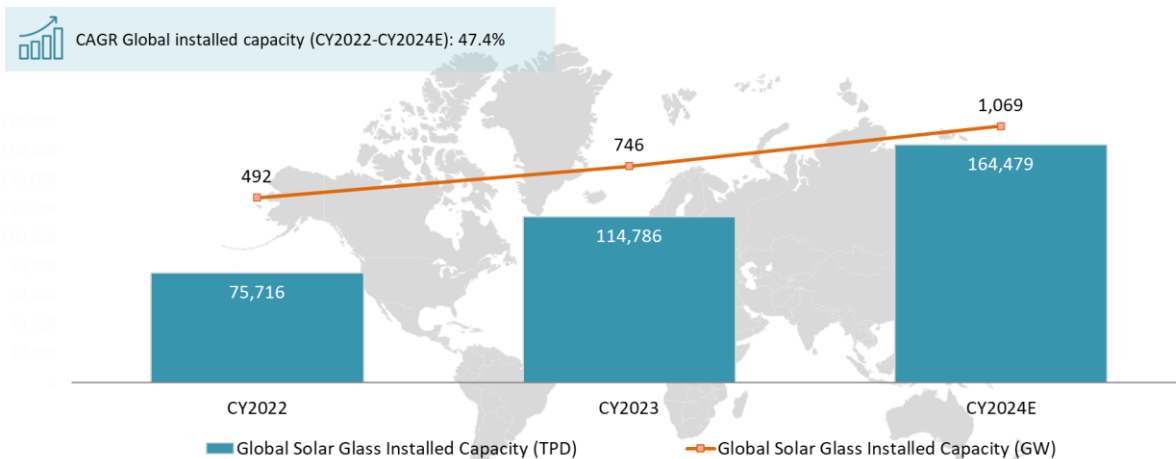
Exhibit 5.10: Indian Solar Module export market, GW and USD million, FY2022 – FY2028E



5.7 Overview of Global Solar Glass manufacturing industry

Global installed capacity for Solar Glass has increased from approximately 75,000 TPD in CY2022 to 115,000 TPD in CY2023 and is expected to reach 165,000 TPD at the end of CY2024 as per announced plans. In GW terms, the global Solar Glass capacity would grow by more than 2 times between CY2022 and CY2024 and cross 1 TW mark. However, the actual capacity additions may get rescheduled and delayed considering restrictions which may be put by the Chinese Government.

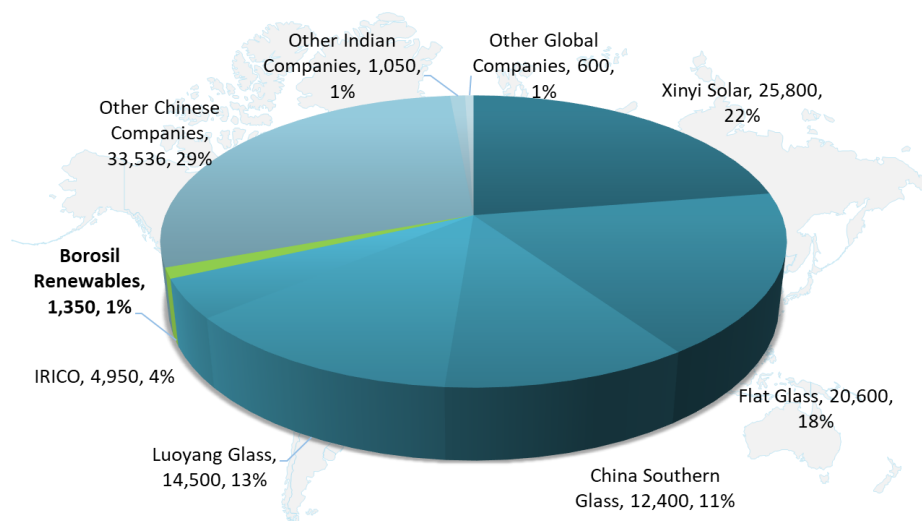
Exhibit 5.11: Growth in Global Solar Glass installed capacity, TPD & GW, CY2022 – CY2024



Source: Websites and published reports from Global Solar Glass Companies, Frost & Sullivan Analysis

Similar to the manufacturing of the entire value chain for Solar, Global solar glass manufacturing is also highly concentrated in China with top 5 Chinese companies i.e., Xinyi Solar, Flat Glass, China Southern Glass (CGS), Luoyang Glass, and IRICO enjoying nearly 70% share of the global Solar glass market. These companies are not only rapidly expanding their production capacity, but also setting up plants outside China in order to evade some of the regional restrictions. In addition, Kibing Glass also has been expanding their presence in the solar glass manufacturing.

Exhibit 5.12: Share in global Solar Glass installed capacity, TPD and in percentage, CY2023



Source: Frost & Sullivan Analysis

Xinyi Solar has added 6,000 TPD daily glass melting capacity in CY2023. In view of the continued growth in market demand, the group will expand its solar glass production capacity in an orderly manner to support further growth and consolidate its leading market position. The group targets to add 6 new production lines with a total capacity of 6,400 TPD in 2024, thereby increasing its total solar glass capacity from 25,800 TPD at the end of CY2023 to 32,000 TPD at the end of CY2024. In addition, the group has started preparations for establishing new production bases in the PRC and overseas, including projects in Yunnan and Jiangxi provinces in the PRC and in Indonesia. The commissioning date of these new production sites is expected to be in 2025 or later.

By the end of 2023, Flat Glass Group's (FGG) total production capacity was 20,600 tonnes per day. The company expects that its Anhui Phase IV project (4 X 1,200 TPD kilns) and the Nantong project (4 X 1,200 TPD kilns) will be ignited and operated in CY2024, with a total daily melting volume of 9,600 TPD. The production capacity is expected to reach 30,200 TPD in 2024, an increase of about 47%. In addition, the company plans to invest in the construction of photovoltaic glass kilns in Indonesia to meet the demand for photovoltaic glass in different countries and regions.

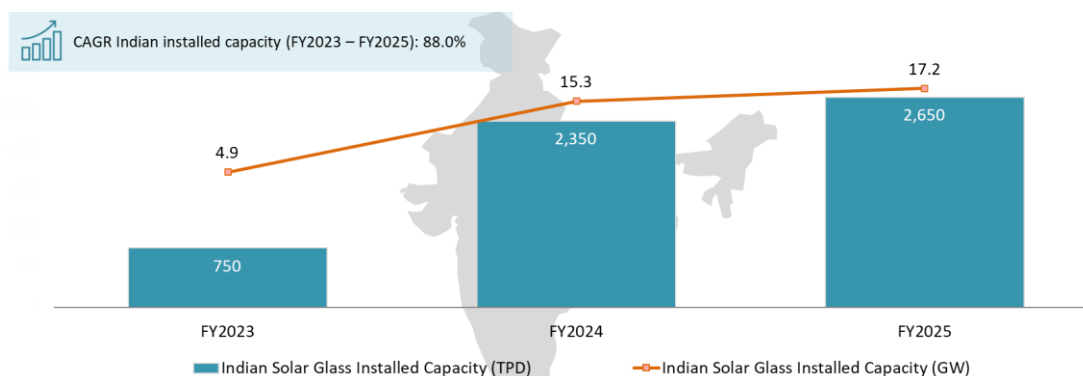
Among the Indian companies, Borosil Renewables, the largest Solar Glass manufacturer in India has increased its daily capacity from 750 tonnes in CY2022 (including 300 TPD in Germany through its subsidiary) to 1,350 TPD in CY2023 – this capacity includes 350 TPD capacity of Interfloat Group, the largest Solar Glass manufacturer in Europe and the only surviving textured Solar glass producer in the European Union. Borosil Renewables, to its credit, developed the first ever fully tempered Solar glass of 2 mm thickness for usage in glass to glass/bifacial modules. The company is also the first to develop Grid-printed Solar glass in India.

Other than Borosil Renewables, a few more Indian companies such as Vishakha Renewables, Gobind Glass, and Triveni Renewables started manufacturing of Solar Glass from CY2023. The combined Solar Glass manufacturing capacity in India stands at 2,050 TPD at the end of CY2023.

5.8 Overview of Solar Glass manufacturing industry in India

In line with the growth in domestic Module manufacturing capacity that crossed 60 GW in FY2024, domestic Solar Glass manufacturing has also got a tremendous boost in FY2024. Annual installed capacity has significantly increased from 750 TPD or approximately 4.9 GW in FY2023 to 2,350 TPD or approximately 15.3 GW in FY2024. The capacity is expected to grow further to 2,650 TPD or approximately 17.2 GW by the end of FY2025.

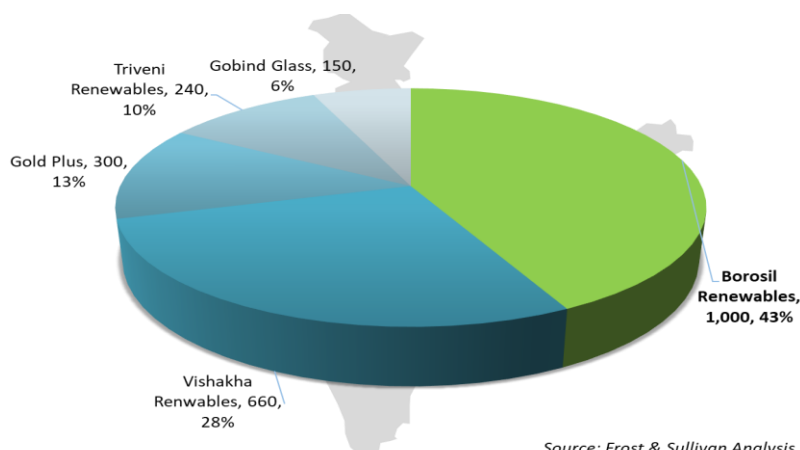
Exhibit 5.13: Growth in Indian Solar Glass installed capacity, TPD & GW, FY2023 – FY2025



Source: Websites and published reports from Indian Solar Glass Companies, Frost & Sullivan Analysis

Among Indian Solar Glass manufacturing companies, Borosil Renewables is the largest with daily domestic glass melting capacity of 1,000 TPD. Other key players are Vishakha Renewables, Triveni Renewables, Gobind Glass, and Gold Plus – all these companies have started their Solar glass production in FY2024. Borosil Renewables enjoys 43% share in the daily glass melting capacity in India at the end of FY2024.

Exhibit 5.14: Share in Indian Solar Glass installed capacity, GW and in percentage, FY2024



Source: Frost & Sullivan Analysis

Another company, Emerge Glass, a sheet glass producer is also setting up a 300 TPD solar glass plant which will be commissioned by the first quarter of FY2025. With this installation, India's Solar Glass manufacturing capacity is expected to reach 2,650 TPD or 17.2 GW at the end of FY2025.

Indian conglomerate Reliance's New Energy arm is setting up a 2,000 TPD Solar Glass plant which is currently under construction. Borosil Renewables has plans to install another 1,000 TPD furnace by FY2026. Besides, five more companies i.e., Vishakha Renewables (1,100 TPD), Triveni Renewables (850 TPD), Indosolar (1,000 TPD), Chiripal Group's GREW Energy (300 TPD), and Global glass major Saint Gobain (450 TPD) have announced capacity expansion projects or new projects - With these capacities, Indian Solar Glass manufacturing capacity is expected to reach to approximately 9,350 TPD or 60 GW by the end of FY2027.

5.9 Applicable duties on the import of Solar Glass into India

Solar glass remains to be the only significant component imported into India without any import duties in the entire solar module ecosystem. This has resulted into increased import from China at artificially lower and dumped prices, putting the investments made by the Indian Solar glass manufacturers at risk. Solar glass accounts for about 10% of the Solar module cost. Following are the duties on import of Solar Glass into India.

A. Anti-dumping Duty

The Indian Government promoted domestic manufacturing of solar glass by imposing anti-dumping duties on foreign competitors. For instance, in August 2017, the revenue department issued a notification imposing an anti-dumping duty in the range of USD 52.85 - 136.21 per ton on tempered glass imports from China which was applicable for five years. The duty was imposed on textured toughened (tempered) glass with a minimum of 90.5% transmission having a thickness not exceeding 4.2 mm (including tolerance of 0.2 mm) and where at least one dimension exceeds 1,500mm, whether coated or uncoated. This Anti-dumping Duty on imports of solar glass from China expired in August 2022. Further, against a fresh application filed by

the domestic industry, the Ministry of Commerce and Industry, through the DGTR, on February 13, 2024, has notified the launch of an investigation on dumped imports of Textured Tempered Coated and Uncoated Glass from China and Vietnam for the imposition of anti-dumping duty which is yet to be concluded.

B. Basic Customs Duty (BCD)

Although the imported solar glass is subjected to a BCD of 15%, these tariffs were exempted vide the Customs notification 25/99 promulgated in 1999. These exemptions were granted in 1999 when no solar modules or the components were made in India. The exemptions were to end on 31st March 2024 but the same has been extended till 30th September 2024.

C. Countervailing Duty (CVD)

The revenue department has in March 2021 issued a notification levying a CVD of 9.71% on imports of solar glass from Malaysia applicable for five years. This duty is currently in force. Further, on February 13th, 2024, the Ministry of Commerce and Industry, through the Director General of Trade Remedies (“**DGTR**”), notified the initiation of countervailing duty investigation on imports of textured tempered coated and uncoated glass from Vietnam for the imposition of countervailing duty which is yet to be concluded.

To conclude, the thriving domestic Solar module manufacturing industry provides ample opportunity to the domestic Solar Glass manufacturers to excel and grow. Imports from low-cost countries would remain a concern for some more time and it is important for the policy makers to safeguard the interests of the domestic manufacturers and give them a level playing field. India has all the ingredients to become a manufacturing hub for the global Renewable Energy sector in the coming years including all the components and create own secured supply chain which will help achieve its objective of reaching solar power installations of 300 GW by 2030.

5.10 Threats and challenges to Borosil Renewables and its products and services

A. Challenges specific to End user industry i.e., Indian Solar Cell and Module manufacturing sector.

Solar PV value chain is in a developing stage: India does not have sufficient capacities for solar cells and there are no capacities for polysilicon, ingots, and wafer manufacturing leaving the entire program vulnerable to disruptions in supply chain and strategic pricing by Chinese sources. This situation may change gradually over the next 2-3 years as a number of companies are setting up integrated Solar PV manufacturing facilities in the country under the PLI scheme.

Frequent changes in the policies: The Government introduced ALMM as a measure to control imports of sub-standard modules through a certification of models and facilities by MNRE. The Government suspended this requirement for one year till March 31, 2024 which prompted imports. While this suspension is withdrawn with effect from 1st April 2024, such frequent changes in policies may pose challenges before the manufacturing industry.

B. Challenges specific to Indian Solar Glass industry.

Artificially lower prices of Solar Glass: China as the World’s largest solar glass producer accounts for over 96% of the total solar glass capacity. Chinese manufacturers are aggressively expanding their solar glass production capacities looking at future demand, that has caused a demand supply mismatch in the market and resulted in depressed price for the Solar glass.

Lack of level playing field for the domestic Solar Glass manufacturers: The Chinese producers have set up manufacturing plants in Malaysia and Vietnam mainly to evade ADD and cater to their export markets including India. A significant portion of solar glass imports into the country in the past were happening from Malaysia – this arrangement was done to avoid paying ADD on imports from China into India. Subsequently, Vietnam also became an exporting hub to evade ADD on imports from China and Malaysia. Now from August 2022, after the discontinuation/exemption of ADD, the base has again shifted back to China. These tactics from the Chinese manufacturers will continue to impact domestic pricing and profitability of domestic manufacturers unless the duties such as ADD / CVD are put in place against all exporting countries. The continuation of exemption denies a level playing field to domestic manufacturers and counters the idea of an Atmanirbhar Bharat.

C. Challenges specific to Borosil Renewables.

Normal industry risks: The Company is exposed to normal industry risk factors of competition, economic cycle, and uncertainties in the international and domestic markets. Additionally, the changes in Government policies e.g. levy/removal of Anti-dumping duty on imports of solar glass and non-imposition of BCD leads to reduction in sales and margins.

OUR BUSINESS

In this section, unless the context otherwise requires, indicates or implies, references to “we”, “us”, “our” or to the “Group”, are to Borosil Renewables Limited and its consolidated subsidiaries, while references to the “Company” or the “Issuer” are to Borosil Renewables Limited on a standalone basis.

Unless otherwise stated, or unless the context requires otherwise, the financial information used in this section is derived from our Audited Consolidated Financial Statements. References to a “Fiscal” in this section are as of and for the relevant year ended March 31.

Industry and market data used in this section is derived from the industry report titled “Industry Report on Solar Glass Market” dated June 6, 2024 prepared by Frost & Sullivan (India) Private Limited (“F&S” and such report, the “F&S Report”) appointed by our Company pursuant to an engagement letter dated March 22, 2024. We have commissioned and paid for the F&S Report specifically for the purpose of the Issue. For further details, see “Presentation of Financial Information and Other Information - Market and Industry Data” on page 12.

Overview

We are India’s largest solar glass manufacturer with a capacity of 1,350 TPD in the calendar year ended 2023 (Source: F&S Report) of which 350 TPD is at our manufacturing facility at Tschernitz, Germany. We manufacture textured low iron solar glass, with specifications ranging from 2 mm to 6 mm thickness and with maximum sheet length and width of 3,500 mm and 2,500 mm, respectively, which finds application in solar photo-voltaic (PV) modules, solar modules for utility scale solar projects and solar modules for rooftops or water pumps and glazing of greenhouses.

Our products are sold to PV module manufacturers located within India as well as abroad, with some of whom we have been able to establish a long standing relationship.

We use technology and innovation in the process of glass manufacturing and have successfully (i) developed and produced solar glass (NoSbEra), which does not contain antimony (a toxic element); (ii) developed the capability to produce fully tempered solar glass of 2 mm thickness; (iii) developed solar glass in matt-matt finish, branded “Shakti”; (iv) developed an antiglare solar glass for Solar PV installations near airports, aimed at aviation safety, branded “Selene; and (v) developed solar glass for greenhouses, branded as ‘GMB Vetrasol’. Further, the Technology Development Board of Department of Science and Technology, Government of India has conferred on our Company, the “National Award 2021” for successfully developed and commercialised an indigenous technology.

We sell our products to leading Indian PV module manufacturers. We also export our products to jurisdictions which predominantly include certain countries of the European Union such as Germany, Greece, France and Austria, Turkey, North America, and certain countries forming part of the Middle East and North Africa (“MENA”) region such as Tunisia, Oman, Bahrain, and Jordan. We believe that the advantages of sourcing the components locally, flexibility in placing orders, lower warehousing requirements/costs and offering a shorter lead time, to domestic module manufacturers works favourably in securing repeat domestic business. The details of our sales to the domestic and international markets for the below mentioned periods are as follows:

Particulars	Fiscal 2024	Fiscal 2023
Sales to domestic Indian customers (A) (in ₹ lakhs)	80,395.50	50,709.25
(A) as a percentage of our total consolidated sales (in %)	58.71	56.72
Sales outside India (B) (in ₹ lakhs)	56,532.84	38,694.24
(B) as a percentage of our total consolidated sales (in %)	41.29	43.28

We manufacture our products at our facility at Govali, District Bharuch, Gujarat (“Facility 1”) and through our Material Subsidiary, GMB Glasmanufaktur Brandenburg GmbH at Tschernitz, Germany (“Facility 2”). Our manufacturing facilities have a combined production capacity of 1,350 TPD, which is equivalent to the production of 8.5 GW of modules annually with specialisation in anti-reflective coating, glass for greenhouse and grid pattern glass. For further information, see “ – Installed Capacities and Capacity Utilisation” on page 85. In addition to higher thicknesses, our tempering line is also capable of tempering thinner glass of 2 mm to 3 mm thickness, which was undertaken to meet the growing demand of glass to glass/bifacial modules that require tempered 2 mm/2.5mm glass sheets to manufacture. In August 2019, we commissioned our second solar glass furnace, which has a capacity of 240 TPD in addition to our first furnace which was rebuilt in December 2019 at a higher capacity of 210 TPD. In October 2022, we acquired a majority stake of 86% in Interfloat and GMB, the largest solar glass manufacturer in Europe, having a manufacturing facility at Tschernitz, Germany (Source: F&S Report). In February 2023, we commissioned our third furnace in India with a capacity of 550 TPD (“SG-3”). Such capacity additions have allowed us to increase our global manufacturing capacity of solar glass from 180 TPD i.e. 1 GW of modules annually in Fiscal 2019 to 1350 TPD i.e. 8.5 GW (including 350 TPD in Germany) of modules annually by the end of Fiscal 2024. To meet the growth in the solar PV sector and consequent increase in demand for solar glass, we are proposing to set up a new furnace of 1,100 TPD (“SG-4”) with tempering/coating facilities, which is currently on hold. Further, the closest seaport is Hazira which is at a

distance of approximately 110 km, the closest railway siding is at Ankleshwar, which is at a distance of approximately 15 km and the closest national highway is NH 48 – New Delhi to Chennai, which is at a distance of approximately 7 km from our facility. We believe that the location of our manufacturing facilities gives us certain competitive advantages such as (i) proximity to raw material, natural gas, and power supply, (ii) logistical advantages such as connectivity to ports and highways, and (iii) proximity to the market and customers. For further details of our manufacturing facilities and raw material supply, see “- *Manufacturing Process*” and “- *Raw Materials and Suppliers*” on pages 84 and 87, respectively.

Our manufacturing facility and products have received several accreditations and certifications such as the ISO 9001:2015, ISO 14001: 2015 and ISO 45001:2018 certifications by TÜV Rheinland. Our solar glass products have been accredited by TÜV Rheinland, SPF Switzerland, Photovoltaic Institute AG Berlin, WUR, Netherlands and Westpak, USA. In 2023, our export performance was acknowledged by CAPEXIL, which awarded us the ‘*Top Exporter Award*’ for recognition of our export achievements, for Fiscal 2021 and 2022. We were recognised as one of the top 200 small and mid-size companies by Forbes Asia in 2015 and as one of ‘*FT 1000 High Growth Companies Asia Pacific*’ by The Financial Times and Statista in 2018. We have received the prestigious Balkrishna Gupta Award for Exports for Fiscal 2021 by All India Glass Manufacturing Federation and have also been awarded the Gold Medal in the India Green Manufacturing Challenge Award Fiscal 2021 (IGMC Award).

The Indian government in the last few years has taken measures to boost the solar power sector in India. Government schemes have been launched to promote solar capacity additions to meet the goal of our Government to reach 300 GW installed capacity by CY2030 and Government policies have been initiated to attract investments in the domestic solar manufacturing industry and to safeguard the domestic solar component manufacturing companies from their counterparts in China and other Southeast Asian countries. As per the F&S Report, some of the key Government measures to boost solar power initiatives include policies such as (i) to establish solar parks; (ii) PM Surya Ghar Muft Bijli Yojana to provide financial assistance through capital subsidies, facilitating the installation of rooftop solar panels and granting up to 300 units of free electricity every month to approximately 10 million households across India; (iii) Pradhan Mantri Kisan Urja Suraksha evam Utthaan Mahabhiyan Scheme for de-dieselisation of the farm sector, providing water and energy security to farmers, increasing the income of farmers, and curbing environmental pollution; (iv) CPSU Scheme – Phase II to promote domestic solar power generation and enhance energy security; (v) Production Linked Incentive Scheme for the national programme on high efficiency Solar PV modules, for achieving manufacturing capacity of GW scale with an outlay of ₹ 240 billion; (vi) Domestic Content Requirements policy mandating a specific percentage of components including cells and modules used in solar power projects, particularly those funded by the Government, to be sourced from domestic manufacturers; and (vii) Approved List of Models and Manufacturers establishing a pre-approved list of reliable solar photovoltaic modules and cell manufacturers.

We believe that we benefit from the confidence that customers, lenders, vendors and others have in the ‘Borosil’ group and our market position has boosted our revenues and profitability. Details of our revenue from operations, EBITDA and profit for the respective periods are mentioned below.

(in ₹ lakhs, except percentage values)

Particulars	Fiscal 2024	Fiscal 2023
A. Revenue from operations	136,928.34	89,403.49
B. EBITDA	10,820.54	16,284.58
C. EBITDA margin (B/A)	7.90%	18.21 %
D. Profit/(loss) before tax	(5,272.91)	10,104.10
E. Profit/(loss) after tax	(5,027.36)	7,063.68
F. PAT margin (E/A)	(3.67)%	7.90%

Competitive Strengths

We believe the following are our competitive strengths:

Part of the Borosil Group with an established market presence as a solar glass manufacturer offering quality products

We are part of the ‘Borosil’ group, with an established market presence as a solar glass manufacturer offering quality products. Further, we believe that being a part of the Borosil group offers us strong business experience and industry trust.

Further, being the largest solar glass manufacturer in India until the year 2020-2023, offers us significant competitive advantages (*Source: F&S report*). We believe that local sourcing of critical components like solar glass leads to a shorter supply chain, flexibility in ordering and aids our customers with greater predictability of delivery times and lower costs. Accordingly, we believe that this also allows us to position ourselves to build towards a greater market share in India and thereby, command better pricing. Due to our established position in the market, we have had a long standing relationship with some of our clients and time and costs involved in getting fresh certifications required by our customers for using solar glass from a new source, we have a first mover advantage in the business, which we believe is an entry barrier for potential competitors.

Similarly, our subsidiary Interfloat Corporation a producer of solar glass in the European Union for over 15 years, which is currently the largest solar glass manufacturer in the European Union, combined with on-time deliveries has enabled us to have long-standing relationships with some customers.

Technology driven and innovation led solar glass manufacturing company with patented processes

We believe that the business of manufacturing solar glass requires innovation to differentiate itself from competition, reduce costs and thereby, improve profitability. Our manufacturing facilities have a combined production capacity of 1,350 TPD, which is equivalent to the production of 8.5 GW of modules annually with specialisation in anti-reflective coating, glass for greenhouse and grid pattern solar glass. We attempt to differentiate ourselves from our competition and improve our profitability by investing in research and development, which results in innovation using technology. For example, through research and development, we have developed the technology to manufacture antimony free low iron textured solar glass, to counter the complicated end-of-life considerations for modules made with glass containing toxic elements such as antimony. We have obtained a patent for this process. We have developed the technology to use certain waste materials as a sustainable raw material input for use in the manufacture of solar glass, the process of which is patented. We have also developed a fully tempered solar glass of 2 mm thickness which is used in glass to glass/bifacial modules. In recent past, we developed three solar glass products branded, (a) 'Shakti', which is in matt-matt finish solar glass; (b) 'Selene', which is an antiglare solar glass, suitable for solar PV installations near airports, assisting in aviation safety; and (c) 'GMB Vetrasol', which is used for greenhouses. Such technological innovation through our research and development efforts has allowed us to cater to varied requirements of customers, achieve economies of scale, reduce operating costs, compete effectively, be prepared for an increase in demand for new products (such as solar glass with 2 mm, 2.5 mm & 2.8 mm thickness) and therefore, improve our results from operations. In recognition of our technology and innovation, the Technology Development Board of Department of Science and Technology, Government of India has awarded us the "National Award 2021" for successfully developing and commercialising an indigenous technology. Further, we have set up a R&D centre in Fiscal 2024 in India to explore various opportunities in the solar sector to improve product performance and develop new products for growth.

Large customer base of solar panel manufacturers and quality of our products

Our solar glass products are sold to PV module manufacturers located within India as well as abroad, with many of whom we have been able to establish long term relationships. Such export jurisdictions predominantly include the European Union, Turkey, Americas and Middle East and North Africa (MENA). In Fiscal 2024, our top 10 customers contributed to approximately 50.34% of our revenue from operations from the Indian facility. We believe we have been able to establish such long-term relationships due to the quality of our products and our ability to meet demands in terms of quantity and time, which engender repeat business from some of our customers. We also believe that our large customer base enables us to compete effectively with global players in our industry.

Accredited and strategically located manufacturing facility with ability for further expansion

We manufacture our products at our facility at Govali, District Bharuch, Gujarat and through our Material Subsidiary, GMB Glasmanufaktur Brandenburg GmbH at Tschernitz, Germany. Our manufacturing facilities have a combined production capacity of 1,350 TPD, which is equivalent to the production of 8.5 GW of modules annually with specialisation in anti-reflective coating. In addition to higher thicknesses, our tempering line is also capable of tempering thinner glass of 2 mm to 3 mm thickness, which was undertaken to meet the growing demand of glass to glass/bifacial modules that require fully tempered 2 mm glass sheets to manufacture. In August 2019, we commissioned our second solar glass furnace, which has a capacity of 240 TPD in addition to our first furnace with a capacity of 210 TPD. In the Year 2022, we acquired a majority stake of 86% in Interfloat and GMB, having a manufacturing facility at Tschernitz, Germany. In February 2023, we commissioned our third furnace in India with a capacity of 550 TPD ("SG-3"). Such upgradations have allowed us to increase our manufacturing capacity of solar glass from 180 TPD i.e. 1 GW of modules annually in Fiscal 2019 to 1,350 TPD i.e. 8.5 GW of modules annually in Fiscal 2024. To meet the growth in the solar PV sector and consequent increase in demand for solar glass, we are proposing to set up a new furnace of 1,100 TPD ("SG-4"), which is currently on hold.

Our manufacturing facilities and products have received a number of accreditations and certifications. Our Facility 1 has the ISO 9001:2015, ISO 14001: 2015 and ISO 45001:2018 certifications by TÜV Rheinland. Our solar glass products have been accredited by TÜV Rheinland, SPF Switzerland, Photovoltaic Institute AG Berlin, WUR, Netherlands and Westpak, USA. The antiglare glass manufactured by us and branded as 'Selene' has been certified by SPF Switzerland for suitability of its use in Solar PV applications near an airport. Our manufacturing plant has equipment such as batch house, furnace, rolling machine, annealing Lehr, cutting line, grinding machine, glass tempering line, imported from Europe, North America, and China. We also have an in-house laboratory facility for testing of products and quality checks with modern equipment such as Aoptek spectrophotometer, Lambda 1050 spectrophotometer, polarising microscope, raising hearth furnace, annealing furnace, stress measurement unit, air oven and glass reducer. Our products go through stringent quality control and quality assurance measures with an emphasis on continual improvement. We believe that the quality of our manufacturing facility has enabled us to manufacture glass that meets the specifications our customers demand, which has allowed us to compete effectively and grow our business.

Experienced management team

We have an experienced and qualified senior management team. Many members of our management have several years of experience across the solar energy and glass manufacturing industry. We believe that we benefit from the vision, strategic guidance, experience and skills. Our individual Promoters and senior management have been instrumental in the growth of our

Company. For details in relation to our individual Promoters and senior management, see “Our Management” beginning on page 89.

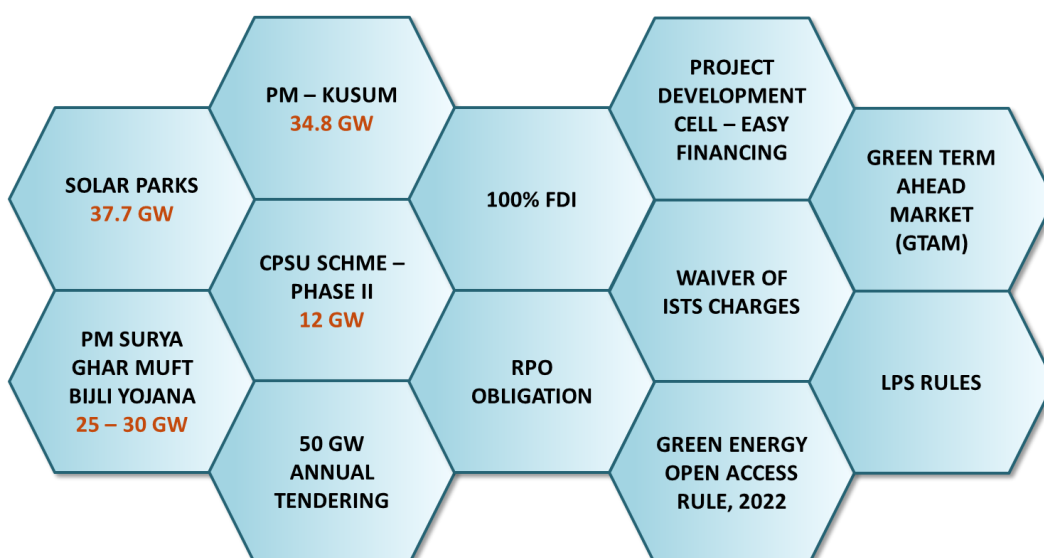
We believe that our management team’s comprehensive industry experience and diverse expertise assists us with detailed planning and management of our operations, effective quality control, implementation of our growth strategies and allows us to take advantage of current and future market opportunities. This has also helped us understand the requirements and preferences of and develop strong relationships with our clients. We also believe that this has contributed to the development of our brand over the years. The growth in our business and our financial performance demonstrates the effectiveness of our management team.

Our Strategies

Leverage on the growth of the solar energy sector in India

The Indian government in the last few years has taken a multitude of demand and supply measures to boost the Solar powers sector in India. On the demand side, schemes have been launched to promote solar capacity additions to meet the 300 GW installed capacity by CY2030. On the supply side, policies have been initiated to attract investments in the domestic Solar manufacturing industry and safeguard the domestic Solar component manufacturing companies from their counterparts in China and other Southeast Asian countries.

Demand side measures for promotion of Solar energy in the country



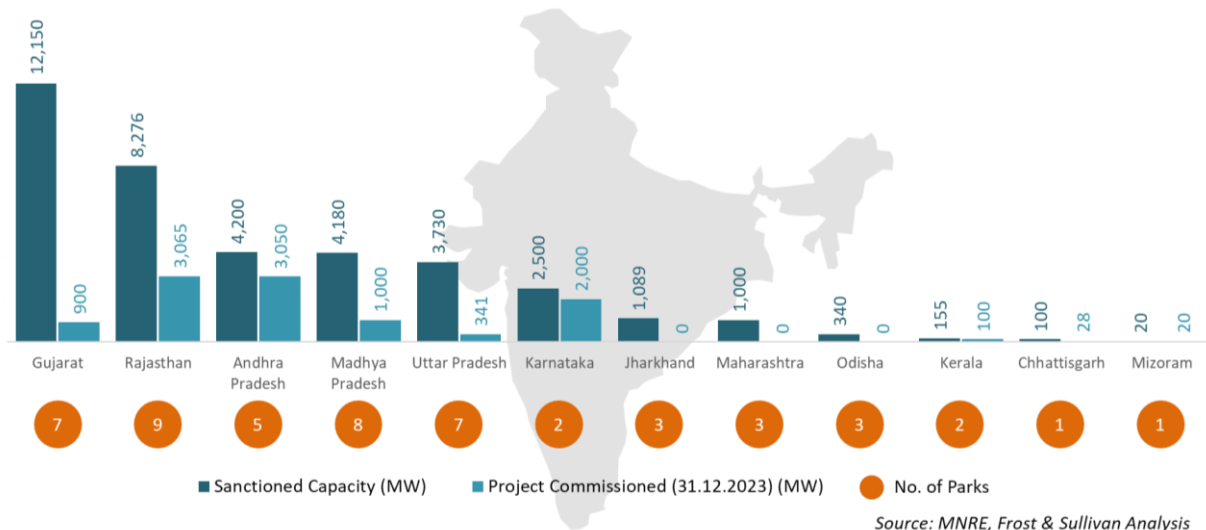
Source: Frost & Sullivan Research & Analysis

A brief description of some of the notable demand side measures have been provided below:

I. Solar Parks – 37.7 GW

This scheme underscores India's commitment to solar energy, aiming to establish 51 Solar Parks each of 500 MW and above by 2025-26, with a cumulative capacity of 37.7 GW. These parks serve as pivotal hubs for solar energy generation, stimulating investments and fostering an environment conducive to solar power development, thereby enhancing affordability and accessibility. Till the end of December 2023, approx. 10.5 GW of solar projects have been commissioned under this scheme.

Exhibit 4.8: State-wise Solar Park sanctioned capacity and commissioned capacity, MW, December 2023



J. PM Surya Ghar Muft Bijli Yojana: 25-30 GW

With an allocation of over INR 750 billion, the scheme aims to provide financial assistance through capital subsidies, facilitating the installation of rooftop solar panels and granting up to 300 units of free electricity every month to approximately 10 million households across India. The objective of this scheme is to reduce the electricity costs of the households by installing rooftop solar panels and harnessing freely available solar energy. This scheme aims to decrease dependency on traditional energy sources and moving towards sustainable energy practices. The scheme exclusively requires the utilization of DCR solar modules. The government has proposed to provide the below subsidies for implementation of this programmer:

- For up to 2 kW - Rs. 30,000 per kW
- For additional capacity up to 3 kW - Rs. 18,000 per kW
- Total subsidy for systems larger than 3 kW - Maximum Rs. 78,000

As per Frost & Sullivan analysis, this scheme is expected to generate 25 – 30 GW of rooftop solar installation opportunities over the next 2-3 years.

K. PM-KUSUM Scheme – 34.8 GW

The main objectives of the Pradhan Mantri Kisan Urja Suraksha evam Utthaan Mahabhiyan (PM-KUSUM) include dieselisation of the farm sector, providing water and energy security to farmers, increasing the income of farmers, and curbing environmental pollution. The Scheme has three components targeted to achieve solar power capacity addition of 34.8 GW by 31.03.2026 with total central financial support of INR 344 million. The three components of the scheme are:

- **Component A:** Setting up of 10,000 MW of decentralized ground/stilt mounted solar power plants on barren/fallow/pasture/marshy/cultivable land of farmers. Such plants can be installed by individual farmer, solar power developer, cooperatives, panchayats, and farmers producer organizations.
- **Component B:** Installation of 1.4 million stand-alone Solar Water Pumps in off-grid areas.
- **Component C:** Solarization of 3.5 million grid connected agriculture pumps through (i) Individual Pump Solarization (IPS) and (ii) Feeder Level Solarization (FLS).

Exhibit 4.9: Targets and Achievements under PM-KUSUM, April 2024

COMPONENTS	SANCTIONED	INSTALLED (30.04.2024)
COMPONENT A (MW)	4,766	168.28
COMPONENT B (NOS.)	1,294,787	331,648
COMPONENT C (NOS.)	IPS – 161,204 FLS – 3,376,466	IPS – 2,574 FLS – 9,603

Source: PM-KUSUM Portal, Frost & Sullivan Analysis

L. CPSU Scheme – Phase II – 12 GW

The CPSU Scheme Phase-II, also known as the Government Producer Scheme, is a significant initiative from the Indian government to promote domestic solar power generation and enhance energy security. Key features of the scheme are:

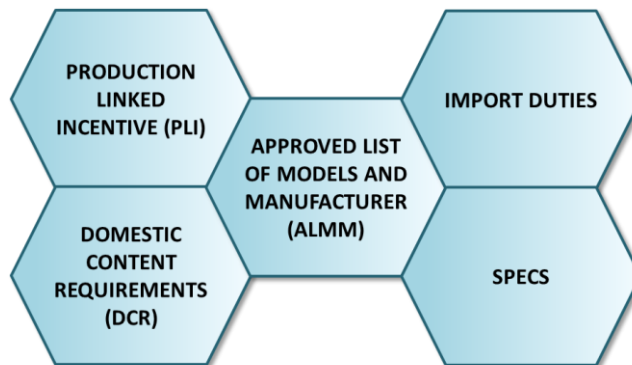
- **Financial Assistance:** The scheme offers Viability Gap Funding (VGF) of up to INR 7 million per MW to incentivize participation and address project cost viability concerns.

- **Capacity Target:** The scheme initially aimed to develop a total of 12,000 MW of grid-connected solar power capacity through plants set up by the eligible entities. While the deadline for the project commissioning has already passed, the scheme continues to be operational for unallocated projects.
- **Implementation:** The scheme is implemented through a competitive bidding process managed by the Solar Energy Corporation of India (SECI). Eligible entities can submit proposals for setting up solar power plants, and SECI selects the most competitive proposals based on pre-defined criteria.

With government initiatives like the PM-KUSUM, PM-Surya Ghar Muft Bijli Yojana, and the CPSU scheme in play, there is an emphasis on the utilization of DCR solar modules within the domestic solar market.

Along with these demand side measures, Indian government has also initiated a number of initiatives to strengthen the domestic Solar manufacturing industry. A brief description of some of the notable supply side measures have been provided below:

Exhibit 4.10: Supply side measures to strengthen domestic Solar manufacturing industry



Source: Frost & Sullivan Research & Analysis

M. Production Linked Incentive (PLI)

The Indian Govt. has implemented Production Linked Incentive (PLI) Scheme for national programme on high efficiency Solar PV modules, for achieving manufacturing capacity of Giga Watt (GW) scale with an outlay of INR 240 billion. The scheme offers incentives to the selected Solar PV module manufacturers on manufacture and sale of high efficiency Solar PV modules. The scheme is applicable for the first five years from the actual commissioning date or from the scheduled commissioning date, whichever is earlier. The objectives of the scheme include the following:

- To build up Solar PV manufacturing capacity of high efficiency modules.
- To bring cutting-edge technology to India for manufacturing of high efficiency modules. The scheme will be technology agnostic however, the technologies that would yield better module performance will be incentivized.
- To promote setting up of integrated plants for better quality control and competitiveness.
- To develop an ecosystem for sourcing of local material in solar manufacturing.
- Employment generation and technological self-sufficiency.

The PLI Scheme is being implemented in two tranches as follows:

- **Tranche-I:** Under this tranche, Indian Renewable Energy Development Agency Limited (IREDA), the implementing agency on behalf of MNRE for the PLI Scheme, issued Letters of Award (LOA) in November and December 2021 to three successful bidders for setting up of 8,737 MW capacity of fully integrated Solar PV Module manufacturing units with an outlay of INR 45 billion.
- **Tranche-II:** MNRE, on 30th September 2022, has issued guidelines for implementation of Tranche-II with an outlay of INR 195 billion. In this tranche, Solar Energy Corporation of India (SECI), the implementing agency on behalf of MNRE, issued Letters of Award (LOA) to 11 bidders in April 2023 for setting up 39,600 MW of fully / partially integrated solar PV module manufacturing units.

N. Domestic Content Requirements (DCR)

The Domestic Content Requirement (DCR) is a policy implemented by the Indian government that mandates a specific percentage of components including Cells and Modules used in solar power projects, particularly those funded by the government, to be sourced from domestic manufacturers. This percentage has been steadily increasing over the years and going forward, the 40% minimum domestic content requirement is set to increase annually, to 45% for projects starting construction in CY2025, 50% in CY2026 and 55% thereafter.

The Domestic Content Requirement (DCR) policy in India mandates the use of domestically manufactured components in specific government-funded projects. This policy aims to boost domestic manufacturing, create jobs, and reduce dependence on imports. In August last year, the Ministry waived off domestic requirement norms for projects awarded on or before June

20, 2023. However, not all sectors are subject to DCR, and certain exemptions exist. DCR is applicable for grid-connected solar power plants, rooftop solar installations on government buildings, and off-grid solar solutions. The DCR policy serves the following benefits to the Indian Solar Cell and Module manufacturers:

- **Guaranteed market:** DCR acts as a powerful market driver by ensuring a guaranteed demand for domestically produced solar cells and modules. This provides manufacturers with the confidence and stability needed to invest in setting up new facilities, expanding existing ones, and adopting advanced technologies. This leads to a significant increase in overall domestic manufacturing capabilities.
- **Reduced competition:** By making imported components less competitive, DCR fosters a level playing field for domestic manufacturers. This reduces the threat from cheaper imports, allowing Indian companies to establish themselves in the market and improve their competitiveness through economies of scale and technological advancements.
- **Technology development:** DCR incentivizes manufacturers to invest in research and development (R&D) activities to enhance the efficiency and quality of their products. This not only helps them compete effectively in the domestic market but also positions them for global competition, fostering technological innovation and a future-proof industry.

As per a recent briefing, Indian government is planning to set up data repository of India made solar modules. The objective of this initiative is to check imports and ensure adherence to domestic content rules (DCR) for solar projects under central government schemes.

O. Approved List of Models and Manufacturers (ALMM)

The ALMM program establishes a pre-approved list of reliable solar photovoltaic (PV) modules and cell manufacturers. This program ensures quality and efficiency of solar installations in India by requiring developers and investors to source their equipment from ALMM-listed vendors. By promoting high-quality domestic and imported products, ALMM fosters trust and encourages the adoption of reliable solar solutions throughout the country. ALMM policy was introduced in April 2022 and after being under suspension for FY2024, the policy is again in effect from April 1, 2024, and as per the latest list published by MNRE, the ALMM list still does not have any foreign manufacturer.

P. Import Duties

- **Basic Customs Duty (BCD):** The Government has imposed a basic customs duty on solar cells (at 25% plus a surcharge of 10% thereof) and solar modules (at 40% plus a surcharge of 10% thereof) from April 1, 2022. This has led to a rise in module/cell manufacturing capacity within the country and propelled domestic manufacturing which in turn has created a higher demand for all the components including solar glass.
- **Level playing field for manufacturers in Domestic Tariff Area (DTA):** The Government in March 2021, issued an extra-ordinary gadget notification from the Ministry of Law and Justice, that if there is any Countervailing Duty, Safeguard Duty, and Anti-dumping Duty applicable on the import of any item, then that part of the duty should be paid by special economic zone (“SEZ”) unit while supplying finished goods to DTA. This has made domestically produced components competitive with imports and established a level playing field for SEZ and DTA.
-

We intend to leverage the growth of the solar energy sector in India by selling our products to the new entrants in the market as well as by servicing our existing customers’ expanding demands. We have already raised the capacity in India from 180 TPD in Fiscal 2019 to 1,000 TPD towards the end of Fiscal 2024. In order to meet our strategy of growth, we have a proposal to further expand our existing manufacturing plant at District Bharuch, Gujarat

Focus on the growth of new product types

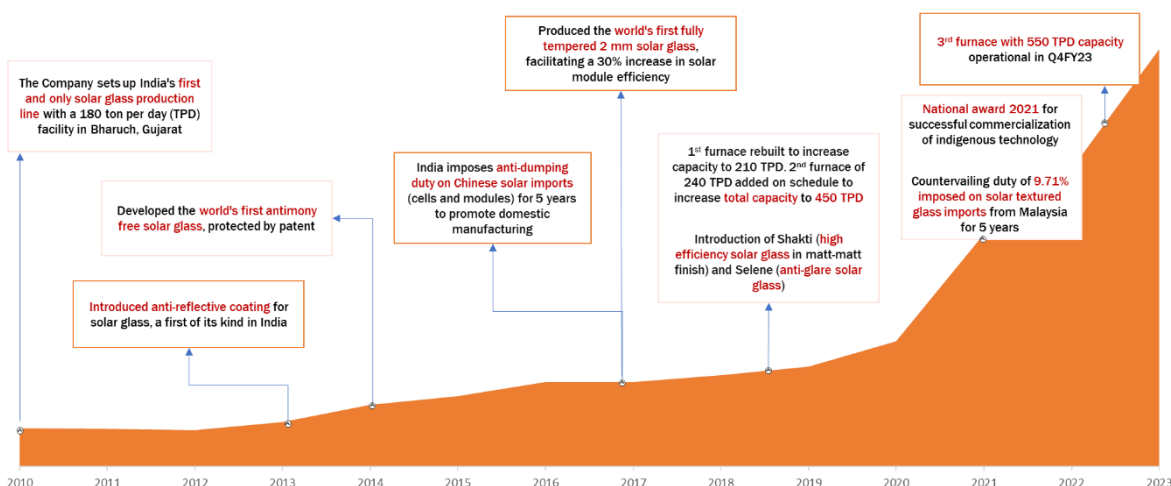
We have tempering lines with capability of tempering thinner glass of 2 mm thickness. This allows us to provide solar glass as a component to a wider range of PV modules, including bi-facial modules, modules for floating solar projects, etc., as compared to traditional ground mounted/roof mounted mono-facial modules. We have also developed and commercialised production of grid pattern glass. We also manufacture glass of 2.5 mm and 2.8 mm thickness. We have also developed ‘Selene’, an anti-glare glass - for solar panels placed inside airports and along the runways, which assist in aviation security since the pilots landing/taking off are less prone to having sunlight reflect into their eyes and obstruct their vision. Selene has been certified by SPF Switzerland to have reflective luminance below 20,000 Cd/ m², which is a globally accepted standard for suitability of solar modules to be installed near airports. We have also developed Shakti, a solar glass in matt-matt finish. We have also developed and patented ‘NoSbEra’, a solar glass manufactured without the use of antimony, which is a toxin. We have manufactured solar glass without antimony and have a patent for this process. Further, we have set up a R&D centre to explore various opportunities in the solar sector to improve product performance and develop new products for growth.

Expand manufacturing capabilities

We have plans to expand our manufacturing capacities by setting up a new furnace of 1,100 TPD at our Facility 1 in Bharuch, India to cater to increased requirements of our customers. While this proposed expansion is currently on hold, this expansion,

when implemented will also provide us an advantage by reducing the unit cost of production by achieving certain operating leverages.

Milestones in our business history



Our Products

As a broad product category, we are engaged in the manufacturing of low iron textured solar glass, with an iron content less than 120 ppm. It allows higher light transmission with a minimum of 91.5%, which is higher compared to any conventional flat glass and thus, suitable for use in manufacturing of solar panels. The transmission further increases by 2-2.5%, when coated with an anti-reflective material.

Our solar glass products are in the form of textured low iron glass. One surface of such glass is almost completely flat while the other surface has some texture/design/pattern, which allows more light trapping through total internal reflection and helps in increasing the transmission of light. Such glass products are usually in the range of 2.0 mm to 4.0 mm in thickness. We have been producing solar glasses with laser drilled holes for use as back glass in the bifacial modules and have recently launched grid printed back glass in 2/2.5 mm thickness suitable for the bifacial solar PV modules.

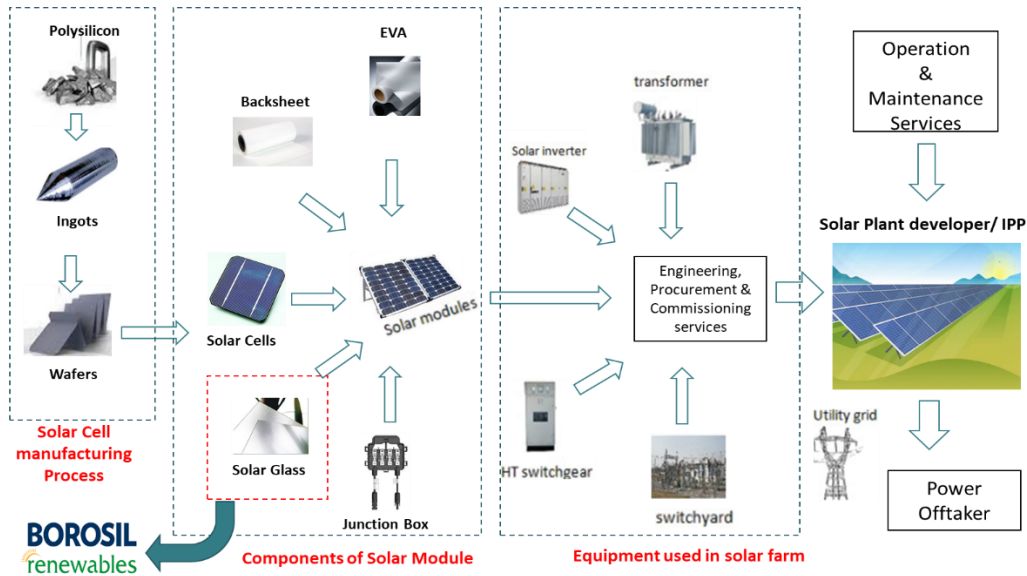
We have developed a solar glass that does not contain antimony, which is an environmental toxin. SPF Switzerland had measured the glass efficiency of our antimony free glass to be 95.2%, which signified the highest efficiency amongst the glasses tested by them.

Our products have received the following certifications:

Item	Accredited By/ Testing Agency	Certification
Facility 1	TÜV Rheinland	<ul style="list-style-type: none"> • ISO 9001:2015 • ISO 14001: 2015 • ISO 45001:2018
Solar Glass	TÜV Rheinland:	<ul style="list-style-type: none"> • EN 12150-1 for 3.2 mm, 4mm textured tempered solar glass • EN 572-9 for 3.2 mm solar glass • EN 12600 for 3.2mm drop pendulum test • IEC 61215 hail test
	SPF, Switzerland:	<ul style="list-style-type: none"> • ‘P1’ classification (solar PV) for 3.2mm & 4mm prisedmatt solar glass • P1 class certification for 3.2mm antimony free prised matt solar glass • P1 class certification with a glass efficiency value of 0.952 • ‘U1’ classification (solar thermal) for 4.0 mm matt-matt solar glass
	WUR, Netherlands	<ul style="list-style-type: none"> • light transmission and haze factor performance report
	IIT Bombay	<ul style="list-style-type: none"> • Antimony leaching test report

	Accredited by Westpak, CA, USA:	<ul style="list-style-type: none"> IEC 61215 to be conforming to hail test
Pattern Glass	Accredited by TÜV Rheinland:	<ul style="list-style-type: none"> EN 12150 for 3.2mm mechanical strength test

The following illustration represents the application of our product in solar modules:



Product specifications

Particulars	Solar Glass
Dimension Parameters	<ul style="list-style-type: none"> Thickness Range: 2 mm onwards Thickness Tolerance: ± 0.2 mm Dimensional Tolerance: Length ± 1.5 mm, Width ± 1.5 mm Maximum sheet width: 2,500 mm (Standard sheet width ~ 2150 mm gross) Maximum sheet length: 3,500 mm
PV Transmission	<ul style="list-style-type: none"> $\geq 91.5\%$ for uncoated Solar Glass $\geq 94\%$ for Anti-Reflective coated glass
Fractional Sizes	<ul style="list-style-type: none"> Fully computerized online automatic cutting can produce fractional sizes Available in standard thickness (mm): 2, 2.5, 2.8, 3.2, 4.0

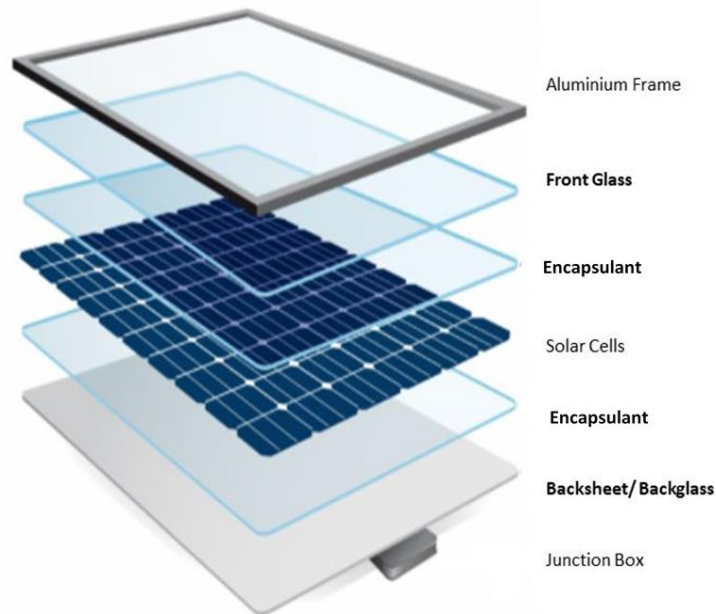
We also manufacture fully tempered 2 mm solar glass in sizes below 2.00 made from air floatation tempering lines.

Application of our products

Our solar glass products find application in the following sectors:

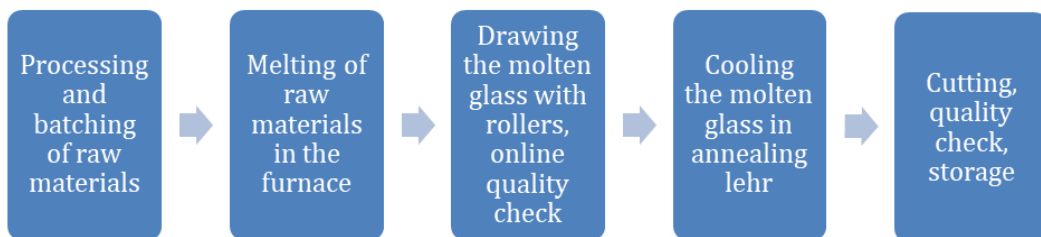
- Solar photovoltaic modules/ panels - Solar textured glass with light transmission of over 91.5% finds use in solar PV modules.
- Solar thermal collectors - A solar thermal collector collects heat by absorbing sunlight. Solar textured glass finds use in solar thermal collectors, which is used to heat water.
- Green houses – Solar glass is used in greenhouses for horticulture.

The application of our solar glass in solar PV modules is demonstrated through the illustration below:



Manufacturing Process

The manufacturing process adopted for textured solar glass is illustrated below:



The individual aspects of the glass formation process are explained below:

- *Processing and batching of raw materials*

The quality of raw materials is one of the key requirements to ensure consistent quality of the low iron textured glass required for solar module applications. This necessitates processing of raw materials such as quartz, dolomite and limestone to remove impurities. Quartz/ silica sand is passed through a series of permanent magnets to remove iron contamination and then conveyed to storage silos. Dolomite is crushed and sieved to achieve homogeneous sizes and thereafter conveyed to storage silos. Imported limestone is procured in powder form. The next stage is preparation of raw material batches which is done by automated systems. Quartz/ silica sand, soda ash, limestone, dolomite and others are weighed to precise quantities and mixed into batches to which recycled glass or ‘cullet’ is added. The use of ‘cullet’ decreases the melting point of the mass significantly, thereby reducing the consumption of natural gas.

- *Melting of raw materials in the furnace*

The raw material batches pass from a storage silo to Dog hopper silo. From the Dog hopper silo, they are charged into the furnace where they are melted at a temperature exceeding 1,500°C. Every stage of such operation is computer controlled and monitored. Thereafter, the molten glass is refined and homogenised. The glass is then conditioned to a controlled temperature prior to delivery to the rolling machine. The furnace is equipped with a high level of instrumentation, which includes (a) automatic measuring and recording control devices for furnace pressure and glass levels, (b) timing and automatic flame reversal systems, (c) temperature measuring, recording and controlling instruments at various locations in the furnace and (d) fuel control device. Such a level of instrumentation ensures efficient use of energy and improves the process yields. The waste gases generated during the process are exhausted through a chimney.

- *Drawing the molten glass into rolling machine*

The molten glass from the furnace (which at such a point is at a temperature of about 1,000°C) flows into the rolling machine. An engraved roller provides the desired pattern to a glass. Glass is rolled in a continuous length.

- *Cooling molten glass in annealing lehr*

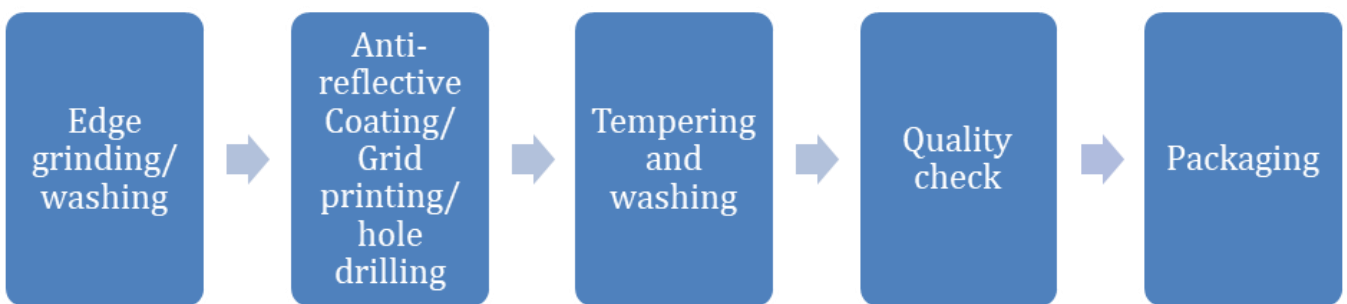
A lehr is a furnace used for the annealing of glass. Annealing is the process of heating glass and allowing it to cool slowly, to remove internal stresses and toughen it.

On leaving the rolling machine, the glass (then at a temperature of 600°C) is hard enough to pass on steel rolls to the long annealing chamber (a lehr). This modifies the internal stresses in the glass, enabling it to be cut and worked consistently while ensuring flatness.

- *Quality check, cutting and storage*

The edges of the glass are removed automatically while the glass is on the cutting line. The finished textured glass is then cut to the required size using automatic cutting machines, which include longitudinal and cross snapping machines, edge trimming etc. The maximum width is 2.44 meters with a typical thickness between 2 mm to 4 mm, depending on the demand. The production process till this point is automatic and continuous. Thereafter, the textured glass is inspected for defects in optical, dimensional and physical properties and then stacked on racks.

The individual aspects of the glass processing are explained below:



- *Grinding/ anti reflective coating / tempering/ washing*

The edges to the glass are grounded to remove sharpness and washed. Depending on customer requirements, the glass is coated with anti-reflective coating, which allows for increased energy transmission. While the front glass is coated, the back glass in 2/2.5 mm thickness for bifacial modules needs to have up to three holes which is provided by using drilling facilities. Some of the backglass in 2/2.5 mm thickness used for bifacial solar modules needs to be grid printed with ceramic ink in order to reflect more light which can be provided to the backside of the solar cell and increase the module efficiency further. The glass after grinding and coating/ drilling/ grid printing is taken to the tempering process, before being inspected, packed and loaded.

- *Inspection and packing*

Tempered glass is washed and is subjected to various tests to confirm to the standards and specifications before it is packed and loaded.

Manufacturing Facility

We own an integrated manufacturing facility at village Govali, Taluka - Jhagadia, District – Bharuch in Gujarat. At present, the production capacity of the plant is 1,000 TPD, which is equivalent to the production of 6.5 GW of modules annually with specialization in anti-reflective coating (“**Facility 1**”). We also own an integrated manufacturing facility at Tschernitz, Germany. At present, the production capacity of the plant is 350 TPD, which is equivalent to the production of 2 GW of modules annually with specialization in anti-reflective coating and greenhouse glass (“**Facility 2**”). Both our manufacturing facilities operate 24 hours a day for seven days a week. For details of our workforce, see “- *Human Resources*” on page 87.

Installed Capacities and Capacity Utilisation

The following table sets forth the aggregate production capacity and the actual production volumes for the periods indicated for Facility 1 and Facility 2:

Particulars	Fiscals	
	2024	2023

Facility 1 (In Bharuch, India)		
Installed capacity (TPD)	1000	1000
Actual production capacity (TPD)	967	510
Capacity Utilization (%)	96.68	92.58*
Facility 2 (In Tschernitz, Germany) - 550 TPD facility prorated for no of days in operation**		
Installed capacity (TPD)	350	300
Actual production capacity (TPD)	220	231
Capacity Utilization (%)	62.94	77.12

* The furnace at Germany was shut down for rebuilding from March 15, 2023 to May 8, 2023 before resuming production with a higher capacity.

** The new 550 TPD furnace in India was commissioned on February 23, 2023 taking the capacity to 1,000 TPD.

Further, to meet the growth in the solar PV sector and consequent increase in demand for solar glass, we have proposed to set up an additional capacity of 1,100 TPD with tempering/coating facilities, which is currently on hold for commercial reasons.

Our manufacturing plant has equipment such as batch house, furnace, rolling machine, annealing Lehr, cutting line, inspection line, grinding machine, glass tempering line Europe, North America and China. We also have an in-house laboratory facility for testing of products and quality checks with modern equipment. For further details, see “- *Quality Control*” on page 86.

Utilities

The utilities that we require for our manufacturing process are natural gas, furnace oil, electricity and water.

The glass melting furnace at our manufacturing unit uses natural gas as feedstock. Currently, we source our natural gas requirements through open market buying under short term contracts from GAIL India Limited (“**GAIL**”) and Shell Energy India Private Limited/ Sanron Energy Private Limited and others. Typically, we procure natural gas, for use at our manufacturing facility, through (a) natural gas allotted by the Government of India, the price of which is governed by the administered price mechanism (“**APM**”) and (b) regasified liquefied natural gas (“**RLNG**”) which we procure at the market prices. In India, the natural gas sourced at APM currently accounts for approximately 15% of our total natural gas requirement at current prices, APM price is approximately 59% of the current price at which we procure gas at RLNG. In order to mitigate the price risk, we source the RLNG through a mix of suppliers at market prices. In the past we have used long term supply contracts with Gail. However, in view of very high prices of open market gas for medium/long term contracts compared to the spot market, we have not yet entered into any medium/long term contracts.

As an alternative to using RLNG, we have been using a partial quantity of furnace oil to run our furnaces based on the economic viability against the RLNG.

We procure power from Dakshin Gujarat Vij Company Limited - DGVCL (a distribution company) and a windmill of 1.5 MW in Gujarat.

Further, we have invested in a solar wind hybrid power plant of 10 MW for self-consumption through a group captive model which started power generation in May 2023.

We have borewells at our facility, from which we draw our water requirements.

Marketing, sales and distribution

Our sales offices are present in Bharuch and Mumbai. We have sales representatives present in the cities of Delhi, Kolkata, Bengaluru, Surat and Hyderabad. Our sales and marketing team is responsible for driving growth of our products. Our selling and distribution expenses include sales promotion, sales commission, advertisement expenses and cost of freight outward (which is the expense incurred by us when the terms of the sale are free on board/ cost, insurance and freight/ delivery at place.)

Quality Control

At our manufacturing facilities, we implement various quality assurance controls at different stages of the manufacturing process and undertake procedures to test the quality of raw materials, component parts and finished products. Our products go through stringent quality control and quality assurance measures with an emphasis on continual improvement.

We have on-site maintenance and repair facilities and maintain an inventory of spare parts and machinery to reduce the risk of equipment failure and minimize any interruptions to production. We also have an in-house laboratory facility for testing of products and quality checks with modern equipment such as Aoptek spectrophotometer, Lambda 1050 chemitto spectrophotometer, polarizing microscope, Raising hearth furnace, annealing furnace, stress measurement unit, air oven and glass reducer. In order to improve cleanliness, we have implemented the ‘5S training program’ in various work areas.

We have implemented training programs in various work areas to improve cleanliness. We have also implemented ‘Cp / Cpk analysis’ and Pareto charts for monitoring and controlling defects in products. We have implemented ‘overall equipment effectiveness’ by identifying critical parameters. We undertake corrective and preventive action where required, in order to investigate the root cause of a problem and implement preventive action.

In recognition of our quality standards, our manufacturing facility has received ISO 9001:2015, ISO 14001: 2014 and ISO 45001:2018 certifications given by TÜV Rheinland. We have won 10 “GOLD Award” and 1 “SILVER Award” in the ACCQC 2021 (Ankleshwar Chapter Convention on Quality Concepts) hosted by QCFI (Quality Circle Forum of India)

Raw Materials and Suppliers

Raw material costs are a major component of our operating costs. The raw materials primarily utilized by our manufacturing processes include silica sand, quartz, soda ash, limestone, dolomite, Sodium Antimonate, coating liquid, etc. India Plant - Quartz and silica sand are sourced domestically. We have been using Dolomite sourced from North India. However, we have recently started importing Dolomite from China as well, limestone from Egypt, Sodium Antimonate and Coating liquid from Europe. For our Facility in Germany all the raw materials are sourced from the European Union. The cost of materials consumed, on a consolidated basis for Fiscal 2024 and Fiscal 2023 was ₹ 35,072.85 lakhs and ₹ 21,061.68 lakhs, respectively.

Research and development and technology

We believe that research and development is critical in maintaining our competitive position and in addressing the changing consumer requirements, industry developments and business models. This business requires innovation through research and development to differentiate itself from competition, reduce costs and thereby, improve profitability. We have invested in research and development and through such efforts, we have developed the technology and the process to:

NoSbEra: Antimony free low iron solar glass	Developed technology to manufacture antimony free low iron textured Solar Glass
Shakti - Solar Glass in matt-matt finish	Developed a solar glass in matt-matt finish
Selene - Anti-glare solar glass	Developed an Anti-glare solar glass for Solar installations near airports to ensure aviation safety
Patents filed	Antimony Free Solar. Patent obtained in Fiscal 2021 Use of certail waste material in glass. Patent obtained in Fiscal 2021
B. L. Kheruka Centre for Research & Development	Formation of a dedicated R&D center at Pune to focus on development of new products and process improvement
Solar R&D project for field trials	Worked with NCPRE at IIT-B for setting up a large R&D facility for testing field performance of various solar technologies

Further, we have in Fiscal 2024, set up an R&D centre to explore various opportunities in the solar sector to improve product performance and develop new products for growth.

Human Resources

As of March 31, 2024, we had 809 permanent employees. In addition, we also engage with third party personnel companies for the supply of contract labourers to facilitate operations at our manufacturing facility. We also engaged 1,114 contract workers for the Fiscal ended March 31, 2024.

Our human resources practices aim to recruit a talented and qualified workforce, facilitate their integration and encourage development of their skills in order to facilitate the growth of our operations. We maintain employees’ provident fund for our employees.

Insurance

Our operations are subject to various risks inherent in the manufacturing industry. We maintain insurance policies for our manufacturing facilities, machineries/stocks and offices including industrial all risk policy, motor, public liability and marine policy (for material in transit) etc. We have in place a group personal accident policy and group mediclaim policy for our employees. In addition, we also maintain an insurance policy covering directors’ and officers’ liability.

Competition

We sell our products in competitive markets, and competition in these markets is based primarily on quality, demand and price. As a result, to remain competitive in our markets, we must continuously strive to reduce our production and transportation costs and improve our operational efficiencies. We face competition from manufacturers based out of China, Malaysia and Vietnam and now, additionally from new entrants in solar glass production in India.

Corporate Social Responsibility

Our corporate social responsibility (“CSR”) initiatives mainly focus on areas of education, health care, horticulture, ensuring environmental sustainability, ecological balance and rural development. As a part of the CSR, in Fiscal 2024, we have spent ₹

267.35 lakhs in, promoting healthcare, education and towards horticulture, ensuring environmental sustainability, ecological balance and rural development. Additionally, we have transferred the unspent amount of ₹ 75.65 lakhs out of the approved CSR outlay for the Fiscal 2024, to the Company's unspent CSR account, which shall be utilised during the current Fiscal 2025.

OUR MANAGEMENT

Board of Directors

The composition of the Board is governed by the provisions of the Companies Act, 2013, the rules prescribed thereunder, the SEBI LODR Regulations and the Articles of Association. In accordance with the Articles of Association, unless otherwise determined by our Company in the General Meeting, our Company shall not have less than three Directors and not more than 15 Directors.

Pursuant to the provisions of the Companies Act, 2013, at least two-thirds of the total number of Directors, excluding the 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, the 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 being eligible for re-appointment. Any re-appointment of Independent Directors shall be on the basis of, *inter alia*, the performance evaluation report and approval by the shareholders of our Company, by way of a special resolution.

The following table provides details regarding the Board of Directors of our Company as of the date of filing this Draft Letter of Offer:

Name, Address, Designation, Occupation, Term, Period of Directorship, DIN and Date of Birth	Age (in years)	Other Directorships
<p>Pradeep Kumar Kheruka</p> <p><i>Address:</i> Kaveri, Borosil Renewables Ltd, Jhagadia, Rajpipla Road, Ankleshwar, Bharuch, Gujarat – 393001</p> <p><i>Designation:</i> Whole-time Director and Executive Chairman</p> <p><i>Occupation:</i> Industrialist</p> <p><i>Term:</i> For a period of five years from April 1, 2023 to March 31, 2028, liable to retire by rotation</p> <p><i>Period of Directorship:</i> Since November 24, 1988</p> <p><i>DIN:</i> 00016909</p> <p><i>Date of Birth:</i> July 23, 1951</p>	72	<ul style="list-style-type: none"> • Borosil Limited • Window Glass Limited • Borosil Scientific Limited • Croton Trading Private Limited
<p>Shreevar Kheruka</p> <p><i>Address:</i> 410, Samudra Mahal, Dr Annie Besant Road, Worli, Mumbai – 400 018, Maharashtra, India</p> <p><i>Designation:</i> Non-Executive Director and Vice Chairman</p> <p><i>Occupation:</i> Industrialist</p> <p><i>Term:</i> Liable to retire by rotation</p> <p><i>Period of Directorship:</i> Since August 24, 2009</p> <p><i>DIN:</i> 01802416</p> <p><i>Date of Birth:</i> January 04, 1982</p>	42	<ul style="list-style-type: none"> • Borosil Limited • Borosil Scientific Limited • Window Glass Limited • Croton Trading Private Limited • Laxman AG • Interfloat Corporation
<p>Ashok Kumar Jain</p> <p><i>Address:</i> A-1404 Parinee 11 West, Gulmohar Cross Road No. 12, Kaifi Azmi Park, Juhu, Mumbai, Mumbai Suburban, Maharashtra – 400049, India</p> <p><i>Designation:</i> Whole-time Director</p> <p><i>Occupation:</i> Service</p> <p><i>Term:</i> For a period of two years with effect from August 1, 2023 to July 31, 2025 and liable to retire by rotation.</p> <p><i>Period of Directorship:</i> Since February 12, 2020</p>	66	NIL

Name, Address, Designation, Occupation, Term, Period of Directorship, DIN and Date of Birth	Age (in years)	Other Directorships
<p><i>DIN:</i> 00025125</p> <p><i>Date of Birth:</i> February 21, 1958</p>		
<p>Sunil Kishanlal Roongta</p> <p><i>Address:</i> A/8, Swastik Park, Near Judges Bungalows, Bodakdev, Ahmedabad City, Ahmedabad - 380054, Gujarat</p> <p><i>Designation:</i> Additional Director (designated as Whole-time Director) and Chief Financial Officer</p> <p><i>Occupation:</i> Service</p> <p><i>Term:</i> For a period of three years with effect from May 27, 2024 to May 26, 2027</p> <p><i>Period of Directorship:</i> Since May 27, 2024</p> <p><i>DIN:</i> 02422690</p> <p><i>Date of Birth:</i> July 23, 1969</p>	54	Nil
<p>Shalini Kalsi Kamath</p> <p><i>Address:</i> A – 1203 /1204, Chaitanya Towers, Appasaheb Marathe Marg, Near Ravindra Natya Mandir, Prabhadevi, Mumbai – 400 025, Maharashtra, India</p> <p><i>Designation:</i> Independent Director</p> <p><i>Occupation:</i> Professional</p> <p><i>Term:</i> For a period of five years with effect from February 3, 2020 to February 2, 2025</p> <p><i>Period of Directorship:</i> Since February 3, 2020</p> <p><i>DIN:</i> 06993314</p> <p><i>Date of Birth:</i> December 15, 1964</p>	59	<ul style="list-style-type: none"> • Ambit Finvest Private Limited • Abbott India Limited • Johnson Controls-Hitachi Air Conditioning India Limited • Maple Infra InvIT Investment Manager Private Limited
<p>Pradeep Vasudeo Bhide</p> <p><i>Address:</i> 3/17-B, Front Portion, Shanti Niketan, South Moti Bagh, South West Delhi, Delhi – 110021</p> <p><i>Designation:</i> Independent Director</p> <p><i>Occupation:</i> Service</p> <p><i>Term:</i> For a period of five years with effect from February 3, 2020 to February 2, 2025</p> <p><i>Period of Directorship:</i> Since February 3, 2020</p> <p><i>DIN:</i> 03304262</p> <p><i>Date of Birth:</i> January 8, 1950</p>	74	<ul style="list-style-type: none"> • Glaxosmithkline Pharmaceuticals Limited • NOCIL Limited • TRL Krosaki Refractories Limited • A.P.I.D.C Venture Capital Private Limited • Shiksha Financial Services India Private Limited
<p>Syed Asif Ibrahim</p> <p><i>Address:</i> Tower No. P-3, Flat No. 31, ATS Green Village, Sector - 93A, Noida, Gautam Buddha Nagar, Uttar Pradesh – 201304, India</p> <p><i>Designation:</i> Independent Director</p> <p><i>Occupation:</i> Advisor</p> <p><i>Term:</i> For a period of five years with effect from February</p>	70	NIL

Name, Address, Designation, Occupation, Term, Period of Directorship, DIN and Date of Birth	Age (in years)	Other Directorships
3, 2020 to February 2, 2025 <i>Period of Directorship:</i> Since February 3, 2020 <i>DIN:</i> 08410266 <i>Date of Birth:</i> September 18, 1953		
Raj Kumar Jain <i>Address:</i> A/1601, Abrol Vastu Park, Evershine Nagar, Malad West, Mumbai – 400 064, Maharashtra, India <i>Designation:</i> Independent Director <i>Occupation:</i> Practising chartered accountant <i>Term:</i> For a period of five years with effect from February 3, 2022 to February 2, 2027 <i>Period of Directorship:</i> Since February 3, 2020 <i>DIN:</i> 00026544 <i>Date of Birth:</i> July 19, 1956	67	<ul style="list-style-type: none"> Altius Finserv Private Limited
Haigreve Khaitan <i>Address:</i> 1104, Sterling Seaface, Dr Annie Besant Road, Worli, Mumbai – 400 018, Maharashtra, India <i>Designation:</i> Independent Director <i>Occupation:</i> Lawyer <i>Term:</i> For a period of five years with effect from February 3, 2020 to February 2, 2025 <i>Period of Directorship:</i> Since February 3, 2020 <i>DIN:</i> 00005290 <i>Date of Birth:</i> July 13, 1970	53	<ul style="list-style-type: none"> CEAT Limited JSW Steel Limited Tech Mahindra Limited Mahindra and Mahindra Limited Jio Platforms Limited VS Trustee Private Limited Laxman AG Interfloat Corporation Dalmia Bharat Limited Reliance Industries Limited

Confirmations

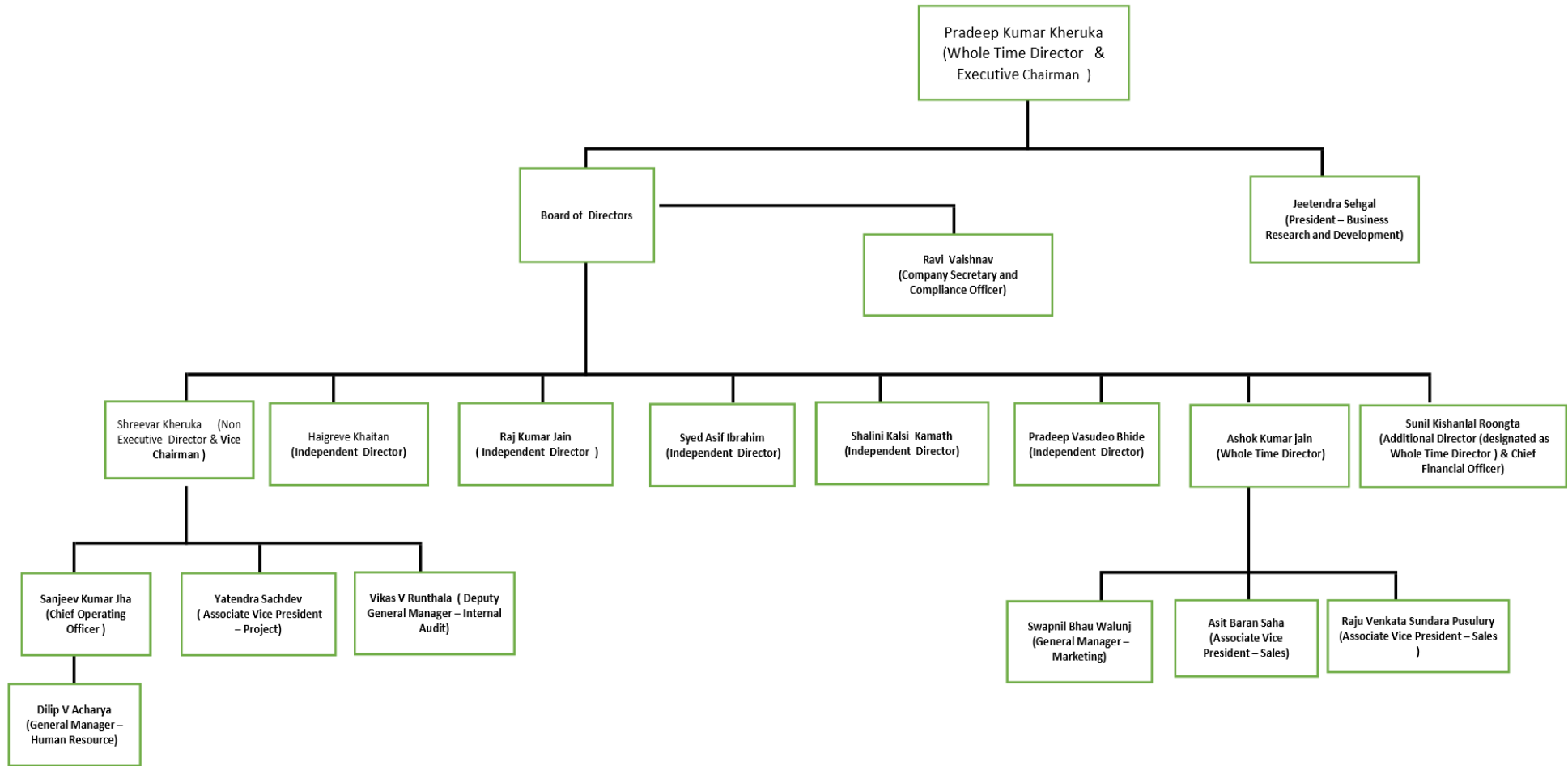
None of our Directors is or was a director of any listed company during the five years preceding the date of filing of this Draft Letter of Offer, whose equity shares have been or were suspended from being traded on any stock exchange, during the term of their directorship in such company.

None of our Directors is or was a director of any listed company which has been or was delisted from any stock exchange, during the term of their directorship in such company, in the last ten years immediately preceding the date of filing of this Draft Letter of Offer.

Details of Key Managerial Personnel and Senior Management

S. No.	Name of KMP/ SMP	Designation
1.	Sunil Kishanlal Roongta	Additional Director (designated as Whole-time Director) and Chief Financial Officer
2.	Ravi Vaishnav	Company Secretary and Compliance Officer
3.	Jeetendra Sehgal	President, Business Research & Development
4.	Sanjeev Kumar Jha	Chief Operating Officer
5.	Yatendra Sachdev	Associate Vice President – Projects
6.	Raju Venkata Sundara Pusulury	Associate Vice President – Sales
7.	Asit Baran Saha	Associate Vice President – Sales
8.	Dilip V. Acharya	General Manager – Human Resources
9.	Swapnil Bhau Walunj	General Manager – Marketing
10.	Vikas V. Runthala	Deputy General Manager – Internal Audit

ORGANISATIONAL STRUCTURE



SECTION V: FINANCIAL INFORMATION

FINANCIAL STATEMENTS

S. No.	Particulars	Page numbers
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2.	Audited Consolidated Financial Statements as at and for the year ended March 31, 2023	166

CONSOLIDATED INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF

BOROSIL RENEWABLES LIMITED

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying Consolidated Financial Statements of **BOROSIL RENEWABLES LIMITED** (hereinafter referred to as “the Holding Company”) and its subsidiaries (the Holding Company and its subsidiaries together referred to as “the Group”) and its associate, which comprise the Consolidated Balance sheet as at 31st March, 2024, and the Statement of Consolidated Profit and Loss (including Other Comprehensive Income), the Statement of Consolidated Changes in Equity and the Statement of Consolidated Cash Flows for the year then ended, and notes to the Consolidated Financial Statements, including a summary of material 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 and based on the consideration of reports of other auditors on separate Financial Statements and on the other financial information of subsidiaries and associate, 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 and of its associate as at 31st March, 2024 and their consolidated loss including other comprehensive income, the consolidated statement of changes in equity and their consolidated cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the Consolidated Financial Statements 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 and its associate in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the Consolidated Financial Statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI’s Code of Ethics. We believe that the audit evidence obtained by us and other auditors in terms of their reports 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 (KAM)

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 31st 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.

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
1) Revenue:	
<p>Revenue is recognized when control of the underlying products has been transferred along with satisfaction of performance obligation. In determining the sales price, the Holding Company considers the effects of rebates and discounts (variable consideration). 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>Risk exists that revenue is recognized 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"> • Assessing the environment of the IT systems related to invoicing and measurement as well as other relevant systems supporting the accounting of revenue. • 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; • Verifying the completeness of disclosure in the Consolidated Financial Statements as per Ind AS 115.

Other Information

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 respective financial statements audited by the other auditors.

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 terms 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, the Consolidated Statement of Changes in Equity and Consolidated Cash Flows of the Group and its associate in accordance with the accounting principles generally accepted in India, including Indian Accounting Standards ('Ind AS') prescribed under Section 133 of the Act read with relevant Rules issued thereunder.

The respective Board of Directors of the companies included in the Group and of its associate are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and its associate and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the 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 and of its associate are responsible for assessing the ability of the Group and of its associate and 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 Board of Directors of the companies included in the Group and of its associate are responsible for overseeing the financial reporting process of the Group and of its associate.

Auditors' Responsibility 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 financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3) (i) of the Act, we are also responsible for expressing our opinion on whether the Holding Company has adequate internal financial controls with reference to Consolidated 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 and of its associate 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 and of its associate 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 and its associate 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 Consolidated 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 auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. 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 of the current year 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 Matter

- (i) We did not audit the Consolidated Financial Statements/financial information of two Subsidiaries (includes two step down subsidiaries), whose Consolidated Financial Statements reflect total assets of Rs. 50,208.91 Lakhs as at 31st March, 2024, total revenues of Rs. 79,815.04 Lakhs and net cash inflows amounting to Rs. 701.31 Lakhs for

the year ended on that date, as considered in the Consolidated Financial Statements. These financial statements 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 aforesaid 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) The Consolidated Financial Statements include Group's share of net profit/(loss) after tax of Rs. 91.70 Lakhs for year ended 31st March, 2024, as considered in the Consolidated Financial Statements, in respect of an associate, whose financial statements/other financial information have not been audited and whose unaudited financial statements/other financial information have been furnished to us by the management. Our opinion on the Consolidated Financial Statement, in so far as it relates to the amounts and disclosures included in respect of above associate and our report in terms of sub-section (3) of Section 143 of the Act in so far as it relates to the above associate, are based solely on such unaudited financial statements. In our opinion and according to the information and explanations given to us by the Management, this financial statement/other financial information is not material to the Group.

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 financial statements/other financial information as certified by the management.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit and on the consideration of the reports of the other auditors on the separate financial statements, referred in the Other Matters paragraph above we report, to the extent applicable, , 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.
 - c. The Consolidated Balance Sheet, the Statement of Consolidated Profit and Loss (Including other comprehensive income), the Statement of Consolidated Changes in Equity and the Statement of Consolidated Cash Flows dealt with by this Report are in agreement with the 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 Ind AS prescribed under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended.
 - e. On the basis of the written representations received from the directors of the Holding Company as on 31st March, 2024 and taken on record by the Board of Directors of the Holding Company, none of the directors of the Holding companies, is disqualified as on 31st 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 Consolidated Financial Statements and the operating effectiveness of such controls, refer to our separate Report in “**Annexure A**”, which is based on our reports of the Holding Company, 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, the managerial remuneration for the year ended 31st 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.

- 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 Auditors) 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 and its associate as referred to in Note No. 40 to the Consolidated Financial Statements;
 - ii. Provision has been made in the Consolidated Financial Statements, as required under the applicable law or accounting standards, for material for foreseeable losses, if any, on long-term contracts including derivative contracts.
 - iii. There has been no delay in transferring amounts, required to be transferred to the Investor Education and Protection Fund by the Holding Company.
 - iv. (a) Managements of the Holding Company, have represented to us, 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 Holding Company to or in any other person or entity, including foreign entity (“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 Holding Company (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(b) Managements of the Holding Company, have represented to us, that to the best of their knowledge and belief, as disclosed in the notes to the Consolidated Financial Statements, no funds have been received by the Holding Company from any person or entity, including foreign entity (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the Holding Company 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 our audit procedure conducted that are considered reasonable and appropriate in the circumstances, nothing has come to our attention that cause us to believe that the representation given by the management under paragraph (h) (iv) (a) & (b) above, contain any material misstatement.

 - v. The Group and its associate has not declared or paid any dividend during the year.
 - vi. With respect to the matters specified in paragraphs 3(xxii) 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, we report that there are no qualification or adverse remarks in the CARO report of the said Company included in the Consolidated Financial Statements.

- vii. Based on our examination which included test checks, the Holding Company has 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 1st 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 31st March, 2024

For **CHATURVEDI & SHAH LLP**
Chartered Accountants
Firm Reg. No. 101720W / W100355

Anuj Bhatia
Partner
Membership No. 122179
UDIN No.:24122179BKFBGK5340

Place :Mumbai
Date: 27th May, 2024

ANNEXURE “A” TO THE CONSOLIDATED INDEPENDENT AUDITOR’S REPORT

(Referred to in paragraph 1 (f) under ‘Report on Other Legal and Regulatory Requirements’ of our report of even date on Consolidated Financial Statements of BOROSIL RENEWABLES LIMITED for the year ended 31st 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”)

We have audited the internal financial controls with reference to Consolidated Financial Statements of **BOROSIL RENEWABLES LIMITED** (hereinafter referred to as “the Holding Company”), as of 31st March, 2024 in conjunction with our audit of the Consolidated Financial Statements of the Holding Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

The Board of Directors of the Holding Company, are responsible for establishing and maintaining internal financial controls with reference to Consolidated Financial Statements based on the internal control criteria established by the Holding Company 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 Holding 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 Holding Company, based on our audit. We conducted our audit in accordance with the Guidance Note issued by the ICAI and the Standards of Auditing prescribed under Section 143(10) of the Companies Act, 2013, 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 these 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 these Consolidated Financial Statements and their operating effectiveness. Our audit of internal financial controls with reference to these Consolidated Financial Statements included obtaining an understanding of internal financial controls with reference to these 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 judgment, 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 is sufficient and appropriate to provide a basis for our audit opinion on internal financial controls with reference to these 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 authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized 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, the Holding Company, have maintained in all material respects, adequate internal financial controls with reference to these Consolidated Financial Statements and such internal financial controls with reference to these Consolidated Financial Statements were operating effectively as at 31st March, 2024, based on the internal control criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For **CHATURVEDI & SHAH LLP**
Chartered Accountants
Firm Reg. No. 101720W / W100355

Anuj Bhatia
Partner
Membership No. 122179
UDIN No.: 24122179BKFBGK5340

Place: Mumbai
Date: May 27, 2024

BOROSIL RENEWABLES LIMITED
CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2024

(Rs. in Lakhs)

Particulars	Note No.	As at 31st March, 2024		As at 31st March, 2023	
I. ASSETS					
1 Non-current Assets					
(a) Property, Plant and Equipment	7	91,563.67		96,386.16	
(b) Capital Work-in-Progress	7	12,595.26		6,969.58	
(c) Intangible Assets	8	1,282.62		1,310.77	
(d) Intangible Assets under Development	8	7.40		41.70	
(e) Goodwill		2.47		2.47	
(f) Financial Assets					
(i) Investments	9	1,189.50		1,097.80	
(ii) Loans	10	48.30		27.90	
(iii) Others	11	506.80		822.14	
(g) Non-Current Tax Assets (net)		420.94		-	
(h) Other Non-current Assets	12	<u>670.31</u>	1,08,287.27	<u>891.15</u>	1,07,549.67
2 Current Assets					
(a) Inventories	13	24,528.26		26,469.01	
(b) Financial Assets					
(i) Trade Receivables	14	12,257.29		9,329.64	
(ii) Cash and Cash Equivalents	15	14,777.37		12,632.63	
(iii) Bank Balances other than (ii) above	16	1,780.98		636.21	
(iv) Loans	17	97.97		66.50	
(v) Others	18	3,135.57		1,767.97	
(c) Current Tax Assets (Net)		445.51		320.72	
(d) Other Current Assets	19	<u>3,085.00</u>	60,107.95	<u>4,452.34</u>	55,675.02
TOTAL ASSETS			<u>1,68,395.22</u>		<u>1,63,224.69</u>
II. EQUITY AND LIABILITIES					
EQUITY					
(a) Equity Share Capital	20	1,305.38		1,304.98	
(b) Other Equity	21	<u>86,000.33</u>		<u>90,636.72</u>	
Equity attributable to the Owners			87,305.71		91,941.70
Non-controlling Interest			<u>1,970.31</u>		<u>2,311.04</u>
Total Equity			89,276.02		94,252.74
LIABILITIES					
1 Non-Current Liabilities					
(a) Financial Liabilities					
(i) Borrowings	22	41,916.67		31,928.32	
(ii) Lease Liabilities	47	231.95		227.42	
(iii) Other Financial Liabilities	23	962.68		860.02	
(b) Provisions	24	381.60		284.77	
(c) Deferred Tax Liabilities (Net)	25	<u>3,052.82</u>	46,545.72	<u>3,434.56</u>	36,735.09

				(Rs. in Lakhs)	
Particulars	Note No.	As at		As at	
		31st March, 2024		31st March, 2023	
2 Current Liabilities					
(a) Financial Liabilities					
(i) Borrowings	26	15,184.69		9,720.78	
(ii) Lease Liabilities	47	258.87		193.03	
(iii) Trade Payables	27				
A) Total outstanding dues of Micro and Small Enterprises		991.16		775.70	
B) Total outstanding dues of creditors Other than Micro and Small Enterprises		7,334.61		8,163.58	
		<u>8,325.77</u>		<u>8,939.28</u>	
(iv) Other Financial Liabilities	28	5,750.04		8,900.30	
(b) Other Current Liabilities	29	1,506.40		2,362.56	
(c) Provisions	30	1,046.31		831.49	
(d) Current Tax Liabilities (net)		<u>501.40</u>	32,573.48	<u>1,289.42</u>	32,236.86
TOTAL EQUITY AND LIABILITIES			<u>1,68,395.22</u>		<u>1,63,224.69</u>

Material Accounting Policies and Notes to the 1 to 56
Consolidated Financial Statements

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)

P.K. Kheruka
Chairman
(DIN-00016909)

Ashok Jain
Whole-Time Director
(DIN-00025125)

Anuj Bhatia

Partner

Membership No. 122179

Ravi Vaishnav
Company Secretary
Membership No. A-34607

Sunil Kumar Roongta
Chief Financial Officer

Place : Mumbai

Date : 27th 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
I Income			
Revenue from Operations	31	1,36,928.34	89,403.49
Other Income	32	2,117.89	1,974.34
Total Income (I)		1,39,046.23	91,377.83
II Expenses:			
Cost of Materials Consumed		35,072.85	21,061.68
Purchase of Stock in Trade		-	-
Changes in Inventories of Work-in-Progress, Finished Goods	33	1,184.03	(5,394.73)
Employee Benefits Expense	34	21,823.75	11,848.10
Finance Costs	35	2,921.86	779.19
Depreciation and Amortisation Expense	36	13,171.59	5,401.29
Other Expenses	37	73,480.98	47,576.00
Total Expenses (II)		1,47,655.06	81,271.53
III (Loss)/Profit before share of profit in associate, exceptional items and tax (I-II)		(8,608.83)	10,106.30
IV Share of profit/(Loss) in associates		91.70	(2.20)
V (Loss)/Profit before exceptional items and tax (III+IV)		(8,517.13)	10,104.10
VI Exceptional Items	38	(3,244.22)	-
VII (Loss)/Profit Before Tax (V-VI)		(5,272.91)	10,104.10
VIII Tax Expense:	25		
(1) Current Tax		246.26	2,381.56
(2) Deferred Tax		(383.11)	658.86
(3) Income Tax of earlier years		(108.70)	-
Total Tax Expenses		(245.55)	3,040.42
IX (Loss)/Profit for the year (VII-VIII)		(5,027.36)	7,063.68
X Other Comprehensive Income (OCI)			
i) Items that will not be reclassified to profit or loss:			
Re-measurement gains / (losses) on Defined Benefit Plans		(87.79)	(19.96)
Bargain Purchase gain (Refer Note No. 51)		-	5,418.74
Income Tax effect on above		19.08	5.02
		(68.71)	5,403.80
ii) Items that will be reclassified to profit or loss:			
Exchange difference in translating the financial statement of a foreign operation		3.50	654.60
		3.50	654.60
Total Other Comprehensive Income		(65.21)	6,058.40
XI Total Comprehensive Income for the year (IX + X)		(5,092.57)	13,122.08

Particulars	Note No.	(Rs. in Lakhs)	
		For the Year Ended 31st March, 2024	For the Year Ended 31st March, 2023
XII (Loss)/Profit attributable to			
Owners of the Company		(4,689.54)	6,963.18
Non-controlling Interest		(337.82)	100.50
		(5,027.36)	7,063.68
XIII Other Comprehensive Income attributable to			
Owners of the Company		(62.30)	6,058.40
Non-controlling Interest		(2.91)	-
		(65.21)	6,058.40
XIV Total Comprehensive Income attributable to			
Owners of the Company		(4,751.84)	13,021.58
Non-controlling Interest		(340.73)	100.50
		(5,092.57)	13,122.08
XV Earnings per Equity Share of Re.1/- each (in Rs.)	39		
- Basic		(3.59)	5.34
- Diluted		(3.59)	5.34
Material Accounting Policies and Notes to the Consolidated Financial Statements	1 to 56		

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)

P.K. Kheruka

Chairman

(DIN-00016909)

Ashok Jain

Whole-Time Director

(DIN-00025125)

Anuj Bhatia

Partner

Membership No. 122179

Place : Mumbai

Date : 27th May, 2024

Ravi Vaishnav

Company Secretary

Membership No. A-34607

Sunil Kumar Roongta

Chief Financial Officer

BOROSIL RENEWABLES LIMITED
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH, 2024

					(Rs. in Lakhs)				
A. Equity Share Capital					As at	Changes during	As at	Changes during	As at
Particulars					1st April,	2022-23	31st March,	2023-24	31st March,
					2022		2023		2024
Equity Share Capital (Refer Note No 20.2)					1,303.55	1.43	1,304.98	0.40	1,305.38

B. Other Equity												(Rs. in Lakhs)
Particulars	Attributable to equity owners						Items of Other Comprehensive Income			Total Other Equity	Non-controlling Interest	Total
	Reserves and Surplus						Remeasurements of Defined Benefit Plans	Foreign Currency Translation Reserve	Capital Reserve on Consolidation			
	Capital Reserve	Capital Reserve on Amalgamation	Securities Premium	Surplus arising on giving effect to BIFR Order	Share Based Payment Reserve	Retained Earnings						
Balance as at 1st April, 2022	32.02	(4,620.69)	53,785.33	1,996.41	140.55	25,997.57	(146.65)	-	-	77,184.54	-	77,184.54
Total Comprehensive Income	-	-	-	-	-	6,963.18	(14.94)	654.60	5,418.74	13,021.58	100.50	13,122.08
Acquisition through Business Combination (Refer Note No 51)	-	-	-	-	-	-	-	-	-	-	2,210.54	2,210.54
Share based payment (Refer Note No. 42)	-	-	-	-	97.45	-	-	-	-	97.45	-	97.45
Exercise of Employee Stock option (Refer Note No. 20.2)	-	-	453.88	-	(101.09)	-	-	-	-	352.79	-	352.79
Reversal of Deferred Tax (QIP Expenses)	-	-	(19.64)	-	-	-	-	-	-	(19.64)	-	(19.64)
As at 31st March, 2023	32.02	(4,620.69)	54,219.57	1,996.41	136.91	32,960.75	(161.59)	654.60	5,418.74	90,636.72	2,311.04	92,947.76
Balance as at 1st April, 2023	32.02	(4,620.69)	54,219.57	1,996.41	136.91	32,960.75	(161.59)	654.60	5,418.74	90,636.72	2,311.04	92,947.76
Total Comprehensive Income	-	-	-	-	-	(4,689.54)	(65.80)	3.50	-	(4,751.84)	(340.73)	(5,092.57)
Share based payment (Refer Note No. 42)	-	-	-	-	60.55	-	-	-	-	60.55	-	60.55
Exercise of Employee Stock option (Refer Note No. 20.2)	-	-	104.17	-	(29.62)	-	-	-	-	74.55	-	74.55
Forfeiture of the Employee Stock Option	-	-	-	-	(14.53)	14.53	-	-	-	-	-	-
Reversal of Deferred Tax (QIP Expenses)	-	-	(19.65)	-	-	-	-	-	-	(19.65)	-	(19.65)
As at 31st March, 2024	32.02	(4,620.69)	54,304.09	1,996.41	153.31	28,285.74	(227.39)	658.10	5,418.74	86,000.33	1,970.31	87,970.64

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)

P.K. Kheruka
Chairman
(DIN-00016909)

Ashok Jain
Whole-Time Director
(DIN-00025125)

Anuj Bhatia

Partner
Membership No. 122179

Ravi Vaishnav
Company Secretary
Membership No. A-34607

Sunil Kumar Roongta
Chief Financial Officer

Place : Mumbai
Date : 27th May, 2024

STATEMENT OF CONSOLIDATED CASH FLOWS FOR THE YEAR ENDED 31ST MARCH, 2024

	(Rs. in Lakhs)	
Particulars	For the Year Ended 31st March, 2024	For the Year Ended 31st March, 2023
A. Cash Flow from Operating Activities		
(Loss)/Profit Before Tax as per Statement of Profit and Loss	(5,272.91)	10,104.10
Adjusted for :		
Depreciation and Amortisation Expense	13,171.59	5,401.29
Loss/(Gain) on Foreign Currency Transactions and Translation (net)*	17.91	594.52
Interest Income	(130.99)	(154.79)
Government Grant	(1,546.81)	(420.11)
Acquisition related expenses	-	1,930.71
Gain on sale of investments (net)	-	(248.67)
Share of (Profit)/Loss in associates	(91.70)	2.20
Loss on sale/discard of Property, Plant and Equipment	22.04	35.26
Share Based Payment Expense	60.55	97.45
Finance Costs	2,921.86	779.19
Sundry Balances Written off/(Written back) (net)	(85.03)	6.59
Provision/(Reversal) for Credit Impaired	(121.16)	117.59
	<u>14,218.26</u>	<u>8,141.23</u>
Operating Profit before Working Capital Changes	8,945.35	18,245.33
Adjusted for :		
Trade and Other Receivables	(1,277.13)	367.77
Inventories	1,940.75	(14,327.88)
Trade and Other Payables	(749.18)	(85.56)
	<u>(85.56)</u>	<u>(3,553.97)</u>
Cash generated from operations	8,859.79	731.25
Direct Taxes Paid (net)	(1,985.17)	(1,368.32)
Net Cash from/(used in) Operating Activities	6,874.62	(637.07)
B. Cash Flow from Investing Activities		
Purchase of Property, Plant and Equipment, Capital Work-in-Progress, Intangible Assets and Intangible Assets under Development	(21,667.40)	(34,749.81)
Sale of Property, Plant and Equipment	18.05	57.75
Investment in Subsidiaries	-	(8,162.78)
Investment in Associate	-	(1,100.00)
Purchase of Investments	-	(2,089.90)
Acquisition related expenses	-	(1,930.71)
Sale of Investments	-	23,706.56
Interest received	122.85	152.25
Net Cash used in Investing Activities	(21,526.50)	(24,116.64)
C. Cash Flow from Financing Activities		
Proceeds from Issue of Share Capital	74.95	354.22
Proceeds from Non-current Borrowings	22,007.95	21,672.02
Repayment of Non-current Borrowings	(4,191.32)	(1,768.90)
Movement in Current Borrowings (net)	(2,400.79)	5,879.23
Margin Money (net)	(839.91)	(525.50)
Lease Payment	(298.66)	(87.79)
Interest Paid	(3,289.71)	(1,944.52)
Government Grant	5,734.11	174.71
Net Cash flow from Financing Activities	16,796.62	23,753.47

Particulars	(Rs. in Lakhs)	
	For the Year Ended 31st March, 2024	For the Year Ended 31st March, 2023
Net Increase/(decrease) in Cash and Cash Equivalents (A+B+C)	2,144.74	(1,000.24)
Opening Balance of Cash and Cash Equivalents	12,632.63	1,146.36
Acquisition through Business Combination (Refer Note No 51)	-	12,486.51
Opening Balance of Cash and Cash Equivalents	12,632.63	13,632.87
Closing Balance of Cash and Cash Equivalents	14,777.37	12,632.63

* On account of translation of foreign subsidiaries

1 Changes in liabilities arising from financing activities on account of Non Current Borrowings and Current Borrowings (Including current maturity of term loan):

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	41,649.10	15,722.96
(+) changes from financing cash flows (net)	15,415.84	25,782.35
(+) the effects of changes in foreign exchange rates	36.42	143.79
Closing balance of liabilities arising from financing activities	57,101.36	41,649.10

2 Bracket indicates cash outflow.

3 Previous Year figures have been regrouped and rearranged wherever necessary.

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)

P.K. Kheruka
Chairman
(DIN-00016909)

Ashok Jain
Whole-Time Director
(DIN-00025125)

Anuj Bhatia

Partner

Membership No. 122179

Place : Mumbai

Date : 27th May, 2024

Ravi Vaishnav
Company Secretary
Membership No. A-34607

Sunil Kumar Roongta
Chief Financial Officer

Note 1 CORPORATE INFORMATION:

The Consolidated Financial Statements comprise financial statements of Borosil Renewables Limited (CIN : L26100MH1962PLC012538) ("BRL") ("the company"), its subsidiaries namely, Geosphere Glassworks GmbH ("GGG") and Laxman AG ("LA"), its step-down subsidiaries namely, GMB Glasmanufaktur Brandenburg GmbH ("GMB") and Interfloat Corporation ("IF") (collectively, "the Group") and its associate, ReNew Green (GJS Two) Private Limited 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 400 051.

Group is engaged in manufacturing of Low Iron textured Solar Glass for application in Photovoltaic panels, Flat plate collectors and Green houses.

The Consolidated Financial Statements for the year ended 31st March, 2024 were approved and adopted by Board of Directors in their meeting held on 27th May, 2024.

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).
- 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, its subsidiaries and associate as at 31st March, 2024.

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 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 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. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the entity and the cost can be measured reliably.

Property, Plant and Equipment not ready for the intended use on the date of Balance Sheet are disclosed as "Capital Work-in-Progress" and expenses incurred relating to it, net of income earned during the development stage, are disclosed as pre-operative expenses under "Capital Work-in-Progress".

Depreciation on the Property, Plant and Equipment is provided using straight line method over the useful life of the assets as specified in Schedule II to the Companies Act, 2013 and following assets where the useful life is different as per technical evaluation than those prescribed in Schedule II.

Particulars	Useful life considered for depreciation
Certain Plant & machineries	10 Years
Melting Furnace	5 Years

Freehold land is not depreciated.

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

Property, Plant and Equipment are eliminated from financial statements, either on disposal or when retired from active use. Gains / losses arising in the case of retirement/disposal of Property, Plant and Equipment are recognised in the statement of profit and loss in the year of occurrence.

4.3 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.

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 on a straight line method over the period of useful lives or period of three years, whichever is less and in the case of technical know how amortisation period is 6 years. Customer relationship are amortised on a straight line method over the period of fourteen year. The assets' useful lives and method of depreciation are reviewed at each financial year end. The assets' useful lives and method of depreciation 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.

4.4 Inventories:

Inventories are valued at the lower of cost and net realizable value. Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and 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. The cost of raw materials, stores, spares & consumables and packing materials are computed on the weighted average basis. Scrap (cullet) are valued at raw materials cost. Cost of work in progress and finished goods is determined on absorption costing method.

4.5 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.

4.6 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.

4.7 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.

1) Financial assets -Initial recognition and measurement:

All financial assets are initially recognized at fair value. Transaction costs that are directly attributable to the acquisition 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 Receivable 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 - Equity Investment in subsidiaries, associates and joint venture:

The Group has accounted for its equity investment in associate and joint venture at cost.

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.

4.8 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.

4.9 Revenue recognition and other income:

Sales of goods and services:

The Group derives revenues primarily from sale of products comprising of Low Iron textured Solar Glass.

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 transfer 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 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 expect to 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, performance bonuses, price concessions and incentives, if any, as specified in the contract with the customer. Revenue also excludes taxes collected from customers.

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

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 or the payment is due (whichever is earlier). 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 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 statement of profit or loss.

4.10 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.

4.11 Employee Benefits:

Short term employee benefits are recognized as an expense in the 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.

The cost of providing gratuity, a defined benefit plans, 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. 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 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 statement of profit and loss in subsequent periods.

4.12 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 options 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 Holding Company's estimate of shares that will eventually vest. The estimate of the number of 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.

4.13 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 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 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 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.

4.14 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 companies 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.

4.15 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.

4.16 Government Grant:

Grants and subsidies from the government are recognised when there is reasonable assurance that (i) the Group will comply with the conditions attached to them, and (ii) the grant/subsidy will be received. When the grant or subsidy relates to revenue, it is recognised by adjusting the grant with the related costs which they are intended to compensate in the statement of profit and loss. Where the grant relates to an asset, it is recognised by deducting the grant from the value of respective asset to arrive at carrying amount.

4.17 Research and Development Expenditure:

Revenue expenditure pertaining to research is charged to the Statement of Profit and Loss as and when incurred. Development costs are capitalised as an property, plant and equipment and intangible asset if it can be demonstrated that the project is expected to generate future economic benefits, it is probable that those future economic benefits will flow to the entity and the costs of the asset can be measured reliably, else it is charged to the Statement of Profit and Loss.

4.18 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.

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:

Respective companies 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 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 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.

5.5 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.

5.6 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 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.

Note 6 Recent Accounting pronouncements:

Ministry of Corporate Affairs (“MCA”) notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended March 31, 2024, MCA has not notified any new standards or amendments to the existing standards applicable to the Company.

Borosil Renewables Limited
Notes to the Consolidated Financial Statements for the year ended 31st March, 2024

Note - 7 Property, Plant and Equipment								(Rs. in Lakhs)
Particulars	Right to Use	Land - Freehold	Buildings	Plant and Equipment	Furniture and Fixtures	Vehicles	Office Equipment	Total
GROSS BLOCK								
As at 1st April, 2022	-	788.38	6,665.16	34,800.86	41.49	350.73	524.27	43,170.89
Additions on account of acquisition (Refer Note No 51)	459.37	1,103.91	269.09	392.72	206.68	312.91	223.61	2,968.29
Additions	-	-	16,035.22	54,070.27	20.55	102.00	659.22	70,887.26
Government Subsidy (Refer Note No 7.6)	-	-	72.63	86.51	-	-	-	159.14
Foreign Currency Translation Reserve Adjustments	41.74	100.31	24.45	37.30	18.81	28.43	22.71	273.75
Disposals	-	-	15.86	90.41	1.33	26.91	5.81	140.32
As at 31st March, 2023	501.11	1,992.60	22,905.43	89,124.23	286.20	767.16	1,424.00	1,17,000.73
Additions	334.13	-	2,298.86	9,674.81	142.60	50.69	883.15	13,384.24
Government Subsidy (Refer Note No 7.6 and 7.7)	-	-	451.63	4,773.98	-	-	-	5,225.61
Foreign Currency Translation Reserve Adjustments	4.85	8.20	3.52	37.31	1.54	2.35	4.11	61.88
Transfer from/(to)	-	0.01	1.05	(3.06)	(0.07)	-	2.10	0.03
Disposals	-	-	-	-	-	86.93	25.44	112.37
As at 31st March, 2024	840.09	2,000.81	24,757.23	94,059.31	430.27	733.27	2,287.92	1,25,108.90
DEPRECIATION								
As at 1st April, 2022	-	-	1,082.81	14,065.09	19.69	88.34	207.48	15,463.41
Depreciation	82.44	-	325.65	4,510.20	17.40	60.29	180.73	5,176.71
Foreign Currency Translation Reserve Adjustments	2.48	-	0.22	1.01	0.38	0.57	1.53	6.19
Disposals	-	-	7.74	10.50	-	9.20	4.30	31.74
As at 31st March, 2023	84.92	-	1,400.94	18,565.80	37.47	140.00	385.44	20,614.57
Depreciation	274.76	-	947.14	11,242.39	40.15	93.12	394.28	12,991.84
Foreign Currency Translation Reserve Adjustments	2.00	-	0.21	7.03	0.27	0.39	1.20	11.10
Disposals	-	-	-	-	-	54.15	18.13	72.28
As at 31st March, 2024	361.68	-	2,348.29	29,815.22	77.89	179.36	762.79	33,545.23
NET BLOCK:								
As at 31st March, 2023	416.19	1,992.60	21,504.49	70,558.43	248.73	627.16	1,038.56	96,386.16
As at 31st March, 2024	478.41	2,000.81	22,408.94	64,244.09	352.38	553.91	1,525.13	91,563.67

7.1 Capital Work in Progress includes:

Particulars	(Rs. in Lakhs)	
	As at 31st March, 2024	As at 31st March, 2023
Building under construction	207.06	157.89
Plant and Equipment under installation	12,362.68	6,682.93
Capital Inventory	25.52	128.76
	<u>12,595.26</u>	<u>6,969.58</u>

7.2 Certain property, plant and equipment were pledged as collateral against borrowings, the details related to which have been described in (Refer Note No. 22 and 26).

7.3 Refer Note No. 40.5 for disclosure of contractual commitments for the acquisition of Property, Plant and Equipment.

7.4 Additions to Plant and Equipment includes Finance Cost of Rs. 142.92 Lakhs (previous year 1,295.23 Lakhs).

7.5 Details of pre-operative expenditure as a part of Capital-Work-in-Progress.

Particulars	(Rs. in Lakhs)	
	As at 31st March, 2024	As at 31st March, 2023
Raw Material Consumption	-	436.65
Employee Benefits Expense	-	735.04
Store & Consumables	-	46.11
Power and Fuel	-	2,177.42
Packing Expenses	-	41.15
Travelling and Conveyance Expenses	-	101.90
Bank Charges	-	15.05
Finance Cost and Others Borrowing Cost	-	1,159.91
Insurance	-	27.25
Miscellaneous Expenses	-	42.04
Pre-operative expenses for the year	-	4,782.52
Add :- Pre-operative expenses upto previous year	-	1,056.68
	-	5,839.20
Less :- Sales	-	652.34
Less :- Trial Run products transfer to Captive consumption	-	1,134.98
Total	-	4,051.88
Less :- Allocated during the year to Property, Plant and Equipment	-	4,051.88
	-	-

7.6 The Company has received capital subsidy of Rs. 3,187.79 Lakhs (previous year Rs. 159.14 Lakhs) from Ministry of Electronics & Information Technology in relation to Solar Glass Plant 3 (previous year Solar Glass Plant 2). Further, one of the subsidiaries company has also received capital subsidy of Rs. 81.39 Lakhs (previous year Nil). Above amounts are adjusted against cost of respective capital assets.

7.7 The Company is eligible for subsidy under the Electronics Policy and related notifications from the Government of Gujarat. The amount of Capital subsidy of Rs. 1,555.07 Lakhs and interest subsidy of Rs. 401.37 Lakhs related to construction period on expansion completed in Financial Year 2022-23 has been adjusted against cost of capital assets. Subsidy in respect of Interest, Power and Provided Fund related to period till 31st March 2023 has been included in the other income and Subsidy in respect of Interest, Power and Provided Fund related to period from 1st April 2023 to 31st March, 2024 has been adjusted against respective expenses in the statement of profit and loss.

7.8 The Group does not have any Capital work in progress, whose completion is overdue or exceeded its cost compared to its original plan.

7.9 There are no proceeding initiated or pending against the Group for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.

Note - 8 Other Intangible Assets

Particulars	(Rs. in Lakhs)			
	Customer Base	Computer Software*	Process Technology / Technical Know-how*	Total
GROSS BLOCK:				
As at 1st April, 2022	-	96.23	35.00	131.23
Additions on account of acquisition (Refer Note No. 51)	984.61	175.39	-	1,160.00
Additions	-	210.56	-	210.56
Foreign Currency Translation Reserve Adjustments	89.47	16.46	-	105.93
Disposals	-	-	-	-
As at 31st March, 2023	1,074.08	498.64	35.00	1,607.72
Additions	-	144.62	-	144.62
Foreign Currency Translation Reserve Adjustments	7.31	1.61	-	8.92
Disposals	-	-	-	-
As at 31st March, 2024	1,081.39	644.87	35.00	1,761.26
AMORTISATION:				
As at 1st April, 2022	-	66.40	0.02	66.42
Amortisation	30.81	187.94	5.83	224.58
Foreign Currency Translation Reserve Adjustments	0.93	5.02	-	5.95
Disposals	-	-	-	-
As at 31st March, 2023	31.74	259.36	5.85	296.95
Amortisation	77.01	96.91	5.83	179.75
Foreign Currency Translation Reserve Adjustments	0.66	1.28	-	1.94
Disposals	-	-	-	-
As at 31st March, 2024	109.41	357.55	11.68	478.64
NET BLOCK:				
As at 31st March, 2023	1,042.34	239.28	29.15	1,310.77
As at 31st March, 2024	971.98	287.32	23.32	1,282.62

* Other than self generated.

8.1 Intangible Assets under Development includes:

Particulars	(Rs. in Lakhs)	
	As at 31st March, 2024	As at 31st March, 2023
Software	7.40	41.70
Total	7.40	41.70

8.2 The Group does not have any Intangible Assets under Development, whose completion is overdue or exceeded its cost compared to its original plan.

Note - 9 Non-current Investments

Particulars	(Rs. in Lakhs)					
	As at 31st March, 2024			As at 31st March, 2023		
	No. of Shares/Units	Face Value	Rs. in Lakhs	No. of Shares/Units	Face Value	Rs. in Lakhs
a) In Equity Instrument (Carried at cost) :						
Investment in Associate						
Renew Green (GJS Two) Private Limited	1,00,00,000	Rs. 10	1,189.50	1,00,00,000	Rs. 10	1,097.80
Total			<u>1,189.50</u>			<u>1,097.80</u>

9.1 Category-wise Non-current Investment

Particulars	(Rs. in Lakhs)	
	As at 31st March, 2024	As at 31st March, 2023
Aggregate Amount of Quoted Investments and Market Value	-	-
Aggregate Amount of Unquoted Investments	1,189.50	1,097.80
Investment carried at Fair value through Profit and Loss	-	-

Note - 10 Non-current Financial Assets - Loans

Particulars	(Rs. in Lakhs)	
	As at 31st March, 2024	As at 31st March, 2023
Unsecured, Considered Good :		
Loan to Employees	48.30	27.90
Total	<u>48.30</u>	<u>27.90</u>

Note - 11 Non-current Financial Assets - Others

Particulars	(Rs. in Lakhs)	
	As at 31st March, 2024	As at 31st March, 2023
Unsecured, Considered Good :		
Fixed Deposit with Banks having maturity more than 12 months (Refer Note No 11.1)	497.84	822.14
Security Deposits	8.96	-
Total	<u>506.80</u>	<u>822.14</u>

11.1 The above deposits with banks are pledged as margin money against bank guarantees and Debts Service Reserve Account.

Note - 12 Other Non-current assets

Particulars	(Rs. in Lakhs)	
	As at 31st March, 2024	As at 31st March, 2023
Unsecured, Considered Good :		
Capital Advances	360.57	598.84
Prepaid Expenses	11.23	10.48
Security Deposits	239.98	237.70
Amount paid under protest (Refer Note No. 40)	58.53	44.13
Total	<u>670.31</u>	<u>891.15</u>

Borosil Renewables Limited
Notes to the Consolidated Financial Statements for the year ended 31st March, 2024

Note - 13 Inventories

Particulars	(Rs. in Lakhs)	
	As at 31st March, 2024	As at 31st March, 2023
Raw Materials	3,965.59	8,006.31
Work-in-Progress	2,349.77	2,088.82
Finished Goods:		
Goods-in-Transit	2,895.86	3,575.96
Others	<u>5,566.30</u>	<u>6,331.18</u>
Stores, Spares and Consumables	6,566.52	4,079.81
Packing Material	1,240.73	891.27
Scrap (Cullet) and Rejected Glass	1,943.49	1,495.66
Total	<u>24,528.26</u>	<u>26,469.01</u>

13.1 The amount of write-down of inventories recognised as an expense for the year Rs. Nil.

13.2 For mode of valuation of Inventories, Refer Note No. 4.4.

13.3 For Inventories hypothecation as security Refer Note No. 22 and 26.

Note - 14 Current Financial Assets - Trade Receivables

Particulars	(Rs. in Lakhs)	
	As at 31st March, 2024	As at 31st March, 2023
Unsecured :		
Considered Good	12,257.29	9,329.64
Credit Impaired	<u>-</u>	<u>121.13</u>
	12,257.29	9,450.77
Less : Provision for Credit Impaired (Refer Note No. 43 and 46)	<u>-</u>	<u>121.13</u>
	12,257.29	9,329.64
Total	<u>12,257.29</u>	<u>9,329.64</u>

14.1 Trade Receivables Ageing Schedule are as below :-

Particulars	Not Due	(Rs. in Lakhs)					
		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	Total
Undisputed trade receivables – Considered good	10,229.02	2,027.81	0.44	0.02	-	-	12,257.29
Undisputed trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
Undisputed trade receivables – credit impaired	-	-	-	-	-	-	-
Disputed trade receivables – Considered good	-	-	-	-	-	-	-
Disputed trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed trade receivables – credit impaired	-	-	-	-	-	-	-
Sub Total	10,229.02	2,027.81	0.44	0.02	-	-	12,257.29
Less: Allowance for credit impaired	-	-	-	-	-	-	-
Total	10,229.02	2,027.81	0.44	0.02	-	-	12,257.29

(Rs. in Lakhs)

Particulars	Not Due	Outstanding from due date of payment as at 31st March, 2023					Total
		Upto 6 Months	6 Months - 1 Year	1 - 2 Years	2 - 3 Years	More than 3 years	
Undisputed trade receivables – Considered good	8,838.62	491.02	-	-	-	-	9,329.64
Undisputed trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
Undisputed trade receivables – credit impaired	-	121.13	-	-	-	-	121.13
Disputed trade receivables – Considered good	-	-	-	-	-	-	-
Disputed trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed trade receivables – credit impaired	-	-	-	-	-	-	-
Sub Total	8,838.62	612.15	-	-	-	-	9,450.77
Less: Allowance for credit impaired	-	121.13	-	-	-	-	121.13
Total	8,838.62	491.02	-	-	-	-	9,329.64

Note - 15 Cash and Cash Equivalents

(Rs. in Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Balances with Banks in current accounts	14,764.92	12,619.62
Cash on Hand	12.45	13.01
Total	14,777.37	12,632.63

15.1 For the purpose of the statement of Cash flow, cash and cash equivalents comprise the followings:

(Rs. in Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Balances with Banks in current accounts	14,764.92	12,619.62
Cash on Hand	12.45	13.01
Total	14,777.37	12,632.63

Note - 16 Bank balances other than Cash and Cash Equivalents

(Rs. in Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Earmarked Balances with bank :		
Unpaid Dividend Accounts	39.28	58.72
Fixed deposit pledged with Banks (Refer Note No. 16.1)	1,741.70	577.49
Total	1,780.98	636.21

16.1 The above deposits with banks are pledged as margin money against bank guarantees, Letter of Credits and Debts Service Reserve Account.

Note - 17 Current Financial Assets - Loans

(Rs. in Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Unsecured, Considered Good :		
Loan to Employees	97.97	66.50
Total	97.97	66.50

Note - 18 Current Financial Assets - Others

Particulars	(Rs. in Lakhs)	
	As at 31st March, 2024	As at 31st March, 2023
Unsecured, Considered Good:		
Interest Receivables	23.70	15.56
Security Deposits	4.80	7.80
Others	3,107.07	1,744.61
	3,135.57	1,767.97

18.1 Others includes amounts receivable from Government Grant and others.

Note - 19 Other Current Assets

Particulars	(Rs. in Lakhs)	
	As at 31st March, 2024	As at 31st March, 2023
Unsecured, Considered Good :		
Advances against supplies	987.18	1,349.79
Export Incentives Receivable	1.64	29.29
Balance with Government Authorities	577.78	1,288.21
Outstanding CO2 Certificates	344.35	919.32
Others	1,174.05	865.73
Total	3,085.00	4,452.34

19.1 Others Includes mainly Prepaid Expenses, Export License in Hand, Electricity claim receivables and others.

Note - 20 Equity Share Capital

Particulars	(Rs. In Lakhs)	
	As at 31st March, 2024	As at 31st March, 2023
<u>Authorised</u>		
Equity Share Capital		
91,65,00,000 (previous year 91,65,00,000) Equity Shares of Re. 1/- each	9,165.00	9,165.00
Preference Shares Capital		
9,22,50,000 (previous year 9,22,50,000) Preference Shares of Rs. 10/- each	9,225.00	9,225.00
Total	18,390.00	18,390.00
<u>Issued, Subscribed & Fully Paid up</u>		
13,05,37,795 (previous year 13,04,98,179) Equity Shares of Re. 1/- each fully paid up	1,305.38	1,304.98
Total	1,305.38	1,304.98

20.1 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	13,04,98,179	1,304.98	13,03,55,279	1,303.55
Share Issued on Exercise of Employee Stock Option (Refer Note No. 20.2)	39,616	0.40	1,42,900	1.43
Shares outstanding at the end of the year	13,05,37,795	1,305.38	13,04,98,179	1,304.98

20.2 During the year, pursuant to exercise of the options under 'Borosil Renewables Limited - Employee Stock Option Scheme 2017', the Company has made allotment of 39,616 Equity Shares (Previous Year 1,42,900 Equity Shares) of the face value of Re. 1/- each, which has resulted into increase of paid up Equity Share Capital by Rs. 0.40 Lakhs (Previous Year Rs. 1.43 Lakhs) and Securities Premium by Rs. 104.17 Lakhs (Previous Year Rs. 453.88 Lakhs).

20.3 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.

20.4 Details of Shareholder holding more than 5% of Equity Share Capital :

Name of Shareholders	As at 31st March, 2024		As at 31st March, 2023	
	No. of Shares	% of Holding	No. of Shares	% of Holding
Pradeep Kumar Family Trust	2,56,09,360	19.62	2,56,09,360	19.62
Bajrang Lal Family Trust	2,56,09,360	19.62	2,56,09,360	19.62
Croton Trading Pvt. Ltd.	1,30,87,339	10.03	1,30,87,339	10.03

20.5 Details of shares held by promoters and promoters group in the Company.

Name of Promoters and promoters group	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	
Pradeep Kumar Kheruka (Promoter)	18,70,082	1.43%	18,70,082	1.43%	0.00%
Shreevar Kheruka (Promoter)	19,51,747	1.50%	19,51,747	1.50%	0.00%
Bajrang Lal Family Trust (Promoter Group)	2,56,09,360	19.62%	2,56,09,360	19.62%	0.00%
Pradeep Kumar Family Trust (Promoter Group)	2,56,09,360	19.62%	2,56,09,360	19.62%	0.00%
Croton Trading Pvt. Limited (Promoter Group)	1,30,87,339	10.03%	1,30,87,339	10.03%	0.00%
Gujarat Fusion Glass LLP (Promoter Group)	31,36,404	2.40%	31,36,404	2.40%	0.00%
Rekha Kheruka (Promoter Group)	21,85,807	1.67%	21,85,807	1.67%	0.00%
Kiran Kheruka (Promoter Group)	46,61,056	3.57%	46,61,056	3.57%	0.00%
Spartan Trade Holdings LLP (Promoter Group)	11,47,313	0.88%	11,47,313	0.88%	0.00%
Borosil Holdings LLP (Promoter Group)	9,18,179	0.70%	9,18,179	0.70%	0.00%
Associated Fabricators LLP (Promoter Group)	2,34,111	0.18%	2,34,111	0.18%	0.00%
Alaknanda Ruia (Promoter Group)	1,915	0.00%	-	0.00%	0.00%
Sonargaon Properties LLP (Promoter Group)	18	0.00%	18	0.00%	0.00%

20.6 Under Borosil Employee Stock Option Scheme 2017, 46,20,000 options have been approved by the shareholders and out of this 8,31,988 (as at 31st March 2023, 8,31,988) options have been granted (Refer Note No. 42).

20.7 No dividend has been proposed for the year ended 31st March, 2024 and 31st March, 2023.

Note - 21 Other Equity

Particulars	(Rs. in Lakhs)	
	As at 31st March, 2024	As at 31st March, 2023
Capital Reserve		
As per Last Balance Sheet	32.02	32.02
Capital Reserve on Amalgamation		
As per Last Balance Sheet	(4,620.69)	(4,620.69)
Capital Reserve on Consolidation		
On account of Acquisition (Refer Note No 51)	5,418.74	5,418.74
Securities Premium		
As per Last Balance Sheet	54,219.57	53,785.33
Exercise of Employee Stock option	104.17	453.88
Reversal of Deferred Tax (QIP Expenses)	(19.65)	(19.64)
	54,304.09	54,219.57
Surplus arising on giving effect to BIFR Order		
As per Last Balance Sheet	1,996.41	1,996.41

Share Based Payment Reserve

As per Last Balance Sheet	136.91		140.55	
Share based payment (Refer Note No. 42)	60.55		97.45	
Forfeiture of the Employee Stock Option	(14.53)		-	
Exercise of Employee Stock option (Refer Note No. 42)	<u>(29.62)</u>	153.31	<u>(101.09)</u>	136.91

Retained Earnings

As per Last Balance Sheet	32,960.75		25,997.57	
Forfeiture of the Employee Stock Option	14.53		-	
(Loss)/Profit for the year	<u>(4,689.54)</u>		<u>6,963.18</u>	
Amount available for appropriation	28,285.74	28,285.74	32,960.75	32,960.75

Other Comprehensive Income (OCI)

As per Last Balance Sheet	(161.59)		(146.65)	
Movements in OCI (net) during the year	<u>(65.80)</u>	(227.39)	<u>(14.94)</u>	(161.59)

Foreign Currency Translation Reserve

		658.10		654.60
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Total		<u>86,000.33</u>		<u>90,636.72</u>
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21.1 Nature and Purpose of Reserve

I Capital Reserve

Capital reserve was created by way of Subsidy received from State of Gujarat and Forfeiture of shares for non payment of allotment money/call money. The reserve will be utilised in accordance with the provisions of the Companies Act, 2013.

II Capital Reserve on Amalgamation

Capital Reserve on Amalgamation is created Pursuant to the scheme of arrangement. The reserve will be utilised in accordance with the provisions of the Companies Act, 2013.

III Capital Reserve on Business Acquisition

Capital Reserve on Consolidation is created pursuant to the scheme of acquisition. The reserve will be utilised in accordance with the provisions of the Companies Act, 2013.

IV Securities Premium

Securities premium is created when shares are issued at premium. The reserve will be utilised in accordance with the provisions of the Companies Act, 2013.

V Surplus arising on giving effect to BIFR Order

This surplus was recognised in pursuant to implementation of the order of Board for Industrial and Financial Reconstruction (BIFR) in respect of the scheme for the rehabilitation of the Company. The reserve will be utilised in accordance with the provisions of the Companies Act, 2013.

VI Share Based Payment Reserve

Share based payment reserve is created against "Borosil Employees Stock Option Scheme 2017" and will be utilised against exercise of the option by the employees on issuance of the equity shares.

VII Retained Earnings

Retained earnings represents the accumulated profits / (losses) made by the Company over the years.

VIII Other Comprehensive Income (OCI) :

Other Comprehensive Income (OCI) includes remeasurements of defined benefit plans.

Note - 22 Non-current financial liabilities - Borrowings

Particulars	(Rs. in Lakhs)	
	As at 31st March, 2024	As at 31st March, 2023
Secured		
Term Loan - From Banks*		
-Indian Currency	20,359.04	21,508.81
-Foreign Currency	3,153.20	5,043.05
Term Loans - From Banks taken by subsidiaries	18,404.43	5,376.46
Total	<u>41,916.67</u>	<u>31,928.32</u>

* Net off processing fees amounting to Rs. 93.56 Lakhs (previous year Rs. 117.06 Lakhs).

22.1 The above term loans from banks including current maturity of long term debts in Note No 26 includes:

- I Rs. 1,008.96 Lakhs (previous year Rs. 1,513.44 Lakhs) is secured by first pari passu Equitable/ Registered mortgage charge on immoveable properties being land and building situated at Bharuch and first pari passu hypothecation charge on all existing and future current assets and movable Property, Plant and Equipment of the Company. Loan is repayable in 8 equal quarterly instalments ending in January, 2026. The term loan carries interest rate @ 9.25% p.a.
- II Rs. 8,109.72 Lakhs (previous year Rs. 7,873.82 Lakhs) is secured by first pari passu Equitable/ Registered mortgage charge on immoveable properties being land and building situated at Bharuch and first pari passu hypothecation charge on all existing and future current assets and movable Property, Plant and Equipment of the Company. Loan shall be repayable in 17 equal quarterly instalments of Rs. 400.00 Lakhs ending in April, 2028 and 16 equal quarterly instalment of Rs. 81.86 Lakhs ending in March, 2028. The term loan carries interest rate @ 9.20% to 9.35% p.a.
- III Foreign currency term loan Rs. 442.39 Lakhs (previous year Rs. 816.02 Lakhs) is secured by first pari passu Equitable/ Registered mortgage charge on immoveable properties being land and building situated at Bharuch and first pari passu hypothecation charge on all existing and future current assets and movable Property, Plant and Equipment of the Company. Loan is repayable in 14 equal monthly instalments ending in May, 2025. The term loan carries interest rate @ 2.94% p.a.
- IV Foreign currency term loan Rs. 4,120.00 Lakhs (previous year Rs. 4,603.66 Lakhs) is secured by first pari passu Equitable/ Registered mortgage charge on immoveable properties being land and building situated at Bharuch and is secured by first pari passu hypothecation charge on all existing and future current assets and movable Property, Plant and Equipment of the Company. Loan shall be repayable in 16 equal quarterly instalments ending in March, 2028. The term loan carries interest rate @ 5.80% p.a.
- V Rs. 1,097.40 Lakhs (previous year Rs. 1,975.32 Lakhs) is secured by exclusive charge on the fixed asset of the Company i.e. Land and Building and hypothecation charge on all present and future, movable plant and machinery situated at Bharuch and current assets of the Company. Loan is repayable in 5 equal quarterly instalments ending in April, 2025. The term loan carries interest rate @ 9.32% p.a.
- VI Rs. 3,339.18 Lakhs (previous year Rs. 3,339.18 Lakhs) is secured by exclusive charge on the fixed asset of the Company i.e. Land and Building and hypothecation charge on all present and future, movable plant and machinery situated at Bharuch and current assets of the Company. Loan shall be repayable in 20 equal quarterly instalments commencing from June 2024 and ending in March, 2029. The term loan carries interest rate @ 8.48% p.a.
- VII Rs. 10,925.00 Lakhs (previous year Rs. 7,367.47 Lakhs) is secured by a first mortgage and charge on the Company's immovable properties (owned), present and future being land and building situated at Bharuch and is further secured by way of hypothecation on the Company's movable plant and machinery situated at Bharuch and charge on all existing and future current assets of the Company. Loan shall be repayable in 19 equal quarterly instalments ending in October, 2028. The term loan carries interest rate @ 8.85% to 8.99% p.a.
- VIII Rs. 3,000.00 Lakhs (previous year Rs. 3,000.00 Lakhs) is secured by exclusive charge on the fixed asset of the Company i.e. Land and Building and hypothecation charge on all present and future, movable plant and machinery situated at Bharuch and current assets of the Company. Loan shall be repayable in 16 equal quarterly instalments commencing from April 2024 and ending in January, 2028. The term loan carries interest rate @ 8.97% p.a.
- IX Rs. 10,826.14 Lakhs (previous year Rs. 5,376.46 Lakhs) borrowing taken by the one of the subsidiaries Company is secured by an irrevocable Standby Letter of Credit given by the Holding Company which is issued by the Indian Bank further above standby letter of credit is secured by exclusive charge on the fixed asset of the Company i.e. Land and Building and hypothecation charge on all present and future, movable plant and machinery situated at Bharuch and current assets of the Company. The said borrowing shall be repaid in 20 equal quarterly instalments commencing from June 2024 and ending on February 2029. The said borrowing carries interest rate @ EURIBOR (3 months) plus 215 basis points.
- X Rs. 10,826.14 Lakhs (previous year Rs. Nil) borrowing taken by the one of the subsidiaries Company is secured by an irrevocable Standby Letter of Credit given by the Holding Company which is issued by the Indian Bank further above standby letter of credit is secured by a first mortgage and charge on the Company's immovable properties (owned), present and future being land and building situated at Bharuch and is also secured by way of hypothecation on the Company's movable plant and machinery situated at Bharuch and charge on all existing and future current assets of the Company. The said borrowing shall be repaid in 20 equal quarterly instalments commencing from October 2024 and ending on July 2029. The said borrowing carries interest rate @ EURIBOR (3 months) plus 225 basis points.

22.2 The Group has used the borrowings from banks for the specific purpose for which it was taken at the balance sheet date.

22.3 There are no charge or satisfaction thereof which are yet to be registered with ROC beyond the statutory period.

22.4 Maturity profile of Term Loans is as under:

		(Rs. in Lakhs)
	Financial Year	Amount
Term Loan from Banks	2024-25	11,684.69
	2025-26	11,792.92
	2026-27	11,005.75
	2027-28	11,005.75
	2028-29	7,123.32
	2029-30	1,082.49
Total		53,694.92

Note - 23 Non-current Financial Liabilities

Particulars	(Rs. in Lakhs)	
	As at 31st March, 2024	As at 31st March, 2023
Amount Payable to HS Timber- (Contingent Consideration)	962.68	860.02
Total	962.68	860.02

23.1 As referred in note No 51 to the consolidated financial statement and pursuant to share purchase agreement dated 21st October 2022, an additional amount of consideration payable to the erstwhile shareholders of GMB Glasmanufaktur Brandenburg GmbH (GMB) and Interfloat Corporation (IF) required to be determined on the basis of the performance of GMB and IF in Calendar Year 2024, 2025 and 2026 equivalent to 20% of EBIT of GMB and IF. Based on the estimates, the said liability has been recognised.

Note - 24 Non-current Financial Liabilities - Provisions

Particulars	(Rs. in Lakhs)	
	As at 31st March, 2024	As at 31st March, 2023
Provisions for Employee Benefits		
Leave Encashment	376.64	279.84
Others		
Other Provisions	4.96	4.93
Total	381.60	284.77

Note - 25 Income Tax

25.1 Current Tax

Particulars	(Rs. in Lakhs)	
	For the Year Ended 31st March, 2024	For the Year Ended 31st March, 2023
Current Income Tax	197.69	2,381.56
Emission tax due to Capital increase	48.57	-
Income Tax of earlier years	(108.70)	-
Total	137.56	2,381.56

25.2 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
Recognised in Statement of Profit and Loss :		
Current Income Tax (Refer Note No. 25.1)	88.99	2,381.56
Deferred Tax - Relating to origination and reversal of temporary differences	(383.11)	658.86
Emission tax due to Capital increase	48.57	-
Total Tax Expenses	(245.55)	3,040.42

25.3 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 (loss)/profit before tax	(5,364.61)	10,106.30
Applicable tax rate	25.17%	25.17%
Computed Tax Expenses	(1,350.17)	2,543.55
Tax effect on account of:		
Property Plant and Equipment	0.30	(36.72)
Financial Instruments	0.62	(5.19)
Other deductions / allowances	706.31	42.91
Expenses not allowed	86.56	52.22
Income Tax for earlier years	(108.70)	-
Additional taxes for the definitive assessment for the Assessment for FY 2018 and 2019	186.86	-
Emission tax due to Capital increase	48.57	-
On account of tax in the subsidiaries operating in other jurisdictions	184.10	443.65
Income tax (credit)/expenses recognised in statement of profit and loss	(245.55)	3,040.42

25.3 Deferred tax liabilities relates to the followings:

Particulars	(Rs. in Lakhs)			
	Balance Sheet		Statement of profit and loss / OCI	
	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, Capital-Work-in-Progress and Intangible Assets	(4,555.23)	(4,002.57)	(552.66)	(1,100.11)
43B Disallowance Under the Income Tax Act, 1961	226.27	179.00	47.27	(9.21)
Financial Liabilities	10.58	214.07	(203.49)	205.39
Financial Assets	56.09	135.63	(79.54)	122.04
Deduction u/s 35DD of Income Tax Act 1961	-	-	-	(6.04)
Unabsorbed Depreciation	1,189.81	-	1,189.81	-
QIP Issue Expenses	19.66	39.31	(19.65)	(19.65)
Total	(3,052.82)	(3,434.56)	381.74	(807.58)

25.4 Reconciliation of deferred tax liabilities (net):

Particulars	(Rs. in Lakhs)	
	As at 31st March, 2024	As at 31st March, 2023
Opening balance as at 1st April	(3,434.56)	(2,626.98)
Deferred Tax Expenses recognised in statement of profit and loss	383.11	(658.86)
Acquisition through Business Combination (Refer Note No 51)	-	(123.08)
On account of foreign exchange fluctuation	(0.80)	(11.01)
Deferred Tax Expenses recognised in Securities Premium	(19.65)	(19.65)
Deferred Tax recognised in OCI	19.08	5.02
Closing balance as at March	(3,052.82)	(3,434.56)

Note - 26 Current Financial Liabilities - Borrowings

Particulars	(Rs. in Lakhs)	
	As at 31st March, 2024	As at 31st March, 2023
Secured		
Working Capital Loans from Banks	3,500.00	5,900.79
Current Maturity of Term Loans	11,684.69	3,819.99
Total	<u>15,184.69</u>	<u>9,720.78</u>

- 26.1 Rs. 1,000.00 Lakhs (previous year Rs. 510.25 Lakhs) is primarily secured by existing and future current assets and all movable plant and machinery of the Company and further secured by exclusive charge on the fixed asset of the Company i.e. Land and Building situated at Bharuch. The working facilities carries interest rate @ 7.75% p.a.
- 26.2 Rs. 1,000.00 Lakhs (previous year Rs. Nil) Export Packing Credit Facility from bank is primarily secured by existing and future current assets and all movable plant and machinery of the Company and further secured by exclusive charge on the fixed asset of the Company i.e. Land and Building situated at Bharuch. The working facilities carries interest rate @ 7.73% p.a.
- 26.3 Rs. Nil (previous year Rs. 253.71 Lakhs) was primarily secured by existing and future current assets and all movable plant and machinery of the Company and further secured by exclusive charge on the fixed asset of the Company i.e. Land and Building situated at Bharuch. The working facilities carried interest rate @ 10.15% p.a.
- 26.4 Rs. 500.00 Lakhs (previous year Rs. 900.00 Lakhs) Export Packing Credit Facility from bank is primarily secured by existing and future current assets and all movable plant and machinery of the Company and further secured by exclusive charge on the fixed asset of the Company i.e. Land and Building situated at Bharuch. The net working facilities carries interest rate @ to 8.00% p.a.
- 26.5 Rs. Nil (previous year Rs. 174.84 Lakhs) was secured by first pari passu charge on current assets of the Company situated at Bharuch. The working facilities carried interest rate @ 8.88% p.a.
- 26.6 Rs. 1,000.00 Lakhs (previous year Rs. 4,061.99 Lakhs) is primarily secured by existing and future current assets and all movable plant and machinery of the Company and further secured by exclusive charge on the fixed asset of the Company i.e. Land and Building situated at Bharuch. The working facilities carries rate @ 8.10% p.a.

Note - 27 Current Financial Liabilities - Trade Payables

Particulars	(Rs. in Lakhs)	
	As at 31st March, 2024	As at 31st March, 2023
Micro, Small and Medium Enterprises	1,138.09	899.54
Others	7,187.68	8,039.74
Total	<u>8,325.77</u>	<u>8,939.28</u>

27.1 Trade Payables Ageing Schedule are as below :-

(Rs. In Lakhs)

Particulars	Outstanding from due date of payment as at 31st March, 2024					Total
	Not Due	Upto 1 Year	1 - 2 Years	2 - 3 Years	More than 3 years	
Total outstanding dues of micro, small & medium Enterprises	690.16	447.93	-	-	-	1,138.09
Total outstanding dues of Creditors other than micro, small & medium Enterprises	5,472.77	1,668.42	2.04	-	3.21	7,146.44
Disputed dues of micro, small and medium enterprises	-	-	-	-	-	-
Disputed dues of creditors other than micro, small and medium enterprises	-	-	-	-	41.24	41.24
Total	6,162.93	2,116.35	2.04	-	44.45	8,325.77

(Rs. In Lakhs)

Particulars	Outstanding from due date of payment as at 31st March, 2023					Total
	Not Due	Upto 1 Year	1 - 2 Years	2 - 3 Years	More than 3 years	
Total outstanding dues of micro, small & medium Enterprises	781.43	118.11	-	-	-	899.54
Total outstanding dues of Creditors other than micro, small & medium Enterprises	2,721.64	5,273.67	-	3.19	-	7,998.50
Disputed dues of micro, small and medium enterprises	-	-	-	-	-	-
Disputed dues of creditors other than micro, small and medium enterprises	-	-	-	-	41.24	41.24
Total	3,503.07	5,391.78	-	3.19	41.24	8,939.28

Note - 28 Current Financial Liabilities - Others

(Rs. in Lakhs)

Particulars	As at	As at
	31st March, 2024	31st March, 2023
Interest accrued but not due on Borrowing	220.52	172.74
Interest accrued and due on Others	0.59	0.58
Unclaimed Dividends*	39.28	58.72
Creditors for Capital Expenditure	2,531.86	4,749.31
Deposits	39.69	80.13
Derivative Liabilities	210.68	41.79
Other Payables (Refer Note No. 28.1)	2,707.42	3,797.03
Total	5,750.04	8,900.30

* This figure does not include any amounts, due and outstanding, to be credited to Investor Education and Protection Fund.

28.1 Other Payables includes outstanding liabilities for expenses, provision for bonus and worker settlement provision etc.

Note - 29 Other Current Liabilities

(Rs. in Lakhs)

Particulars	As at	As at
	31st March, 2024	31st March, 2023
Advance from Customers	794.53	1,343.61
Statutory liabilities	711.87	413.17
Liability towards CO2 emission	-	605.78
Total	1,506.40	2,362.56

Note - 30 Current Provisions

(Rs. in Lakhs)

Particulars	As at	As at
	31st March, 2024	31st March, 2023
Provisions for Employee Benefits		
Gratuity (Funded) (Refer Note No. 41)	167.49	80.28
Leave Encashment	93.20	30.06
Provisions for other employee benefits	781.11	716.67
Others		
Provisions for others	4.51	4.48
Total	1,046.31	831.49

Note - 31 Revenues from Operations

Particulars	(Rs. in Lakhs)	
	For the Year Ended 31st March, 2024	For the Year Ended 31st March, 2023
Sale of Products	1,36,250.64	89,072.43
Sale of Service	0.06	-
Other Operating Revenue	677.64	331.06
Revenue from Operations	<u>1,36,928.34</u>	<u>89,403.49</u>

31.1 Revenue disaggregation by type of goods and services is as follows:

The Group is engaged only in the business of manufacture of Flat Glass which is a single segment in terms of Indian Accounting Standard 'Operating Segments (Ind AS-108) and hence, the requirement of disaggregation by type of goods and services is not applicable.

31.2 Disaggregated Revenue:

Revenue based on Geography:

Particulars	(Rs. in Lakhs)	
	For the Year Ended 31st March, 2024	For the Year Ended 31st March, 2023
India	80,395.50	50,709.25
Outside India	56,532.84	38,694.24
	<u>1,36,928.34</u>	<u>89,403.49</u>

31.3 Reconciliation of Revenue from operations with contract price

Particulars	(Rs. in Lakhs)	
	For the Year Ended 31st March, 2024	For the Year Ended 31st March, 2023
Contract Price	1,37,150.38	89,817.90
Reduction towards variables considerations components *	(222.04)	(414.41)
Total Revenue from operation	<u>1,36,928.34</u>	<u>89,403.49</u>

* The reduction towards variable consideration comprises of volume discounts, quality claims and breakage etc.

Note - 32 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 amortised cost		
- Fixed Deposits with Banks	130.99	154.79
- Others	199.10	76.75
Gain on Sale of Investments (net)		
- Current Investments	-	248.67
Rent Income	5.77	4.00
Gain on Foreign Currency Transactions (net)	-	720.40
Export Incentives	440.72	387.79
Sundry Credit Balance Written Back (net)	85.03	-
Government Grant	647.67	-
Business Support Service Income	90.03	-
Miscellaneous Income	518.58	381.94
Total	<u>2,117.89</u>	<u>1,974.34</u>

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, 2024	For the Year Ended 31st March, 2023
At the end of the Year		
Work-in-Progress	2,349.77	2,088.82
Finished Goods	8,462.16	9,907.14
	<u>10,811.93</u>	<u>11,995.96</u>
On account of acquisition (Refer Note No. 51)		
Work-in-Progress	-	843.85
Finished Goods	-	2,842.51
	<u>-</u>	<u>3,686.36</u>
At the beginning of the Year		
Work-in-Progress	2,088.82	201.58
Finished Goods	9,907.14	1,578.31
	<u>11,995.96</u>	<u>1,779.89</u>
Add: Stock of Trial Run Production (Refer Note No. 7.5)	-	1,134.98
	<u>11,995.96</u>	<u>2,914.87</u>
(Increase)/Decrease in Inventories	<u>1,184.03</u>	<u>(5,394.73)</u>

Note - 34 Employee Benefits Expense

Particulars	(Rs. in Lakhs)	
	For the Year Ended 31st March, 2024	For the Year Ended 31st March, 2023
Salaries, Wages & allowances (Refer Note No. 34.1)	18,385.17	10,196.38
Contribution to Provident and Other Funds (Refer Note No. 41)	296.25	216.54
Share Based Payments (Refer No 42)	60.55	97.45
Staff Welfare Expenses	3,081.78	1,337.73
Total	<u>21,823.75</u>	<u>11,848.10</u>

34.1 Includes Managerial Remuneration of Rs. Nil Lakhs (Previous Year Rs. 100.00 Lakhs), which was subject to shareholder's approval.

Note - 35 Finance Cost

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	2,776.39	711.19
Exchange Differences regarded as an adjustment to Borrowing Costs	17.25	51.36
Interest Expenses on account of fair valuation of liabilities	96.24	7.16
Interest Expenses on Finance lease liabilities (Refer Note No. 47)	31.98	9.48
Total	<u>2,921.86</u>	<u>779.19</u>

Note - 36 Depreciation and amortisation Expenses

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 No. 7)	12,991.84	5,176.71
Amortisation of intangible assets (Refer Note No. 8)	179.75	224.58
Total	<u>13,171.59</u>	<u>5,401.29</u>

Borosil Renewables Limited
Notes to the Consolidated Financial Statements for the year ended 31st March, 2024

Note - 37 Other Expenses

	(Rs. in Lakhs)	
Particulars	For the Year Ended 31st March, 2024	For the Year Ended 31st March, 2023
Manufacturing and Other Expenses		
Consumption of Stores and Spares	4,481.63	2,554.49
Power & Fuel	41,201.08	24,242.33
Packing Materials Consumed	5,890.38	3,283.65
Contract Labour Expenses	3,331.82	2,215.09
Job Processing charges	69.66	7.33
Repairs to Machinery	2,623.13	933.54
Repairs to Buildings	142.75	79.02
Selling and Distribution Expenses		
Sales Promotion and Advertisement Expenses	298.66	211.10
Discount and Commission	232.82	278.92
Freight Outward	7,647.00	6,297.05
Administrative and General Expenses		
Rent	113.18	72.58
Rates and Taxes	174.66	85.62
Other Repairs	180.17	209.31
Insurance	1,125.17	662.73
Legal and Professional Fees (Refer Note No 37.1)	1,773.28	3,525.65
Travelling	1,187.55	954.64
Loss on Foreign Currency Transactions (net)	51.53	-
Bad Debts	0.09	148.71
Less : Reversal of provision for credit Impaired	121.25	31.12
Loss on sale/discarding of Property, Plant and Equipment	22.04	35.26
Directors Sitting Fees	34.15	50.35
Commission to Directors	-	96.00
Payment to Auditors	315.09	227.01
Corporate Social Responsibility Expenditure	343.00	258.98
Research & Development Expenses*	43.35	-
Donation	4.19	0.15
Business support service expense	32.22	-
Sundry Debit Balance Written off (net)	-	6.59
Miscellaneous Expenses	2,283.63	1,171.02
Total	73,480.98	47,576.00

* Research and development expenses does not includes salary & wages and Depreciation.

37.1 Figure for previous year includes acquisition related cost of Rs. 1,930.71 Lakhs incurred by overseas wholly owned subsidiaries.

Note - 38 Exceptional Items

	(Rs. in Lakhs)	
Particulars	As at 31st March, 2024	As at 31st March, 2023
Extra Ordinary item	(3,244.22)	-
Total	(3,244.22)	-

38.1 Exceptional items represents the amount received pursuant to Subsidiary Company's claim filed under the insolvency proceedings relating to an annual contract with a customer before the acquisition by the Company, which was fully written off in 2017.

Note - 39 Earnings Per Equity share (EPS)

Particulars	For the Year Ended 31st March, 2024	For the Year Ended 31st March, 2023
Net (Loss)/profit for the Year attributable to Equity Shareholders for Basic EPS (Rs. in Lakhs)	(4,689.54)	6,963.18
Add: Share based Payments	45.31	72.92
Net (Loss)/profit for the Year attributable to Equity Shareholders for Diluted EPS (Rs. in Lakhs)	(4,644.23)	7,036.10
Weighted average number of equity shares outstanding during the Year for Basic EPS (in Nos.)	13,05,25,743	13,04,31,911
Weighted average number of equity shares outstanding during the Year for Diluted EPS (in Nos.)	13,05,71,037	13,05,40,084
Earnings per share of Re. 1 each (in Rs.)		
- Basic	(3.59)	5.34
- Diluted*	(3.59)	5.34
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.		

Note - 40 Contingent Liabilities and Commitments

40.1 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
Disputed Liabilities in Appeal (No Cash outflow is expected in the near future)		
- Income Tax	548.45	201.47
- Sales Tax	550.84	588.30
- Entry Tax	85.36	85.36
- Wealth Tax (amount paid under protest of Rs. 16.68 Lakhs)	38.45	38.45
- Cenvat Credit/Service Tax	5.89	5.89
- Goods and Service Tax (amount paid under protest of Rs. 14.40 Lakhs (Previous Year Rs. Nil Lakhs)	15.40	-
- Others (amount paid under protest of Rs. 44.13 Lakhs)	100.40	131.18
Guarantees		
- Bank Guarantees	3,520.16	2,126.12
Letter of Credit Outstanding		
-Letter of Credit opened in favour of Suppliers (Cash flow is expected on receipt of material from suppliers)	2,617.85	315.73

40.2 The Company received refund of Rs. 523.98 Lakhs including interest in previous years for transit insurance matter for extended period as mentioned by Hon'ble CESTAT, Ahmedabad in its final order no A/11490-114911 2017 dated 28.07.2017. Aggrieved by the order of the Hon'ble CESTAT, the department had filed appeals before the Hon'ble High court of Gujarat vide Tax appeals no 613-617 of 2018. The said appeals were admitted. However the Hon'ble High court has not granted any stay against operation of the order the Hon'ble CESTAT dated 28-07-2017. The Group does not expect any financial effect of the above matter under litigation.

40.3 Department has filed an appeal with Hon'ble High court of Madras against the order passed in favour of the Company with respect to wealth tax matter for an aggregate amount of Rs. 38.45 Lakhs the AY 1997-98 and AY 1998-99.

40.4 Management is of the view that above litigations will not materially impact the financial position of the Group.

40.5 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	6,042.16	9,378.43
-- Related to Intangible Assets	-	50.08
-- Commitments towards EPCG License	22,094.33	30,043.67

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 year are as under:

Particulars	(Rs. in Lakhs)	
	2023-24	2022-23
Employer's Contribution to Provident Fund (Net of Government Grant)	9.48	1.27
Employer's Contribution to Pension Scheme	217.55	154.95

The contribution to provident fund is made to Employees' Provident Fund managed by Provident Fund Commissioner.

(b) Defined Benefit Plans:

The Gratuity benefits and pension fund of the Group is funded.

The employees' Gratuity Fund and Pension Fund is managed by the Birla Sun Life Insurance Corporation of India and Stiftung Sozialfonds respectively. The present value of obligation is determined based on actuarial valuation using the Projected Unit Credit Method, which recognises 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	Defined Benefit Plans	
	As at 31st March, 2024	As at 31st March, 2023
Actuarial assumptions		
Mortality Table	Indian Assured Lives Mortality (2012-14) Ult and BVG 2020 GT (BFS)	Indian Assured Lives Mortality (2012-14) Ult and BVG 2020 GT (BFS)
Salary growth	1.50% p.a. to 5.00% p.a	1.50% p.a. to 5.00% p.a
Discount rate	1.55% and 7.20%	2.15% and 7.45%
Expected returns on plan assets	2.15% and 7.20%	1.20% and 7.45%
Interest on saving assets	1.55%	2.15%
Withdrawal rates	2.00% p.a at younger ages reducing to 1.00% p.a% at older ages and 25.00%	2.00% p.a at younger ages reducing to 1.00% p.a% at older ages and 25.00%
Disability and Turnover table	BVG 2020	BVG 2020
Treatment of contributions from employees	IAS19.93(b)	IAS19.93(b)

(Rs. in Lakhs)

Particulars	Defined Benefit Plans	
	2023-24	2022-23
Movement in present value of defined benefit obligation		
Obligation at the beginning of the year	1,126.16	597.63
On account of foreign exchange fluctuation	3.81	-
On account of acquisition (Refer Note No. 51)	-	899.08
Current service cost	99.20	124.04
Interest cost	59.19	49.03
Contributions by plan participants	33.17	33.54
Benefits paid	(19.48)	(375.17)
Actuarial loss on obligation	109.31	(201.99)
Obligation at the end of the year	1,411.36	1,126.16
Movement in present value of plan assets		
Fair value at the beginning of the year	1,025.04	507.54
On account of foreign exchange fluctuation	3.58	-
On account of acquisition (Refer Note No. 51)	-	781.62
Interest Income	55.69	43.58
Expected Return on Plan Assets	11.35	(17.04)
Actuarial gain/(loss) on plan assets	10.17	(85.62)
Contributions by plan participants	33.17	33.54
Employer Contribution	124.35	136.59
Benefits paid	(19.48)	(375.17)
Fair value at the end of the year	1,243.87	1,025.04
Amount recognised in Statement of Profit and Loss		
Current service cost	99.20	76.84
Interest cost	3.50	4.32
Pension insurance	(44.07)	-
Total	58.63	81.16
Amount recognised in the other comprehensive income		
Components of actuarial (gain)/losses on obligations:		
Due to Change in financial assumptions	17.85	(30.54)
Due to change in demographic assumption	-	(34.44)
Due to experience adjustments	91.46	67.90
Return on plan assets excluding amounts included in interest income	(21.52)	17.04
Total	87.79	19.96

(c) Fair Value of assets

Particulars	(Rs. in Lakhs)	
	2023-24	2022-23
Birla Sun Life Insurance Corporation of India	699.89	582.41
Stiftung Sozialfonds	543.98	442.63
Total	1,243.87	1,025.04

(d) Net Liability Recognised in the Balance Sheet

Amount recognised in the Balance Sheet	(Rs. in Lakhs)	
	As at 31st March, 2024	As at 31st March, 2023
Present value of obligations at the end of the year	1,411.36	1,126.16
Less: Fair value of plan assets at the end of the year	1,243.87	1,025.04
Net liability recognised in the Balance Sheet	167.49	101.12

(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 of the holding Company:

Particulars	Changes in assumptions	(Rs. in Lakhs)	
		Effect on Defined Benefit Plans Increase/ (Decrease)	
For the year ended 31st March, 2024		(Decrease) / Increase	
Discount rate	+0.5%		(35.11)
	-0.5%		37.61
Salary growth rate	+0.5%		30.13
	-0.5%		(28.54)
Withdrawal rate (W.R.)	W.R. x 110%		2.30
	W.R. x 90%		(2.36)
For the year ended 31st March, 2023		(Decrease) / Increase	
Discount rate	+0.5%		(15.36)
	-0.5%		67.77
Salary growth rate	+0.5%		63.84
	-0.5%		(17.93)
Withdrawal rate (W.R.)	W.R. x 110%		42.20
	W.R. x 90%		(39.29)

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.

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 assumption than the Gratuity Benefits will be paid earlier than expected. Since there is no condition of vesting on the death benefit, the acceleration of cashflow 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 assumption than 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 cashflows.

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 Holding Company 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 Holding 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 an insurance Group. The insurance Group in turn manages these funds as per the mandate provided to them by the trustees and the asset allocation which is within the permissible limits prescribed in the insurance regulations. 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.

41.5 The expected payments towards contributions to the Gratuity (defined benefit plan) is within one year.

41.6 The following payments of the holding Company are expected towards Gratuity in future years:

Year Ended	(Rs. in Lakhs)
	Expected payment
31st March, 2025	48.59
31st March, 2026	30.28
31st March, 2027	47.56
31st March, 2028	61.01
31st March, 2029	122.98
1st April, 2029 to 31st March, 2034	480.98

41.7 The average duration of the defined benefit plan obligation of the holding company at the end of year is 9.34 years (31st March 2023 : 9.57 years).

Note - 42 Share Based Payments

The Company offers equity based option plan to its employees through the Company's stock option plan.

Borosil Employee Stock Option Scheme (ESOS) 2017

On 2nd November, 2017, the Company had introduced Borosil Employee Stock Option Scheme 2017 ("ESOS"), which was approved by the shareholders of the Company to provide equity settled incentive to specific employees of the Company. The ESOS scheme includes tenure based stock options. The specific Employees to whom the Options are granted and their Eligibility Criteria are determined by the Nomination and Remuneration Committee. The Company had granted 3,63,708 options to the employees on 2nd November, 2017 with an exercise price of Rs. 200 per share and further, 79,680 options were granted to an employee on 24th July, 2018 with exercise price of Rs. 254 per share. Exercise period is 5 years from the date of respective vesting of options.

On account of Composite scheme of Amalgamation and Arrangement, the Board of Directors of the Company in its meeting held on 3rd February, 2020, approved modification/amendments to the existing "Borosil Employee Stock Option Scheme 2017" with a view to restore the value of the employee stock options ("Options") pre and post arrangement by providing fair and reasonable adjustment and sought to provide revised exercise price to the existing Option-holders, to whom old employee stock options had been granted under the ESOS 2017.

Pursuant to Composite Scheme of Amalgamation and Arrangement (Scheme), employment of these employees were transferred to Borosil Limited with effect from February 12, 2020, but in terms of clause 30 of the said scheme, their entitlement of options in the Company subsists.

The Nomination and Remuneration committee of the Board had approved adjusted exercise price of Rs. 72.25 per share for the options granted on 2nd November, 2017 and Rs. 91.75 per share for the options granted on 24th July, 2018.

During the year the Company has granted Nil Options, (previous year 85,600 options) to employees of the Company. The Exercise period is 5 years from the date of vesting of respective options.

The details of options granted for the year ended 31 March 2024 is presented below:

Particulars	ESOS 2017	
	As at 31st March, 2024	As at 31st March, 2023
Options as at 1st April	1,97,376	2,54,676
Options granted during the year	-	85,600
Options forfeited during the year	(16,100)	-
Options exercised during the year	(39,616)	(1,42,900)
Options outstanding as at 31st March	1,41,660	1,97,376
Number of option exercisable at the end of the year	1,41,660	1,97,376

The fair values 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 options. The inputs to the model include the share price at date of the 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 about the ESOS granted

Particulars	ESOS 2017
Date of Shareholder's Approval	10th August, 2017
Total Number of Options approved	46,20,000
Vesting Requirements	Time based vesting depending on completion of Service period, starting from 1 year after the date of grant
The pricing Formula	The Exercise price shall be market price of share or discount upto 40% or premium upto 10% to market price of share decided by Nomination and remuneration committee from time to time as on the date of grant.
Maximum Term of options granted	5 years from the date of vesting of options
Method of Settlements	Equity Settled
Sources of Shares	Primary issuance of shares
Variation in terms of ESOP	In FY 2021-22, the Shareholders had approved the limit of discount that could be offered at the time of grant of options under the said ESOS up to 40% on market price of shares and also approved amended ESOS, in order to bring it in line with SEBI (Share based Employee Benefits and Sweat Equity) Regulations, 2021 and to increase the maximum vesting period of options for future grants from 3 years to 5 years.
Method of Accounting	Fair Value Method

In accordance with Ind AS 102, if the modification, on account of business combination, reduces the fair value of the equity instruments granted, measured immediately before and after the modification, the entity shall not take into account that decrease in fair value and shall continue to measure the amount recognised for services received as consideration for the equity instruments based on the original grant date fair value of the equity instruments granted.

Accordingly, the assumptions used in the calculations of original grant date fair value of the options granted are set out below:

ESOS 2017	(Grant Date)			
	02-11-2017	24-07-2018	12-02-2021	12-05-2021
Number of Options	3,63,708	79,680	1,75,000	1,28,000
Exercise Price	Rs. 72.25	Rs. 91.75	Rs. 274	Rs. 240
Share Price at the date of grant	Rs. 228.64	Rs. 281.50	Rs. 276.50	Rs. 266.20
Vesting Period on completion of year				
1st Year	33.00%	50.00%	100.00%	33.00%
2nd Year	33.00%	50.00%		33.00%
3rd Year	34.00%			34.00%
Expected Volatility	38.60% p.a.	37.72% p.a.	40.43% p.a.	25% p.a.
Expected option life	6 months	6 months	24 months	2.51 year(s)
Expected dividends	0.28% p.a.	0.26% p.a.	0.26% p.a.	0.26% p.a.
Risk free interest rate	6.70% p.a.	7.50% p.a.	4.51% p.a.	4.71% p.a.
Fair value per option granted				
Life of option 1.5 yrs	Rs. 65.91	Rs. 77.49	Rs. 71.64	Rs. 54.06
Life of option 2.5 yrs	Rs. 81.41	Rs. 97.99		Rs. 68.44
Life of option 3.5 yrs	Rs. 94.22			Rs. 81.21

ESOS 2017	(Grant Date)				
	05-05-2022	05-05-2022	05-05-2022	05-05-2022	13-02-2023
Number of Options	11,300	19,100	9,600	29,200	16,400
Exercise Price	Rs. 525	Rs. 560	Rs. 595	Rs. 630	Rs. 436
Share Price at the date of grant	Rs. 645	Rs. 645	Rs. 645	Rs. 645	Rs. 466
Vesting Period on completion of year					
1st Year	33.00%	33.00%	33.00%	33.00%	33.00%
2nd Year	33.00%	33.00%	33.00%	33.00%	33.00%
3rd Year	34.00%	34.00%	34.00%	34.00%	34.00%
Expected Volatility	30% p.a.	30% p.a.	30% p.a.	30% p.a.	40% p.a.
Expected option life	2.51 year(s)	2.51 year(s)	2.51 year(s)	2.51 year(s)	2.51 year(s)
Expected dividends	0.26% p.a.	0.26% p.a.	0.26% p.a.	0.26% p.a.	0.26% p.a.
Risk free interest rate	6.34% p.a.	6.34% p.a.	6.34% p.a.	6.34% p.a.	7.30% p.a.
Fair value per option granted					
Life of option 1.5 yrs	Rs. 188.97	Rs. 166.58	Rs. 146.13	Rs. 127.62	Rs. 124.36
Life of option 2.5 yrs	Rs. 225.33	Rs. 205.22	Rs. 186.58	Rs. 169.37	Rs. 159.54
Life of option 3.5 yrs	Rs. 256.21	Rs. 237.76	Rs. 220.49	Rs. 204.35	Rs. 188.15

The Company has recognized total expenses of Rs. 60.55 Lakhs (Previous year Rs. 97.45 Lakhs) related to above equity settled share-based payment transactions for the year ended 31st March, 2024.

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)		Total
	Provision for Credit Impaired	Provision for Expected Credit Loss	
As at 31st March, 2022	31.12	-	31.12
Provision during the year	121.13	-	121.13
Reversal of provision during the year	(31.12)	-	(31.12)
As at 31st March, 2023	121.13	-	121.13
Provision during the year	-	-	-
On account of foreign exchange fluctuation	0.12	-	0.12
Reversal of provision during the year	(121.25)	-	(121.25)
As at 31st March, 2024	-	-	-

Note - 44 Related party disclosure

In accordance with the requirements of Ind AS 24, on 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 year, are as detailed below:

44.1 List of Related Parties :

(a) Associate Company

ReNew Green (GJS Two) Private Limited (w.e.f. 24th August, 2022)

(b) Key Management Personnel

Mr. P.K. Kheruka – Executive Chairman
 Mr. Shreevar Kheruka – Vice-Chairman (Non-Executive Director)
 Mr. Ramaswami Velayudhan Pillai - Whole-time Director (till 31.03.2023)
 Mr. Ashok Jain - Whole-time Director
 Mr. Sunil Kumar Roongta-Chief Financial Officer
 Mr. Kishor Talreja (Company Secretary) (upto 06.05.2024)
 Mr. Ravi Vaishnav (Company Secretary) (from 27.05.2024)

(c) Relative of Key Management Personnel

Mrs. Rekha Kheruka - Relative of Mr. P. K. Kheruka and Mr. Shreevar Kheruka.
 Mrs. Kiran Kheruka - Relative of Mr. P. K. Kheruka and Mr. Shreevar Kheruka.
 Mrs. Priyanka Kheruka - Relative of Mr. P. K. Kheruka and Mr. Shreevar Kheruka.

(d) Enterprises over which persons described in (b) & (c) above are able to exercise significant influence (Other Related Parties) with whom transactions have taken place:-

Borosil Renewables Limited
Notes to the Consolidated Financial Statements for the year ended 31st March, 2024

Borosil Limited
Croton Trading Private Limited

(e) Trust under Common control

Name of the entity	Country of incorporation	Principal Activities
Borosil Renewables Limited Employee Gratuity Fund	India	Company's employee gratuity trust

Nature of Transactions	Name of the Related Party	(Rs. in Lakhs)	
		2023-24	2022-23
Transactions with associate company:			
Investment in Associates	ReNew Green (GJS Two) Private Limited	-	330.00
Purchase of Electricity	ReNew Green (GJS Two) Private Limited	906.49	-
Transactions with other related parties:			
Sale of Service	Borosil Limited	90.03	-
Purchase of Goods	Borosil Limited	14.85	10.19
Purchase of Services	Borosil Limited	32.22	-
Rent Paid	Borosil Limited	13.20	13.20
Reimbursement of expenses to	Borosil Limited	58.02	10.99
Purchase of Goods	Croton Trading Private Limited	85.88	151.71
Directors Sitting Fees	Mr. Shreevar Kheruka	2.85	6.00
Commission to Directors	Mr. Shreevar Kheruka	-	16.00
Managerial/ KMP Remuneration	Mr. P.K. Kheruka	520.00	760.00
	Mr. Ramaswami Velayudhan Pillai	-	250.29
	Mr. Ashok Jain	142.26	237.74
	Mr. Sunil Roongta	110.07	85.35
	Mr. Kishor Talreja	42.70	39.31
Share Based Payment	Mr. Sunil Roongta	3.58	7.66
	Mr. Kishor Talreja	2.46	3.95
Amount Received on account of ESOP Exercise	Mr. Ramaswami Velayudhan Pillai	-	102.75
	Mr. Ashok Jain	-	171.25
	Mr. Sunil Roongta	27.36	26.40

Nature of Transactions	Name of the Related Party	(Rs. in Lakhs)	
		As at 31st March, 2024	As at 31st March, 2023
Balances with associates Company:			
Non current investments	ReNew Green (GJS Two) Private Limited	1,189.50	1,097.80
Balances with other related parties:			
Trade Receivables	Borosil Limited	25.05	-
Trade Payable	Borosil Limited	-	11.73
Current Liabilities - Others	Borosil Limited	2.29	2.29
Other Current assets - Others	Borosil Limited	-	2.23

44.2 Compensation to key management personnel of the Group		(Rs. in Lakhs)	
Nature of transaction	2023-24	2022-23	
Short-term employee benefits	880.31	1,409.17	
Post-employment benefits	38.12	22.93	
Total compensation paid to key management personnel	918.43	1,432.10	

44.3 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.

44.4 Associate Company

Name of the related party	Country of incorporation	% of equity interest	
		As at 31st March, 2024	As at 31st March, 2023
Associate Company			
ReNew Green (GJS Two) Private Limited	India	31.20%	31.20%

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 designated at amortised cost:-

Particulars	(Rs. in Lakhs)			
	As at 31st March, 2024		As at 31st March, 2023	
	Carrying Value	Fair Value	Carrying Value	Fair Value
Financial Assets designated at amortised cost:-				
- Trade Receivable	12,257.29	12,257.29	9,329.64	9,329.64
- Cash and cash equivalents	14,777.37	14,777.37	12,632.63	12,632.63
- Bank Balance other than cash and cash equivalents	1,780.98	1,780.98	636.21	636.21
- Loans	146.27	146.27	94.40	94.40
- Others	3,642.37	3,642.37	2,590.11	2,590.11
	32,604.28	32,604.28	25,282.99	25,282.99

b) Financial Liabilities designated at amortised cost:-

Particulars	(Rs. in Lakhs)			
	As at 31st March, 2024		As at 31st March, 2023	
	Carrying Value	Fair Value	Carrying Value	Fair Value
Financial Liabilities designated at amortised cost:-				
- Borrowings	57,101.36	57,101.36	41,649.10	41,649.10
- Lease Liabilities	490.82	490.82	420.45	420.45
- Trade Payable	8,325.77	8,325.77	8,939.28	8,939.28
- Other Financial Liabilities	6,712.72	6,712.72	9,760.32	9,760.32
	72,630.67	72,630.67	60,769.15	60,769.15

45.2 Fair Valuation techniques used to determine fair value

The Group maintains procedures to value its 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 cash and cash equivalents, other bank balances, trade receivables, trade payables, current loans, current borrowings, deposits and other current 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 borrowings, Security Deposits and Margin money are approximate at their carrying amount due to interest bearing features of these instruments.
- Fair values of mutual fund are derived from published NAV (unadjusted) in active markets for identical assets.
- 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.

45.3 Fair value hierarchy

The Group uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation techniques:-

- i) **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.
- ii) **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.
- iii) **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)		
	As at 31st March, 2024		
	Level 1	Level 2	Level 3
Financial Liabilities designated at fair value through profit or loss:-			
-- Cross Currency swap	-	207.40	-
-- Interest rate swap	-	3.28	-
	-	210.68	-

Particulars	(Rs. in Lakhs)		
	As at 31st March, 2023		
	Level 1	Level 2	Level 3
Financial Liabilities designated at fair value through profit or loss:-			
-- Cross Currency swap	-	-	-
-- Interest rate swap	-	41.79	-
	-	41.79	-

Note - 46 Financial Risk Management objective and policies

The Group is exposed to market risk, credit risk and liquidity risk. Risk management is carried out by the respective Companies 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 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.

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 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 2024 and as at 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 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, GBP and EURO. The Group has obtained foreign currency loans, foreign currency trade payables and trade receivables 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, JPY, GBP and EURO 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	1,25,304	104.47
Trade Receivables	EURO	19,365	17.47
Bank Balance	USD	49,384	41.17
Bank Balance	EURO	54,149	48.85
Trade Payables and Capital Creditors	USD	12,16,625	1,014.35
Trade Payables and Capital Creditors	EURO	3,02,566	273.00
Trade Payables and Capital Creditors	JPY	17,92,000	9.87
Borrowings and interest thereon	EURO	50,78,212	4,581.45

Unhedged Foreign currency exposure as at 31st March, 2023	Currency	Amount in FC	(Rs. in Lakhs)
Trade Receivables	USD	2,72,244	223.83
Trade Receivables	EURO	32,557	29.17
Trade Payables and Capital Creditors	USD	13,91,636	1,144.16
Trade Payables and Capital Creditors	EURO	11,38,277	1,019.98
Trade Payables and Capital Creditors	GBP	2,194	2.23
Borrowings and interest thereon	EURO	60,74,543	5,443.25

Foreign currency sensitivity

1% increase or decrease in foreign exchange rates will have the following impact on profit before tax:-

Particulars	(Rs. in Lakhs)			
	2023-24		2022-23	
	1% Increase	1% Decrease	1% Increase	1% Decrease
USD	(8.69)	8.69	(9.20)	9.20
EURO	(47.88)	47.88	(64.34)	64.34
JPY	(0.10)	0.10	-	-
GBP	-	-	(0.02)	0.02
Increase / (Decrease) in profit before tax	(56.67)	56.67	(73.56)	73.56

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 having non current borrowing in the form of Term Loans. Also, the group is having current borrowings in the form of working capital facility. There is a fixed rate of interest in case of foreign currency Term Loan hence, there is no interest rate risk associated with this borrowing. The group is exposed to interest rate risk associated with Term Loan and working capital facility due to floating rate of interest.

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
Working Capital Facility	(70.00)	70.00	(118.02)	118.02
Term Loan - From Bank	(1,065.05)	1,065.05	(608.91)	608.91
Increase / (Decrease) in profit before tax	(1,135.05)	1,135.05	(726.93)	726.93

The assumed movement in basis points for interest rate sensitivity analysis is based on the currently observable market environment.

c) Commodity price risk:-

The Holding Company is exposed to the movement in price of key consumption materials in domestic and international markets. The Company entered into contracts for procurement of material, most of the transactions are short term fixed price contract and hence Company is not exposed to significant risk.

The Subsidiaries Company is exposed to price increase in raw materials and energy cost in domestic and international markets. To limit the price risk that subsidiaries Company is hedging purchase prices in the field of energy for a significant level of consumption. The subsidiaries Company is also using short term fixed price contracts where applicable. In this respect the subsidiaries Company is not exposed to supererogatory commodity price risk.

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 whether there has been a significant increase in credit risk on an ongoing basis through each reporting year. 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 and operate in largely independent markets. No single customer accounted for 10% or more of revenue in any of the years presented. The history of trade receivables shows a negligible provision for bad and doubtful debts. Therefore, the Group does not expect any material risk on account of non performance by any of the 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	12,257.29	-	9,450.77	121.13

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.

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 and short term borrowings in the form of working capital facility to meet its needs for funds. During the year the Group has breached certain financial covenants as per sanction letter given by the banks. However subsequent to year end lenders have issued condonation letter to the Group in respect of breached covenants. Hence the Group has continued the classification of borrowings as non-current liabilities in the financial statements. The Group has access to a sufficient variety of sources of funding as per requirement.

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 year	Total
As at 31st March, 2024						
Non current borrowings	-	-	-	-	41,916.67	41,916.67
Non current Lease Liabilities	-	-	-	-	231.95	231.95
Other Financial Liabilities	-	-	-	-	962.68	962.68
Short term borrowings	-	6,150.52	3,733.14	5,301.03	-	15,184.69
Current lease Liabilities	-	68.15	125.58	65.14	-	258.87
Trade Payable	-	8,325.77	-	-	-	8,325.77
Other financial liabilities	54.88	5,399.27	-	295.89	-	5,750.04
Total	54.88	19,943.71	3,858.72	5,662.06	43,111.30	72,630.67
As at 31st March, 2023						
Non current borrowings	-	-	-	-	31,928.32	31,928.32
Non current Lease Liabilities	-	-	-	-	227.42	227.42
Other Financial Liabilities	-	-	-	-	860.02	860.02
Short term borrowings	5,900.79	439.75	833.45	2,546.79	-	9,720.78
Current lease Liabilities	-	48.62	49.31	95.10	-	193.03
Trade Payable	-	8,939.28	-	-	-	8,939.28
Other financial liabilities	97.04	8,803.26	-	-	-	8,900.30
Total	5,997.83	18,230.91	882.76	2,641.89	33,015.76	60,769.15

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 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, 2024	For the Year Ended 31st March, 2023
Depreciation expense for right-of-use assets	274.76	82.44
Interest expense on lease liabilities	31.98	9.48
Total amount recognised	306.74	91.92

- (ii) The following is the movement in lease liabilities during the year:

Particulars	(Rs. in Lakhs)	
	As at 31st March, 2024	As at 31st March, 2023
Opening Balance	420.45	-
On account of acquisition (Refer Note No 51)	-	459.37
Addition during the year	334.13	-
Finance cost accrued during the year	31.98	9.48
Payment of lease liabilities	(298.66)	(87.79)
Foreign Currency Translation Reserve Adjustments	2.92	39.39
Closing Balance	490.82	420.45

(iii) The following is the contractual maturity profile of lease liabilities:

Particulars	(Rs. in Lakhs)	
	As at 31st March, 2024	As at 31st March, 2023
Less than one year	258.87	193.03
One year to five years	231.95	227.42
Closing Balance	490.82	420.45

(iv) Lease liabilities carry an effective interest rate is in the range of 5.62% to 9.10%. The average lease term is in the range of 1-5 years.

Note - 48 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.

Note - 49 Interests in other entities

49.1 The consolidated financial statements of the Group includes subsidiaries (including step-down subsidiary) listed in the table below:-

Name	Principal Activities	Country of Incorpo-ration	% equity interest	
			As at 31st March, 2024	As at 31st March, 2023
Geosphere Glassworks GmbH ("GGG")	Investment Holding Company	Germany	100.00%	100.00%
Laxman AG ("LA")	Investment Holding Company	Liechtenstein	100.00%	100.00%
GMB Glasmanufaktur Brandenburg GmbH ("GMB")	Manufacturer of solar and photovoltaic modules, greenhouse constructions and thermal collectors	Germany	86.00%	86.00%
Interfloat Corporation ("IF")	Trading of solar and photovoltaic modules, greenhouse constructions and thermal collectors	Liechtenstein	86.00%	86.00%

During the previous year, the Company had acquired 100% control of Geosphere Glassworks GmbH ("GGG") and incorporated Laxman AG ("LA"). Accordingly, GGG and LA have become wholly owned subsidiaries of the Company.

During the previous year, GGG and LA have acquired 86% control of GMB and IF respectively. Accordingly, GMB and LA have become step down subsidiaries of the Company.

Geosphere Glassworks GmbH holds 86% of the total voting rights in GMB Glasmanufaktur Brandenburg GmbH and Laxman AG holds 86% of the total voting rights in Interfloat Corporation. However, 86% of the beneficial ownership vests with the Geosphere Glassworks GmbH and Laxman AG. In view of the above, GMB Glasmanufaktur Brandenburg GmbH and Interfloat Corporation are step down subsidiary of the Company.

49.2 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, 2024	As at 31st March, 2023
GMB Glasmanufaktur Brandenburg GmbH ("GMB")	Germany	14.00%	14.00%
Interfloat Corporation ("IF")	Liechtenstein	14.00%	14.00%

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	(Rs. in Lakhs)			
	GMB		IF	
	As at 31st March, 2024	As at 31st March, 2023	As at 31st March, 2024	As at 31st March, 2023
Current assets	22,058.81	29,804.13	6,828.06	15,070.29
Current Liabilities	9,520.57	15,048.58	3,059.92	12,756.59
Net current assets / (liabilities)	12,538.24	14,755.55	3,768.14	2,313.70
Non-current assets	20,236.10	8,712.81	982.17	1,055.56
Non-current liabilities	18,612.83	8,745.08	3,273.53	128.79
Net non-current assets / (liabilities)	1,623.27	(32.27)	(2,291.36)	926.77
Net assets	14,161.51	14,723.28	1,476.78	3,240.47
Accumulated NCI	1,982.61	2,061.26	206.75	453.67
Adjustment of foreign currency translation reserve	(170.83)	(157.34)	(48.22)	(46.55)
Non-controlling Interest	1,811.78	1,903.92	158.53	407.12

Summarised Statement of profit and loss	(Rs. in Lakhs)			
	GMB		IF	
	For the Year Ended 31st March, 2024	For the Year Ended 31st March, 2023	For the Year Ended 31st March, 2024	For the Year Ended 31st March, 2023
Revenue from operations	40,979.78	20,435.36	38,835.26	20,614.52
(Loss)/Profit for the year	(658.86)	1,841.25	(1,754.11)	(1,123.42)
Other Comprehensive income	-	-	(20.76)	-
Total comprehensive income	(658.86)	1,841.25	(1,774.87)	(1,123.42)
(Loss)/Profit allocated to NCI	(92.25)	257.78	(248.48)	(157.28)

Note - 50 Investment in an associate

During the previous year, the Company had acquired 31.20% interest in ReNew Green (GJS Two) Private Limited. ReNew Green (GJS Two) Private Limited is a private entity incorporated in India. The Company's interest in ReNew Green (GJS Two) Private Limited is accounted using the equity method in the consolidated financial statements. The summarised financial information of the Company's investment in ReNew Green (GJS Two) Private Limited, which is based on management certified financial statement is as follows:

50.1 Summarised financial information for associates:

Summarised balance sheet	(Rs. in Lakhs)	
	ReNew Green (GJS Two) Private Limited	
	As at 31st March, 2024	As at 31st March, 2023
Current assets	2,926.04	461.32
Current Liabilities	2,988.67	6,023.29
Net current assets/(Liabilities)	(62.63)	(5,561.97)
Non-current assets	13,985.23	9,163.82
Non-current liabilities	10,149.82	122.94
Net non-current assets	3,835.41	9,040.88
Net assets	3,772.78	3,478.91
Share in (31.20%)	1,177.12	1,085.42
Goodwill	12.38	12.38
Net assets	1,189.50	1,097.80

Particulars	(Rs. in Lakhs)	
	ReNew Green (GJS Two) Private Limited	
	As at 31st March, 2024	As at 31st March, 2023
Opening net assets	3,478.91	-
Loss for the year	293.90	-
Other comprehensive income	-	-
Closing net assets	3,772.81	-
Company's share in %	31.20%	31.20%
	1,177.12	-
Good will	12.38	-
Carrying amount	1,189.50	-
		(Rs. in Lakhs)
Summarised statement of profit or loss	ReNew Green (GJS Two) Private Limited	
	For the Year Ended 31st March, 2024	For the Year Ended 31st March, 2023
Net Profit/(Loss) for the year	293.90	(7.06)
Other comprehensive income	-	-
Total Comprehensive income	293.90	(7.06)
Group's share of profit/(Loss)	91.70	(2.20)

Note - 51 Business Combination

51.1 Acquisition during the year ended 31st March, 2023

Summary of acquisition

In connection with acquisition of 86% stake in Interfloat Corporation ("Interfloat") and GMB Glasmanufaktur Brandenburg GmbH ("GMB") (entities engaged in the solar glass manufacturing business, sales and distribution in Europe), the Company had acquired 100% Share Capital of an overseas Company in Germany namely 'YOUCO F22-H190 Vorrats-GmbH – renamed as Geosphere Glassworks GmbH', and had incorporated an overseas wholly owned subsidiary Company in Liechtenstein namely 'Laxman AG'. The said Companies have been become wholly owned subsidiaries of the Company.

Purchase Consideration

Overseas Wholly Owned Subsidiaries ("WOS") of the Company namely, Geosphere Glassworks GmbH ("Geosphere") and Laxman AG, had acquired 86% stake in GMB Glasmanufaktur Brandenburg GmbH ("GMB") and Interfloat Corporation ("Interfloat"), respectively, in Europe, for an upfront consideration of EUR 5.50 million and EUR 2.00 million for acquisition of GMB and IF paid in cash and additional consideration amount to be determined on the basis of performance of GMB and IF in calendar year 2024, 2025 and 2026, equivalent to 20% of EBIT of GMB and IF. Consequently, both GMB and Interfloat have become step-down subsidiary companies of the Company with effect from 21st October, 2022.

Additionally, an amount of EUR 1.50 million was paid to the existing minority shareholder, Blue Minds IF Beteiligungs GmbH ("Blue Minds") as consideration against waiver by Blue Minds of its rights under the existing shareholders agreement. Geosphere has stepped-in as a creditor to Interfloat to the tune of EUR 2.48 million by taking over a factoring agreement executed between GMB and HS Timber Group GmbH.

Assets acquired and liabilities assumed

The fair values of the identifiable assets and liabilities of GMB Glasmanufaktur Brandenburg GmbH ("GMB") and Interfloat Corporation ("IF") as at the date of acquisition were:

Particulars	(Rs. in Lakhs)	
	Fair Value recognised on acquisition	
	GMB	IF
Assets		
Property, plant and equipment	2,956.36	11.93
Intangible assets	175.39	984.61
Capital work in progress	667.24	-
Inventories	5,261.75	-
Trade receivable	9,939.48	5,128.47
Cash and cash equivalents	6,942.77	5,543.74
Other current financial assets	1,392.69	5,421.47
Current tax assets	1.92	131.64
Other current assets	1,042.10	40.04
Deferred tax assets	331.20	-
	28,710.90	17,261.90
Liabilities		
Borrowings	5,421.47	-
Non-current lease liabilities	279.29	-
Non-current provision	4.52	-
Current lease liabilities	180.08	-
Trade payable	7,432.02	10,765.29
Current financial liabilities	1,899.23	118.40
Other current liabilities	841.08	266.23
Provisions	509.63	36.16
Current tax liabilities	54.21	1,921.33
Deferred tax liabilities	331.20	123.08
	16,952.73	13,230.49
Net identifiable assets at	11,758.17	4,031.41

Particulars	(Rs. in Lakhs)	
	GMB	IF
Calculation of Bargain Purchase		
Consideration transferred	5,668.73	2,491.58
Less:- Net Identifiable assets acquired	11,758.17	4,031.41
Less:- Non-controlling interest in the acquired entity	1,646.14	564.40
Bargain Purchase	(4,443.30)	(975.43)

The Overseas Wholly Owned Subsidiaries had identified and recognised gain on a bargain purchase of Rs. 5,418.74 Lakhs which had been shown under the head of Other Comprehensive Income and accumulated in Other Equity as Capital reserve in compliance with the respective provisions of Ind AS 103 "Business Combination".

Non-controlling Interest:-

For non-controlling interest in GMB Glasmanufaktur Brandenburg GmbH ("GMB") and Interfloat Corporation ("IF"), the Group elected to recognise the non-controlling interest at its proportionate share of the acquired net identifiable assets.

Purchase Consideration - Outflow of cash to acquire subsidiaries and step down subsidiaries, net of cash acquired

Particulars	(Rs. in Lakhs)	
	GMB	IF
Consideration transferred	5,668.73	2,491.58
Less:- Balances Acquired (Included in cash flow from investing activities)		
Cash and cash equivalents	6,942.77	5,543.74
Other bank balances	1,392.69	5,421.47
Net inflow of cash - Investing activities	(2,666.73)	(8,473.63)

Note - 52 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, fixed deposits and current investments. Equity comprises all components including other comprehensive income.

(Rs. in Lakhs) (Rs. in Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Total Debt	57,194.92	41,766.16
Less:- Cash and cash equivalent	14,777.37	12,632.63
Less:- Fixed Deposits	2,239.54	1,399.63
Net Debt	40,178.01	27,733.90
Equity (Equity Share Capital plus Other Equity)	87,305.71	91,941.70
Total Capital (Equity plus net debts)	1,27,483.72	1,19,675.60
Gearing ratio	31.52%	23.17%

Note - 53 Segment Information

53.1 The Group is engaged only in the business of manufacture of Flat Glass which is a single segment in terms of Indian Accounting Standard 'Operating Segments (Ind AS-108).

53.2 Revenue from Operations

Particulars	(Rs. in Lakhs)	
	As at 31st March, 2024	As at 31st March, 2023
India	80,395.50	50,709.25
Outside India	56,532.84	38,694.24
Total	1,36,928.34	89,403.49

53.3 No single customer has accounted for more than 10% of the Group revenue for the year ended 31st March, 2024 and 31st March, 2023.

53.4 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, 2024	As at 31st March, 2023
India	85,081.43	95,593.29
Outside India	21,037.83	9,768.37
Total	1,06,119.26	1,05,361.66

Note - 54 Other Statutory Information

54.1 There are no balances outstanding on account of any transaction with companies struck off under section 248 of the Companies Act, 2013 or section 560 of the Companies Act, 1956.

54.2 The Group has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise) that the 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 Beneficiaries) or (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

54.3 The Group has not received any fund from any person(s) or entity(s), 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.

54.4 The Group does not have any such transaction which is not recorded in the books of account that has been surrendered or disclosed as income during the year in the tax assessments under the Income-tax act, 1961.

54.5 The Group is not declared wilful defaulter by any bank or financial institution or other lender.

Note - 55 Previous Year figures have been regrouped and rearranged wherever necessary.

Note 56 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
Parent								
Borosil Renewables Limited	96.53%	86,175.04	35.24%	(1,652.42)	76.97%	(47.95)	35.78%	(1,700.37)
Foreign Subsidiaries								
Geosphere Glassworks GmbH	-3.25%	(2,900.94)	17.17%	(805.37)	0.00%	-	16.95%	(805.37)
Laxman AG	5.62%	5,021.69	5.62%	(263.53)	0.00%	-	5.55%	(263.53)
Foreign Step-down Subsidiaries								
GMB Glasmanufaktur Brandenburg GmbH	15.86%	14,161.52	14.04%	(658.22)	0.00%	-	13.85%	(658.22)
Interfloat Corporation	1.65%	1,476.78	37.42%	(1,754.76)	33.31%	(20.75)	37.36%	(1,775.51)
Non controlling Interest	2.21%	1,970.31	7.20%	(337.82)	4.67%	(2.91)	7.17%	(340.73)
Associates Company								
ReNew Green (GJS Two) Private Limited	1.33%	1,189.50	-1.96%	91.70	0.00%	-	-1.93%	91.70
Consolidation Adjustments / Elimination	-19.96%	(17,817.88)	-14.73%	690.88	-14.94%	9.31	-14.74%	700.19
Total	100.00%	89,276.02	100.00%	(4,689.54)	100.00%	(62.30)	100.00%	(4,751.84)

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)

P.K. Kheruka
Chairman
(DIN-00016909)

Ashok Jain
Whole-Time Director
(DIN-00025125)

Anuj Bhatia

Partner

Membership No. 122179

Ravi Vaishnav
Company Secretary
Membership No. A-34607

Sunil Kumar Roongta
Chief Financial Officer

Place : Mumbai

Date : 27th May, 2024

A. Salient Features of Financial Statements of Subsidiaries (including step-down subsidiaries) / Associate as per Companies Act, 2013
A-1. Subsidiaries

Sl. No.	Particulars	Subsidiaries		Step-down subsidiaries	
		Geosphere Glassworks GmbH	Laxman AG	GMB Glasmanufaktur Brandenburg GmbH	Interfloat Corporation
1	The date since when subsidiary was acquired	25.04.2022	12.07.2022	21.10.2022	21.10.2022
2	Reporting period for the subsidiary concerned, if different from the holding company's reporting period [^]	01.01.2023 to 31.12.2023	i) 12.07.2022 to 31.12.2023 ii) 01.01.2024 to 31.03.2024	i) 01.01.2023 to 31.12.2023 ii) 01.01.2024 to 31.03.2024	01.01.2023 to 31.03.2024
3	Reporting Currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries ^{^^}	EURO	EURO	EURO	EURO
4	Share Capital (Rs. in Lakhs)	22.55	5,344.50	225.54	270.65
5	Other Equity (Rs. in Lakhs)*	(2,923.50)	(322.81)	13,935.97	1,206.13
6	Total Assets (Rs. in Lakhs)	6,238.84	6,042.26	42,294.91	7,810.23
7	Total Liabilities (Rs. in Lakhs)	9,139.79	1,020.57	28,133.40	6,333.45
8	Investments (Rs. in Lakhs)	6,225.94	2,736.49	-	-
9	Revenue From Operations (Rs. in Lakhs)	-	119.71	40,979.78	38,835.26
10	Profit / (Loss) before Tax (Rs. in Lakhs)	(805.37)	(213.35)	(653.42)	(1,574.19)
11	Provision for Taxation (Rs. in Lakhs)	-	50.18	5.44	179.92
12	Profit / (Loss) After Taxation (Rs. in Lakhs)	(805.37)	(263.53)	(658.86)	(1,754.11)
13	Other Comprehensive Income	-	-	-	(20.76)
14	Total Comprehensive Income	(805.37)	(263.53)	(658.86)	(1,774.87)
15	Proposed Dividend	-	-	-	-
16	% of shareholding#	100.00%	100.00%	86.00%	86.00%
17	Country	Germany	Liechtenstein	Germany	Liechtenstein

[^]Subsidiaries (including step-down subsidiaries) follow the different period(s) for financial reporting. However, for the purpose of this statement as well as for the consolidated financial statements, the period from April 01, 2023 to March 31, 2024 has been considered.

^{^^} Subsidiaries (including step-down subsidiaries) report their financial figures in EUR. However, their financial figures in this statement as well as in consolidated financial statements have been reported in INR after conversion of EUR.

1 EUR = Rs. 90.22 (31.03.2024)

*Includes Reserves and Surplus

Geosphere Glassworks GmbH holds 86% stake in GMB Glasmanufaktur Brandenburg GmbH and Laxman AG holds 86% stake in Interfloat Corporation.

BOROSIL RENEWABLES LIMITED**Form No. AOC-1****A-2. Associate Company**

Sl. No.	Particulars	ReNew Green (GJS Two) Private Limited
1	Latest Audited Balance Sheet*	31.03.2024
2	Date on which the Associate was associated or acquired	24.08.2022
3	Shares of Associate held by the company on the year end	
a.	No. of shares	1,00,00,000
b.	Amount of Investment in Associates (Rs. In Lakhs)	1,100.00
c.	Extent of Holding (%)	31.20%
4	Description of how there is significant influence	Through percentage of voting rights
5	Reason why the associate is not consolidated	NA
6	Networth attributable to Shareholding as per latest audited Balance Sheet (Rs. In Lakhs)	1,189.50
7	Profit / (Loss) for the year	
a.	Considered in Consolidation (Rs. in Lakhs)	91.70
b.	Not Considered in Consolidation (Rs. in Lakhs)	-
8	Other comprehensive income for the year	-
a.	Considered in Consolidation (Rs. in Lakhs)	-
b.	Not Considered in Consolidation (Rs. in Lakhs)	-

* The figures of the associate are not audited but are certified by its Management.

Notes:

- i The above statement also indicates performance and financial position of each of the subsidiaries (including step-down subsidiaries) and associate company.
- ii None of the Subsidiaries/Associates of the Company is yet to commence its operations.
- iii None of the Subsidiaries/Associates of the Company has been liquidated or sold during the year.

For and on behalf of the Board of Directors

P.K. Kheruka
Chairman
(DIN-00016909)

Ashok Jain
Whole-Time Director
(DIN-00025125)

Ravi Vaishnav
Company Secretary
Membership No. A-34607

Sunil Kumar Roongta
Chief Financial Officer

Date : 27th May, 2024

INDEPENDENT AUDITOR’S REPORT

TO THE MEMBERS OF BOROSIL RENEWABLES LIMITED

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying Consolidated Financial Statements of **BOROSIL RENEWABLES LIMITED** (hereinafter referred to as “the Holding Company”) and its subsidiaries (the Holding Company and its subsidiaries together referred to as “the Group”) and its associate, which comprise the Consolidated Balance sheet as at 31st March, 2023, and the Statement of Consolidated Profit and Loss (including Other Comprehensive Income), the Statement of Consolidated Changes in Equity and the Statement of Consolidated Cash Flows 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 and based on the consideration of report of other auditor on separate Financial Statements and on the other financial information of subsidiaries and associate, 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 and of its associate as at 31st March, 2023 and their consolidated profit including other comprehensive income, the consolidated statement of changes in equity and their consolidated cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the Consolidated Financial Statements 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 and its associate in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (‘ICAI’) together with the ethical requirements that are relevant to our audit of the Consolidated Financial Statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI’s Code of Ethics. We believe that the audit evidence obtained by us and other auditors in terms of their reports 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 (KAM)

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 31st 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.

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
(i) Revenue	
<p>Revenue is recognized when control of the underlying products has been transferred along with satisfaction of performance obligation. In determining the sales price, the Holding Company considers the effects of rebates and discounts (variable consideration). 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>Risk exists that revenue is recognized 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"> • Assessing the environment of the IT systems related to invoicing and measurement as well as other relevant systems supporting the accounting of revenue. • 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; • Verifying the completeness of disclosure in the Consolidated Financial Statements as per Ind AS 115.

(ii) Capitalization of Property, Plant and Equipment	
<p>During the year ended 31st March, 2023, the Holding Company has incurred significant capital expenditure. Further, out of the total additions to property, plant and equipment of 70,737.55 Lakhs in the current year, significant part of the capitalization pertains to new additional furnace of 550 TPD for production of Solar Glass. 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.</p> <p>Further it is a material item on the balance sheet in value terms, 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"> • Performing walk-through of the capitalization process and testing the design and operating effectiveness of the controls in the process. • 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. • Assessing that the borrowing cost capitalized is in accordance with the accounting policy of the Company. • 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.

Other Information

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 and associate not audited by us, is traced from their respective 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 terms 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, the Consolidated Statement of Changes in Equity and Consolidated Cash Flows of the Group and its Associate in accordance with the accounting principles generally accepted in India, including Indian Accounting Standards ('Ind AS') prescribed under Section 133 of the Act read with relevant Rules issued thereunder.

The respective Board of Directors of the companies included in the Group and of its associate are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and its associate and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the 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 and of its associate are responsible for assessing the ability of the Group and of its associate and 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 Board of Directors of the companies included in the Group and of its associate are responsible for overseeing the financial reporting process of the Group and of its associate.

Auditors' Responsibility 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 financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3) (i) of the Act, we are also responsible for expressing our opinion on whether the Holding Company has adequate internal financial controls system with reference to Consolidated 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 and of its associate 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 and of its associate 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 and its associate 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 Consolidated 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 audits carried out by them. 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 of the current year 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 Matter

- (i) We did not audit the Consolidated Financial Statements/financial information of two Subsidiaries (includes two step down subsidiaries), whose Consolidated Financial Statements reflect total assets of ₹ 54,838.12 Lakhs as at 31st March, 2023, total revenues of ₹ 41,049.88 Lakhs and net cash inflows amounting to ₹ 39.45 Lakhs for the year ended on that date, as considered in the Consolidated Financial Statements. These financial statements have been audited by other auditors 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 these aforesaid 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 report 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) The Consolidated Financial Statements include Group's share of net (loss) after tax of ₹ (2.20) Lakhs for year ended 31st March, 2023, as considered in the Consolidated Financial Statements, in respect of an associate, whose financial statements/ other financial information have not been audited and whose unaudited financial statements/other financial information have been furnished to us by the management. Our opinion on the Consolidated Financial Statement, in so far as it relates to the amounts and disclosures included in respect of above associate and our report in terms of sub- section (3) of Section 143 of the Act in so far as it relates to the above associate, are based solely on such unaudited financial statements. In our opinion and according to the information and explanations given to us by the Management, this financial statement/other financial information is not material to the Group.

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 financial statements/other financial information as certified by the management.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit and on the consideration of the reports of the other auditors 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 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 reports of the other auditors.
 - c. The Consolidated Balance Sheet, the Statement of Consolidated Profit and Loss (Including other comprehensive income), the Statement of Consolidated Changes in Equity and the Statement of Consolidated Cash Flows dealt with by this Report are in agreement with the 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 Ind AS prescribed under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended.
 - e. On the basis of the written representations received from the directors of the Holding Company as on 31st March, 2023 and taken on record by the Board of Directors of the Holding Company, none of the directors of the Holding companies, is disqualified as on 31st 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 Consolidated Financial Statements and the operating effectiveness of such controls, refer to our separate Report in "**Annexure A**", which is based on our reports of the Holding Company, 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, the managerial remuneration for the year ended 31st March, 2023 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. However Managerial Remuneration provided for two Whole Time Directors of the Holding Company amounting to ₹ 100.00 Lakhs, is subject to Shareholders 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 Auditors) Rules, 2014, 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 the report of the other auditors on separate financial statements as also the other financial information of the subsidiaries and associate, as noted in the 'Other matter' paragraph:
 - i. The Consolidated Financial Statements disclose the impact of pending litigations on the Consolidated financial position of the Group and its Associate as referred to in Note No. 39 to the Consolidated Financial Statements;
 - ii. The Group and its associate did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There has been no delay in transferring amounts, required to be transferred to the Investor Education and Protection Fund by the Holding Company.

- iv. (a) Managements of the Holding Company, have represented to us, 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 Holding Company to or in any other person or entity, including foreign entity (“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 Holding Company (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- (b) Managements of the Holding Company, have represented to us, that to the best of their knowledge and belief, as disclosed in the notes to the Consolidated Financial Statements, no funds have been received by the Holding Company from any person or entity, including foreign entity (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the Holding Company 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 our audit procedure conducted that are considered reasonable and appropriate in the circumstances, nothing has come to our attention that cause us to believe that the representation given by the management under paragraph (h) (iv) (a) & (b) above, contain any material misstatement.
- v. The Group and its associate 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, we report that there are no qualification or adverse remarks in the CARO report of the said company 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 1st April, 2023 to the Holding Company and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended 31st March, 2023

For **Chaturvedi & Shah LLP**
Chartered Accountants
Firm Reg. No. 101720W / W100355

Anuj Bhatia
Partner
Membership No. 122179
UDIN No.: 23122179BGQWUA4373

Place : **Mumbai**
Dated : **May 24, 2023**

“ANNEXURE A” TO THE INDEPENDENT AUDITOR’S REPORT

(Referred to in paragraph 1 (f) under ‘Report on Other Legal and Regulatory Requirements’ of our report of even date on Consolidated Financial Statements of BOROSIL RENEWABLES LIMITED for the year ended 31st 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”)

We have audited the internal financial controls with reference to Consolidated Financial Statements of **BOROSIL RENEWABLES LIMITED** (hereinafter referred to as “the Holding Company”), as of 31st March, 2023 in conjunction with our audit of the Consolidated Financial Statements of the Holding Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

The Board of Directors of the Holding Company, are responsible for establishing and maintaining internal financial controls with reference to consolidated financial statements based on the internal control criteria established by the Holding Company 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 Holding 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 Holding Company, based on our audit. We conducted our audit in accordance with the Guidance Note issued by the ICAI and the Standards of Auditing prescribed under Section 143(10) of the Companies Act, 2013, 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 these 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 system with reference to these consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to these Consolidated Financial Statements included obtaining an understanding of internal financial controls with reference to these 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 judgment, 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 is sufficient and appropriate to provide a basis for our audit opinion on internal financial controls system with reference to these Consolidated Financial Statements.

Meaning of Internal Financial Controls with reference to these Consolidated Financial Statements

A company’s internal financial control with reference to these 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 these consolidated 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 authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized 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 these 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 Consolidated Financial Statements to future periods are subject to the risk that the internal financial control with reference to Consolidated 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, the Holding Company, have maintained in all material respects, adequate internal financial controls system with reference to these Consolidated Financial Statements and such internal financial controls with reference to these Consolidated Financial Statements were operating effectively as at 31st March, 2023, based on the internal control criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For **Chaturvedi & Shah LLP**
Chartered Accountants
Firm Reg. No. 101720W / W100355

Anuj Bhatia
Partner
Membership No. 122179
UDIN No.: 23122179BGQWUA4373

Place : **Mumbai**
Dated : **May 24, 2023**

CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2023

(₹ in lakhs)

Particulars	Note No.	As at 31 st March, 2023	
I. ASSETS			
1 Non-current Assets			
(a) Property, Plant and Equipment	7	96,386.16	
(b) Capital Work-in-Progress	7	6,969.58	
(c) Intangible Assets	8	1,310.77	
(d) Intangible Assets under Development	8	41.70	
(e) Goodwill	47	2.47	
(f) Financial Assets			
(i) Investments	9	1,097.80	
(ii) Loans	10	27.90	
(iii) Others	11	1,059.84	
(g) Other Non-current Assets	12	653.45	107,549.67
2 Current Assets			
(a) Inventories	13	26,469.01	
(b) Financial Assets			
(i) Trade Receivables	14	9,329.64	
(ii) Cash and Cash Equivalents	15	12,632.63	
(iii) Bank Balances other than (ii) above	16	636.21	
(iv) Loans	17	66.50	
(v) Others	18	1,767.97	
(c) Current Tax Assets (Net)		320.72	
(d) Other Current Assets	19	4,452.34	55,675.02
TOTAL ASSETS			163,224.69
II. EQUITY AND LIABILITIES			
EQUITY			
(a) Equity Share Capital	20	1,304.98	
(b) Other Equity	21	90,636.72	
Equity attributable to the Owners			91,941.70
Non-controlling Interest			2,311.04
Total Equity			94,252.74
LIABILITIES			
1 Non-Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	22	31,928.32	
(ii) Lease Liabilities	46	227.42	
(iii) Other Financial Liabilities	23	860.02	
(b) Provisions	24	284.77	
(c) Deferred Tax Liabilities (Net)	25	3,434.56	36,735.09
2 Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	26	9,720.78	
(ii) Lease Liabilities	46	193.03	
(iii) Trade Payables	27		
A) Total outstanding dues of Micro and Small Enterprises		775.70	
B) Total outstanding dues of creditors Other than Micro and Small Enterprises		8,163.58	
		8,939.28	
(iv) Other Financial Liabilities	28	8,900.30	
(b) Other Current Liabilities	29	2,362.56	
(c) Provisions	30	831.49	
(d) Current Tax Liabilities (net)		1,289.42	32,236.86
TOTAL EQUITY AND LIABILITIES			163,224.69
Significant Accounting Policies and Notes to the 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)

Anuj Bhatia

 Partner
 Membership No. 122179

 Date: 24th May, 2023

Ashok Jain

 Whole-time Director
 (DIN-00025125)

Kishor Talreja

 Company Secretary
 Membership No. F7064

P. K. Kheruka

 Chairman
 (DIN-00016909)

Sunil Kumar Roongta

Chief Financial Officer

STATEMENT OF CONSOLIDATED PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2023

Particulars	Note No.	(₹ in lakhs) For the Year Ended 31 st March, 2023
I Income		
Revenue from Operations	31	89,403.49
Other Income	32	1,974.34
Total Income (I)		91,377.83
II Expenses:		
Cost of Materials Consumed		21,061.68
Changes in Inventories of Finished Goods, Work-in-Progress and Stock-in-Trade	33	(5,394.73)
Employee Benefits Expense	34	11,848.10
Finance Costs	35	779.19
Depreciation and Amortisation Expense	36	5,401.29
Other Expenses	37	47,576.00
Total Expenses (II)		81,271.53
III Profit before share of profit in associate, exceptional items and tax (I-II)		10,106.30
IV Share of profit/(Loss) in associates		(2.20)
V Profit before exceptional and extraordinary items and tax (III+IV)		10,104.10
VI Exceptional Items		-
VII Profit Before Tax (V+VI)		10,104.10
VIII Tax Expense:	25	
(1) Current Tax		2,381.56
(2) Deferred Tax		658.86
Total Tax Expenses		3,040.42
IX Profit for the Year (VII-VIII)		7,063.68
X Other Comprehensive Income (OCI)		
i) Items that will not be reclassified to profit or loss:		
Re-measurement gains / (losses) on Defined Benefit Plans		(19.96)
Bargain Purchase gain (Refer Note No. 50)		5,418.74
Income Tax effect on above		5.02
		5,403.80
ii) Items that will be reclassified to profit or loss:		
Exchange difference in translating the financial statement of a foreign operation		654.60
Income Tax effect on above		-
		654.60
Total Other Comprehensive Income		6,058.40
XI Total Comprehensive Income for the Year (IX + X)		13,122.08
XII. Profit attributable to		
Owners of the Company		6,963.18
Non-controlling Interest		100.50
		7,063.68
XIII. Other Comprehensive Income attributable to		
Owners of the Company		6,058.40
Non-controlling Interest		-
		6,058.40
XIV. Total Comprehensive Income attributable to		
Owners of the Company		13,021.58
Non-controlling Interest		100.50
		13,122.08
XV. Earnings per Equity Share of ₹1/- each (in ₹)	38	
- Basic		5.34
- Diluted		5.34
Significant Accounting Policies and Notes to the 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)

Anuj Bhatia

Partner
Membership No. 122179

Date: 24th May, 2023

Ashok Jain
Whole-time Director
(DIN-00025125)

Kishor Talreja
Company Secretary
Membership No. F7064

P. K. Kheruka
Chairman
(DIN-00016909)

Sunil Kumar Roongta
Chief Financial Officer

**BOROSIL RENEWABLES LIMITED
STATEMENT OF CONSOLIDATED CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH, 2023**

A. Equity Share Capital

(₹ in lakhs)

Particulars	As at 31 st April, 2022	Changes during 2022-23	As at 31 st March, 2023
Equity Share Capital (Refer Note No 20.2)	1,303.55	1.43	1,304.98

B. Other Equity

(₹ in lakhs)

Particulars	Attributable to equity owners						Non-controlling Interest	Total		
	Capital Reserve	Capital Reserve on Amalgamation	Securities Premium	Surplus arising on giving effect to BIFR Order	Share Based Payment Reserve	Retained Earnings			Items of Other Comprehensive Income	Total Other Equity
Balance as at 1 st April, 2022	32.02	(4,620.69)	53,785.33	1,996.41	140.55	25,997.57	(146.65)	77,184.54	-	77,184.54
Total Comprehensive Income	-	-	-	-	-	6,963.18	(14.94)	13,021.58	100.50	13,122.08
Acquisition through Business Combination (Refer Note No 50)	-	-	-	-	-	-	-	-	-	2,210.54
Share based payment (Refer Note No. 41)	-	-	-	-	97.45	-	-	-	97.45	-
Exercise of Employee Stock option (Refer Note No. 20.2)	-	-	453.88	-	(101.09)	-	-	352.79	-	352.79
Reversal of Deferred Tax (QIP Expenses)	-	-	(19.64)	-	-	-	-	(19.64)	-	(19.64)
As at 31st March, 2023	32.02	(4,620.69)	54,219.57	1,996.41	136.91	32,960.75	(161.59)	90,636.72	2,311.04	92,947.76

As per our Report of even date

For Chaturvedi & Shah LLP
Chartered Accountants
(Firm Registration No. 101720W/W100355)

Anuj Bhatia
Partner
Membership No. 122179
Date: 24th May, 2023

For and on behalf of Board of Directors

Ashok Jain
Whole-time Director
(DIN-00025125)

P. K. Kheruka
Chairman
(DIN-00016909)

Kishor Talreja
Company Secretary
Membership No. F7064

Sunil Kumar Roongta
Chief Financial Officer

BOROSIL RENEWABLES LIMITED
STATEMENT OF CONSOLIDATED CASH FLOW FOR THE YEAR ENDED 31ST MARCH, 2023

(₹ in lakhs)

Particulars	For the Year Ended 31 st March, 2023	
A. Cash Flow from Operating Activities		
Profit Before Tax as per Statement of Profit and Loss		10,104.10
Adjusted for :		
Depreciation and Amortisation Expense	5,401.29	
Unrealised Loss on Foreign Currency Transactions and Translation (net) *	594.52	
Interest Income	(154.79)	
Government Grant	(420.11)	
Acquisition related expenses	1,930.71	
Gain on sale of investments (net)	(248.67)	
Share of (Profit)/Loss in associates	2.20	
Loss on sale/discard of Property, Plant and Equipment	35.26	
Share Based Payment Expense	97.45	
Finance Costs	779.19	
Sundry Debit Balance Written off (net)	6.59	
Provision for Credit Impaired	117.59	8,141.23
Operating Profit before Working Capital Changes		18,245.33
Adjusted for :		
Trade and Other Receivables	367.77	
Inventories	(14,327.88)	
Trade and Other Payables	(3,553.97)	(17,514.08)
Cash generated from operations		731.25
Direct Taxes Paid (net)		(1,368.32)
Net Cash flow used in Operating Activities		(637.07)
B. Cash Flow from Investing Activities		
Purchase of Property, Plant and Equipment and Intangible Assets		(34,749.81)
Sale of Property, Plant and Equipment		57.75
Investment in Subsidiaries		(8,162.78)
Investment in Associate		(1,100.00)
Purchase of Investments		(2,089.90)
Acquisition related expenses		(1,930.71)
Sale of Investments		23,706.56
Interest received		152.25
Net Cash used in Investing Activities		(24,116.64)
C. Cash Flow from Financing Activities		
Proceeds from Issue of Share Capital		354.22
Proceeds from Non-current Borrowings		21,672.02
Repayment of Non-current Borrowings		(1,768.90)
Movement in Current Borrowings (net)		5,879.23
Margin Money (net)		(525.50)
Lease Payment		(87.79)
Interest Paid		(1,944.52)
Government Grant		174.71
Net Cash flow from Financing Activities		23,753.47

STATEMENT OF CONSOLIDATED CASH FLOW FOR THE YEAR ENDED 31ST MARCH, 2023

Particulars	(₹ in lakhs) For the Year Ended 31 st March, 2023
Net Decrease in Cash and Cash Equivalents (A+B+C)	(1,000.24)
Opening Balance of Cash and Cash Equivalents	1,146.36
Acquisition through Business Combination (Refer Note No. 50)	12,486.51
Opening Balance of Cash and Cash Equivalents	13,632.87
Closing Balance of Cash and Cash Equivalents	12,632.63
* On account of translation of foreign subsidiaries	

Notes :

- 1 Changes in liabilities arising from financing activities on account of Non Current Borrowings and Current Borrowings (Including current maturity of term loan):**

Particulars	(₹ in lakhs) For the Year Ended 31 st March, 2023
Opening balance of liabilities arising from financing activities	15,722.96
(+) changes from financing cash flows (net)	25,782.35
(+) the effects of changes in foreign exchange rates	143.79
Closing balance of liabilities arising from financing activities	41,649.10

- 2** Bracket indicates cash outflow.

- 3** 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 Board of Directors

For Chaturvedi & Shah LLP

Chartered Accountants
(Firm Registration No. 101720W/W100355)

Anuj Bhatia

Partner
Membership No. 122179

Date: 24th May, 2023

Ashok Jain
Whole-time Director
(DIN-00025125)

Kishor Talreja
Company Secretary
Membership No. F7064

P. K. Kheruka
Chairman
(DIN-00016909)

Sunil Kumar Roongta
Chief Financial Officer

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023

Note 1 CORPORATE INFORMATION:

The Consolidated Financial Statements comprise financial statements of Borosil Renewables Limited (CIN : L26100MH1962PLC012538) ("BRL") ("the Company"), its subsidiaries namely, Geosphere Glassworks GmbH ("GGG") and Laxman AG ("LA"), its step-down subsidiaries namely, GMB Glasmanufaktur Brandenburg GmbH ("GMB") and Interfloat Corporation ("IF") (collectively, "the Group") and its associate, ReNew Green (GJS Two) Private Limited 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 manufacturing of Low Iron textured Solar Glass for application in Photovoltaic panels, Flat plate collectors and Green houses.

The Company has prepared its first Consolidated Financial Statements for the year ended 31st March, 2023 and therefore, there are no figures for the corresponding previous year.

The Consolidated Financial Statements for the year ended 31st March, 2023 were approved by Board of Directors in their meeting held on 24th 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 (₹), 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, its subsidiaries and associate as at 31st March, 2023.

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023

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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023

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 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. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the entity and the cost can be measured reliably.

Property, Plant and Equipment not ready for the intended use on the date of Balance Sheet are disclosed as "Capital Work-in-Progress" and expenses incurred relating to it, net of income earned during the development stage, are disclosed as pre-operative expenses under "Capital Work-in-Progress".

Depreciation on the Property, Plant and Equipment is provided using straight line method over the useful life of the assets as specified in Schedule II to the Companies Act, 2013 and following assets where the useful life is different as per technical evaluation than those prescribed in Schedule II.

Particulars	Useful life considered for depreciation
Certain Plant & machineries	10 Years
Melting Furnace	5 Years

Freehold land is not depreciated.

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

Property, Plant and Equipment are eliminated from financial statements, either on disposal or when retired from active use. Gains / losses arising in the case of retirement/disposal of Property, Plant and Equipment are recognised in the statement of profit and loss in the year of occurrence.

4.3 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.

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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023

Computer Softwares are capitalised at the amounts paid to acquire the respective license for use and are amortised on a straight line method over the period of useful lives or period of three years, whichever is less and in the case of technical know how amortisation period is 6 years. Customer relationship are amortised on a straight line method over the period of fourteen year. The assets' useful lives and method of depreciation are reviewed at each financial year end. The assets' useful lives and method of depreciation 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.

4.4 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 certain plant and machineries and vehicle. 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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023**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.

4.5 Inventories:

Inventories are valued at the lower of cost and net realizable value. Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and 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. The cost of raw materials, stores, spares & consumables and packing materials are computed on the weighted average basis. Scrap (cullet) are valued at raw materials cost. Cost of work in progress and finished goods 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 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 and loss and is not reversed in the subsequent period.

4.9 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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023**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.

4.10 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 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 Receivable 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 - Equity Investment in subsidiaries, associates and joint venture:

The Group has accounted for its equity investment in associate and joint venture at cost.

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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023

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.

4.11 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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023**4.12 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.

4.13 Revenue recognition and other income:**Sales of goods and services:**

The Group derives revenues primarily from sale of products comprising of Low Iron textured Solar Glass.

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 transfer 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 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 expect to 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, performance bonuses, price concessions and incentives, if any, as specified in the contract with the customer. Revenue also excludes taxes collected from customers.

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

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 or the payment is due (whichever is earlier). 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 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 statement of profit or loss.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023

4.14 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.

4.15 Employee Benefits:

Short term employee benefits are recognized as an expense in the 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.

The cost of providing gratuity, a defined benefit plans, 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. 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 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 statement of profit and loss in subsequent periods.

4.16 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 options 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 Holding Company's estimate of shares that will eventually vest. The estimate of the number of 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. Amounts charged to promoter Company, if any, in respect of options granted to employees of promoter Company are recognised as receivable under current financial assets - others until paid by promoter Company.

4.17 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 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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023

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 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 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.

4.18 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 companies 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.

4.19 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.

4.20 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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023

4.21 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 financial statements are categorised within the fair value hierarchy.

4.22 Government Grant:

Grants and subsidies from the government are recognised when there is reasonable assurance that (i) the Group will comply with the conditions attached to them, and (ii) the grant/subsidy will be received. When the grant or subsidy relates to revenue, it is recognised by adjusting the grant with the related costs which they are intended to compensate in the statement of profit and loss. Where the grant relates to an asset, it is recognised by deducting the grant from the value of respective asset to arrive at carrying amount.

4.23 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.

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:

Respective companies 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 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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023**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 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.

5.9 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.

5.10 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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023

Note 6 Standards Issued But Not Effective:

On March 31, 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 company from April 1, 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 7 - Property, Plant and Equipment

								(₹ in lakhs)
Particulars	Right of Use	Land Freehold	Buildings	Plant and Equipment	Furniture and Fixtures	Vehicles	Office Equipments	Total
GROSS BLOCK								
As at 1st April, 2022	-	788.38	6,665.16	34,800.86	41.49	350.73	524.27	43,170.89
Additions on account of acquisition (Refer Note No 50)	459.37	1,103.91	269.09	392.72	206.68	312.91	223.61	2,968.29
Additions	-	-	16,035.22	54,070.27	20.55	102.00	659.22	70,887.26
Foreign Currency Translation Reserve Adjustments	41.74	100.31	24.45	37.30	18.81	28.43	22.71	273.75
Disposals/Subsidy	-	-	88.49	176.92	1.33	26.91	5.81	299.46
As at 31st March, 2023	501.11	1,992.60	22,905.43	89,124.23	286.20	767.16	1,424.00	117,000.73
DEPRECIATION								
As at 1st April, 2022	-	-	1,082.81	14,065.09	19.69	88.34	207.48	15,463.41
Depreciation	82.44	-	325.65	4,510.20	17.40	60.29	180.73	5,176.71
Foreign Currency Translation Reserve Adjustments	2.48	-	0.22	1.01	0.38	0.57	1.53	6.19
Disposals	-	-	7.74	10.50	-	9.20	4.30	31.74
As at 31st March, 2023	84.92	-	1,400.94	18,565.80	37.47	140.00	385.44	20,614.57
NET BLOCK:								
As at 31st March, 2023	416.19	1,992.60	21,504.49	70,558.43	248.73	627.16	1,038.56	96,386.16

7.1 Capital Work in Progress includes:

		(₹ in lakhs)
Particulars	As at 31 st March, 2023	
Building under construction	157.89	
Plant and Equipment under installation	6,682.93	
Capital Inventory	128.76	
	6,969.58	

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023

- 7.2 Certain property, plant and equipment were pledged as collateral against borrowings, the details related to which have been described in (Refer Note No. 22 and 26).
- 7.3 Refer Note No. 39.5 for disclosure of contractual commitments for the acquisition of Property, Plant and Equipment.
- 7.4 Additions to Plant and Equipment includes Finance Cost of ₹ 1,295.23 Lakhs.
- 7.5 Details of pre-operative expenditure as a part of Capital-Work-in-Progress.

Particulars	(₹ in lakhs)
	2022-2023
Raw Material Consumption	436.65
Employee Benefits Expense	735.04
Store & Consumables	46.11
Power and Fuel	2,177.42
Packing Expenses	41.15
Travelling and Conveyance Expenses	101.90
Bank Charges	15.05
Finance Cost and Others Borrowing Cost	1,159.91
Insurance	27.25
Miscellaneous Expenses	42.04
Pre-operative expenses for the year	4,782.52
Add :- Pre-operative expenses upto previous year	1,056.68
	5,839.20
Less :- Sales	652.34
Less :- Trial Run products transfer to Captive consumption	1,134.98
Total	4,051.88
Less :- Allocated during the year to Property, Plant and Equipment	4,051.88
	-

- 7.6 The Company has received capital subsidy of ₹ 159.14 Lakhs from Ministry of Electronics & Information Technology in relation to Solar Glass Plant 2 and ₹ 15.57 Lakhs from the local body of that subsidiaries. The said amount is adjusted against cost of capital assets.
- 7.7 The Group does not have any Capital work in progress, whose completion is overdue or exceeded its cost compared to its original plan.
- 7.8 There are no proceeding initiated or pending against the Group for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.

Note 8 - Other Intangible Assets

Particulars	(₹ in lakhs)			
	Customer Base	Computer Software*	Process Technology / Technical Know-how*	Total
GROSS BLOCK:				
As at 1st April, 2022	-	96.23	35.00	131.23
Additions on account of acquisition (Refer Note No. 50)	984.61	175.39	-	1,160.00
Additions	-	210.56	-	210.56
Foreign Currency Translation Reserve Adjustments	89.47	16.46	-	105.93
Disposals	-	-	-	-
As at 31st March, 2023	1,074.08	498.64	35.00	1,607.72
AMORTISATION:				

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023

(₹ in lakhs)

Particulars	Customer Base	Computer Software*	Process Technology / Technical Know-how*	Total
As at 1st April, 2022	-	66.40	0.02	66.42
Amortisation	30.81	187.94	5.83	224.58
Foreign Currency Translation Reserve Adjustments	0.93	5.02	-	5.95
Disposals	-	-	-	-
As at 31st March, 2023	31.74	259.36	5.85	296.95
NET BLOCK:				
As at 31st March, 2023	1,042.34	239.28	29.15	1,310.77

* Other than self generated.

8.1 Intangible Assets under Development includes:

(₹ in lakhs)

Particulars	As at 31 st March, 2023
Computer Software	41.70
Total	41.70

8.2 The Group does not have any Intangible Assets under Development, whose completion is overdue or exceeded its cost compared to its original plan.

Note 9 - Non-Current Investments

(₹ in lakhs)

Particulars	As at 31 st March, 2023		
	No. of Shares/Units	Face Value (in ₹)	₹ in lakhs
a) In Equity Instrument (Unquoted, Carried at cost) :			
Investment in Associate			
ReNew Green (GJS Two) Private Limited	10,000,000	₹ 10	1,097.80
Total			1,097.80

9.1 The Company has signed a Power Purchase Agreement with ReNew Green (GJS Two) Private Limited ("RGPL") whereunder RGPL as a Power Producer shall be supplying renewable power to the Company, as a Captive user and has also signed a Share Subscription and Shareholders' Agreement ("SSSA") with RGPL and ReNew Green Energy Solutions Private Limited ("RGESPL") for subscribing upto 31.2% Equity Share Capital of RGPL, in cash, in one or more tranches. Pursuant to the above SSSA, RGPL has become an associate of the Company.

9.2 Category-wise Non-current Investment

(₹ in lakhs)

Particulars	As at 31 st March, 2023
Aggregate Amount of Quoted Investments and Market Value	-
Aggregate Amount of Unquoted Investments	1,097.80
Investment carried at Fair value through Profit and Loss	-

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023
Note 10 - Non-current Financial Assets - Loans

Particulars	(₹ in lakhs)	
	As at 31 st March, 2023	
Unsecured, Considered Good :		
Loan to Employees		27.90
Total		27.90

Note 11 - Non-current Financial Assets - Others

Particulars	(₹ in lakhs)	
	As at 31 st March, 2023	
Unsecured, Considered Good :		
Fixed Deposit with Banks having maturity more than 12 months		822.14
Security Deposits		237.70
Total		1,059.84

Note 12 - Other Non-current Assets

Particulars	(₹ in lakhs)	
	As at 31 st March, 2023	
Unsecured, Considered Good :		
Capital Advances		598.84
Prepaid Expenses		10.48
Amount paid under protest (Refer Note No. 39)		44.13
Total		653.45

Note 13 - Inventories

Particulars	(₹ in lakhs)	
	As at 31 st March, 2023	
Raw Materials		8,006.31
Work-in-Progress		2,088.82
Finished Goods:		
Goods-in-Transit	3,575.96	
Others	6,331.18	9,907.14
Stores, Spares and Consumables		4,079.81
Packing Material		891.27
Scrap (Cullet) and Rejected Glass		1,495.66
Total		26,469.01

13.1 For mode of valuation of Inventories, Refer Note No. 4.5.

13.2 For Inventories hypothecation as security Refer Note No. 22 and 26.

Note 14 - Current Financial Assets - Trade Receivables

Particulars	(₹ in lakhs)	
	As at 31 st March, 2023	
Unsecured :		
Considered Good		9,329.64
Credit Impaired		121.13
		9,450.77
Less : Provision for Credit Impaired (Refer Note No. 42 and 45)		121.13
Total		9,329.64

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023

14.1 Trade Receivables Ageing Schedule are as below :-

Particulars	Not Due	Outstanding from due date of payment as at					Total
		31 st March, 2023					
		Upto 6 Months	6 Months - 1 Year	1 - 2 Years	2 - 3 Years	More than 3 years	
Undisputed trade receivables – Considered good	8,838.62	491.02	-	-	-	-	9,329.64
Undisputed trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
Undisputed trade receivables – credit impaired	-	121.13	-	-	-	-	121.13
Disputed trade receivables – Considered good	-	-	-	-	-	-	-
Disputed trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed trade receivables – credit impaired	-	-	-	-	-	-	-
Sub Total	8,838.62	612.15	-	-	-	-	9,450.77
Less: Allowance for credit impaired	-	121.13	-	-	-	-	121.13
Total	8,838.62	491.02	-	-	-	-	9,329.64

Note 15 - Cash and Cash Equivalents

Particulars	(₹ in lakhs)	
	As at 31 st March, 2023	
Balances with Banks in current accounts	12,619.62	
Cash on Hand	13.01	
Total	12,632.63	

15.1 For the purpose of the statement of cash flow, cash and cash equivalents comprise the followings:

Particulars	(₹ in lakhs)	
	As at 31 st March, 2023	
Balances with Banks in current accounts	12,619.62	
Cash on Hand	13.01	
Total	12,632.63	

Note 16 - Bank balances Other than Cash and Cash Equivalents

Particulars	(₹ in lakhs)	
	As at 31 st March, 2023	
Earmarked Balances with bank :		
Unpaid Dividend Accounts	58.72	
Fixed deposits pledged with Banks (Refer Note No. 16.1)	577.49	
Total	636.21	

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023

16.1 The above deposits with banks are pledged as margin money against bank guarantees, Letter of Credits and Debts Service Reserve Account.

Note 17 - Current Financial Assets - Loans

(₹ in lakhs)	
Particulars	As at 31 st March, 2023
Unsecured, Considered Good :	
Loan to Employees	66.50
Total	66.50

Note 18 - Current Financial Assets - Others

(₹ in lakhs)	
Particulars	As at 31 st March, 2023
Unsecured, Considered Good:	
Interest Receivables	15.56
Security Deposits	7.80
Others	1,744.61
	<u>1,767.97</u>

18.1 Others includes amounts receivable from Government Grant and electricity charges receivables etc.

Note 19 - Other Current Assets

(₹ in lakhs)	
Particulars	As at 31 st March, 2023
Unsecured, Considered Good :	
Advances against supplies	2,269.11
Export Incentives Receivable	29.29
Balance with Goods and Service Tax Authorities	1,288.21
Others	865.73
Total	4,452.34

19.1 Others Includes mainly Prepaid Expenses, Export License in Hand and others.

Note 20 - Equity Share Capital

(₹ in lakhs)	
Particulars	As at 31 st March, 2023
Authorised	
Equity Share Capital	
91,65,00,000 Equity Shares of ₹ 1/- each	9,165.00
Preference Shares Capital	
9,22,50,000 Preference Shares of ₹ 10/- each	9,225.00
Total	18,390.00
Issued, Subscribed & Fully Paid up	
13,04,98,179 Equity Shares of ₹ 1/- each fully paid up	1,304.98
Total	1,304.98

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023

20.1 Reconciliation of number of Equity Shares outstanding at the beginning and at the end of the year :

Particulars	As at 31 st March, 2023	
	(in Nos.)	(₹ in lakhs)
Shares outstanding at the beginning of the year	13,03,55,279	1,303.55
Share Issued on Exercise of Employee Stock Option (Refer Note No. 20.2)	1,42,900	1.43
Shares outstanding at the end of the year	13,04,98,179	1,304.98

20.2 During the year, pursuant to exercise of the options under 'Borosil - Employee Stock Option Scheme 2017', the Company has made allotment of 1,42,900 Equity Shares of the face value of Re. 1/- each, which has resulted into increase of paid up Equity Share Capital by ₹ 1.43 Lakhs and Securities Premium by ₹ 453.88 Lakhs.

20.3 Terms/Rights attached to Equity Shares :

The Company has only one class of shares referred to as equity shares having a par value of ₹ 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.

20.4 Details of Shareholder holding more than 5% of Equity Share Capital:

Name of Shareholder	As at 31 st March, 2023	
	No. of Shares	% of Holding
Pradeep Kumar Family Trust	2,56,09,360	19.62
Bajrang Lal Family Trust	2,56,09,360	19.62
Croton Trading Pvt. Ltd.	1,30,87,339	10.03

20.5 Details of shares held by promoters and promoter group in the Company

Name of Promoters and promoters group	As at 31 st March, 2023	
	No. of Shares	% of Holding
Pradeep Kumar Kheruka (Promoter)	18,70,082	1.43%
Shreevar Kheruka (Promoter)	19,51,747	1.50%
Bajrang Lal Family Trust (Promoter Group)	2,56,09,360	19.62%
Pradeep Kumar Family Trust (Promoter Group)	2,56,09,360	19.62%
Croton Trading Pvt. Limited (Promoter Group)	1,30,87,339	10.03%
Gujarat Fusion Glass LLP (Promoter Group)	31,36,404	2.40%
Rekha Kheruka (Promoter Group)	21,85,807	1.67%
Kiran Kheruka (Promoter Group)	46,61,056	3.57%
Spartan Trade Holdings LLP (Promoter Group)	11,47,313	0.88%
Borosil Holdings LLP (Promoter Group)	9,18,179	0.70%
Associated Fabricators LLP (Promoter Group)	2,34,111	0.18%
Sonargaon Properties LLP (Promoter Group)	18	0.00%

20.6 Under Borosil Employee Stock Option Scheme 2017, 46,20,000 options have been approved by the shareholders and out of this as at 31st March 2023, 8,31,988 options have been granted (Refer Note No. 41).

20.7 Aggregate number of shares bought back and issue of Bonus Shares during the period of five years immediately preceding the reporting date:-

Particulars	As at 31 st March, 2023- No. of Shares
Issue of Bonus shares (Face value of ₹ 1/- each)	6,93,00,000

20.8 No dividend has been proposed for the year ended 31st March, 2023.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023
Note 21 - Other Equity

Particulars	(₹ in lakhs)	
		As at 31 st March, 2023
Capital Reserve		
As at 1 st April 2022		32.02
Capital Reserve on Amalgamation		
As at 1 st April 2022		(4,620.69)
Capital Reserve on Business Acquisition		
On account of Acquisition (Refer Note No. 50)		5,418.74
Securities Premium		
As at 1 st April 2022	53,785.33	
Add: Exercise of Employee Stock option	453.88	
Less: Reversal of Deferred Tax (QIP Expenses)	(19.64)	
	<u>54,219.57</u>	
Surplus arising on giving effect to BIFR Order		
As at 1 st April 2022		1,996.41
Share Based Payment Reserve		
As at 1 st April 2022	140.55	
Add: Share based payment (Refer Note No. 41)	97.45	
Less: Exercise of Employee Stock option (Refer Note No. 41)	(101.09)	
	<u>136.91</u>	
Retained Earnings		
As at 1 st April 2022	25,997.57	
Add: Profit for the year	6,963.18	
	<u>32,960.75</u>	
Amount available for appropriation		32,960.75
Other Comprehensive Income (OCI)		
As at 1 st April 2022	(146.65)	
Add: Movements in OCI (net) during the year	(14.94)	
	<u>654.60</u>	
Foreign Currency Translation Reserve		654.60
Total		<u>90,636.72</u>

21.1 Nature and Purpose of Reserve
I Capital Reserve

Capital reserve was created by way of Subsidy received from State of Gujarat and Forfeiture of shares for non payment of allotment money/call money. The reserve will be utilised in accordance with the provisions of the Companies Act, 2013.

II Capital Reserve on Amalgamation

Capital Reserve on Amalgamation is created Pursuant to the scheme of arrangement. The reserve will be utilised in accordance with the provisions of the Companies Act, 2013.

III Capital Reserve on Business Acquisition

Capital Reserve on Consolidation is created pursuant to the scheme of acquisition. The reserve will be utilised in accordance with the provisions of the Companies Act, 2013.

IV Securities Premium

Securities premium is created when shares are issued at premium. The reserve will be utilised in accordance with the provisions of the Companies Act, 2013.

V Surplus arising on giving effect to BIFR Order

This surplus was recognised in pursuant to implementation of the order of Board for Industrial and Financial Reconstruction (BIFR) in respect of the scheme for the rehabilitation of the Company. The reserve will be utilised in accordance with the provisions of the Companies Act, 2013.

VI Share Based Payment Reserve

Share based payment reserve is created against "Borosil Employees Stock Option Scheme 2017" and will be utilised against exercise of the option by the employees on issuance of the equity shares.

VII Retained Earnings

Retained earnings represents the accumulated profits / (losses) made by the Company over the years.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023

VIII Other Comprehensive Income (OCI) :

Other Comprehensive Income (OCI) includes remeasurements of defined benefit plans.

Note 22 - Non-current Financial Liabilities - Borrowings

	(₹ in lakhs)
Particulars	As at 31 st March, 2023
Secured	
Term Loans - From Banks*	
- Indian Currency	21,508.81
- Foreign Currency	5,043.05
Term Loans - From Banks taken by subsidiaries	5,376.46
Total	31,928.32

* Net off processing fees amounting to ₹ 117.06 Lakhs.

22.1 The above term loans from banks including current maturity of long term debts in Note No 26 includes:

- I ₹ 1,513.44 Lakhs is secured by first pari passu Equitable/ Registered mortgage charge on immoveable properties being land and building situated at Bharuch and first pari passu hypothecation charge on all existing and future current assets and Property, Plant and Equipment of the Company. Loan is repayable in 12 equal quarterly instalments ending in January, 2026. The term loan carries interest rate @ 9.05% p.a.
- II ₹ 7,873.82 Lakhs is secured by first pari passu Equitable/ Registered mortgage charge on immoveable properties being land and building situated at Bharuch and first pari passu hypothecation charge on all existing and future current assets and Property, Plant and Equipment of the Company. Loan shall be repayable in 20 equal quarterly instalments commencing from July 2023 and ending in April, 2028. The term loan carries interest rate @ 8.95% and 9.35% p.a.
- III Foreign currency term loan ₹ 816.02 Lakhs is secured by first pari passu Equitable/ Registered mortgage charge on immoveable properties being land and building situated at Bharuch and first pari passu hypothecation charge on all existing and future current assets and Property, Plant and Equipment of the Company. Loan is repayable in 26 equal monthly instalments ending in May, 2025. The term loan carries interest rate @ 2.94% p.a.
- IV Foreign currency term loan ₹ 4,603.66 Lakhs is to be secured by first pari passu Equitable/ Registered mortgage charge on immoveable properties being land and building situated at Bharuch and is secured by first pari passu hypothecation charge on all existing and future current assets and Property, Plant and Equipment of the Company. Loan shall be repayable in 18 equal quarterly instalments commencing from November 2023 and ending in February, 2028. The term loan carries interest rate @ 5.88% p.a.
- V ₹ 1,975.32 Lakhs (previous year ₹ 2,853.23 Lakhs) is secured by exclusive charge on the fixed asset of the Company i.e. Land and Building and hypothecation charge on all present and future, plant and machinery situated at Bharuch and current assets of the Company. Loan is repayable in 9 equal quarterly instalments ending in April, 2025. The term loan carries interest rate @ 8.00% and 8.15% p.a.
- VI ₹ 3,339.18 Lakhs (previous year ₹ Nil) is secured by exclusive charge on the fixed asset of the Company i.e. Land and Building and hypothecation charge on all present and future, plant and machinery situated at Bharuch and current assets of the Company. Loan shall be repayable in 20 equal quarterly instalments commencing from June 2024 and ending in March, 2029. The term loan carries interest rate @ 9.22% p.a.
- VII ₹ 7,367.47 Lakhs is secured by a first mortgage and charge on the Company's immovable properties (owned), present and future being land and building situated at Bharuch and is to be further secured by way of hypothecation on the Company's plant and machinery situated at Bharuch and charge on all existing and future current assets of the Company. Loan shall be repayable in 20 equal quarterly instalments commencing from January 2024 and ending in October, 2028. The term loan carries interest rate @ 9.40% p.a.
- VIII ₹ 3,000.00 Lakhs is to be secured by a first pari passu charges on the Company's movable Property, Plant and Equipment. Loan shall be repayable in 16 equal quarterly instalments commencing from April 2024 and ending in January, 2028. The term loan carries interest rate @ 8.83% p.a.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023

IX Borrowing of ₹ 5,376.46 Lakhs taken by the one of the subsidiaries Company is secured by an irrevocable Standby Letter of Credit given by the Holding Company which is issued by the Indian Bank further above standby letter of credit is to be secured by a first pari passu charges on the Company's movable Property, Plant and Equipment. The said borrowing shall be repaid in 20 equal quarterly instalments commencing from June 2024 and ending on February 2029. The said borrowing carries interest rate @ EURIBOR (3 months) plus 215 basis points.

22.2 The Group has used the borrowings from banks for the specific purpose for which it was taken at the balance sheet date.

22.3 Maturity profile of Term Loans is as under:

(₹ in lakhs)		
Particulars	Financial Year	Amount
Term Loan from Banks	2023-24	3,819.99
	2024-25	8,323.43
	2025-26	7,351.14
	2026-27	6,564.41
	2027-28	6,564.41
	2028-29	3,241.99
Total		35,865.37

Note 23 - Non-current Financial Liabilities

(₹ in lakhs)	
Particulars	As at 31 st March, 2023
Amount Payable - (Contingent Consideration)	860.02
Total	860.02

23.1 As referred in note No. 50 to the consolidated financial statement and pursuant to share purchase agreement dated 21st October 2022, an additional amount of consideration payable to the erstwhile shareholders of GMB Glasmanufaktur Brandenburg GmbH (GMB) and Interfloat Corporation (IF) required to be determined on the basis of the performance of GMB and IF in Calendar Year 2024, 2025 and 2026 equivalent to 20% of EBIT of GMB and IF. Based on the estimates, the said liability has been recognised.

Note 24 - Non-current Financial Liabilities - Provisions

(₹ in lakhs)	
Particulars	As at 31 st March, 2023
Provisions for Employee Benefits	
Leave Encashment	279.84
Others	
Other Provisions	4.93
Total	284.77

Note 25 - Income Tax
25.1 Current Tax

(₹ in lakhs)	
Particulars	For the Year Ended 31 st March, 2023
Current Income Tax	2,381.56
Total	2,381.56

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023

25.2 The major components of Income Tax Expenses for the year ended 31st March, 2023 is as follows:

Particulars	(₹ in lakhs) For the Year Ended 31 st March, 2023
Recognised in Statement of Profit and Loss:	
Current Income Tax (Refer Note 25.1)	2,381.56
Deferred Tax - Relating to origination and reversal of temporary differences	658.86
Total Tax Expenses	3,040.42

25.3 Reconciliation between tax expenses and accounting profit multiplied by tax rate for the year ended 31st March, 2023:

Particulars	(₹ in lakhs) For the Year Ended 31 st March, 2023
Accounting profit before tax	10,106.30
Applicable tax rate	25.17%
Computed Tax Expenses	2,543.55
Tax effect on account of:	
Property Plant and Equipment	(36.72)
Financial Instruments	(5.19)
Other deductions / allowances	42.91
Expenses not allowed	52.22
On account of tax in the subsidiaries operating in other jurisdictions	443.65
Income tax expenses recognised in statement of profit and loss	3,040.42

25.4 Deferred tax liabilities relates to the following:

Particulars	(₹ in lakhs)	
	Balance Sheet	Statement of profit and loss / OCI
	As at 31 st March, 2023	For the Year Ended 31 st March, 2023
Property, Plant and Equipment and Intangible Assets	(4,002.57)	(1,100.11)
43B Disallowance Under the Income Tax Act, 1961	179.00	(9.21)
Financial Instruments-Liabilities	214.07	205.39
Financial Instruments-Assets	135.63	122.04
Deduction u/s 35DD of Income Tax Act 1961	-	(6.04)
QIP Issue Expenses	39.31	(19.65)
Total	(3,434.56)	(807.58)

25.5 Reconciliation of deferred tax liabilities (net):

Particulars	(₹ in lakhs) As at 31 st March, 2023
Opening balance as at 1st April	(2,626.98)
Deferred Tax Expenses recognised in statement of profit and loss	(658.86)
Acquisition through Business Combination (Refer Note No. 50)	(123.08)
On account of Foreign Currency Translation Reserve Adjustments	(11.01)
Deferred Tax Expenses recognised in Securities Premium	(19.65)
Deferred Tax recognised in OCI	5.02
Closing balance as at March	(3,434.56)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023

25.6 The Group has recognised the deferred tax assets for all deductible temporary differences to the extent that it is probable that taxable profit will be available against which the deductible temporary differences can be utilized. The said taxable profit has been computed based on projections which is a based on best estimates, judgements and assumptions.

Note 26 - Current Financial Liabilities - Borrowings

		(₹ in lakhs)
Particulars	As at 31 st March, 2023	
Secured		
Working Capital Loans from Banks	5,900.79	
Current Maturity of Term Loans	3,819.99	
Total	9,720.78	
26.1	₹ 510.25 Lakhs is primarily secured by existing and future current assets and all plant and machinery of the Company and further secured by exclusive charge on the fixed asset of the Company i.e. Land and Building situated at Bharuch. The working facilities carries interest rate @ 9.20% p.a.	
26.2	₹ 253.71 Lakhs is primarily secured by existing and future current assets and all plant and machinery of the Company and further secured by exclusive charge on the fixed asset of the Company i.e. Land and Building situated at Bharuch. The working facilities carries interest rate @ 9.65% p.a.	
26.3	₹ 900.00 Lakhs Export Packing Credit Facility from bank is primarily secured by existing and future current assets and all plant and machinery of the Company and further secured by exclusive charge on the fixed asset of the Company i.e. Land and Building situated at Bharuch. The net working facilities carries interest rate @ to 6.50% p.a.	
26.4	₹ 174.84 Lakhs is to be secured by first pari passu charge on current assets of the Company situated at Bharuch. The working facilities carries interest rate @ 8.89% p.a.	
26.5	₹ 4,061.99 Lakhs is primarily secured/to be secured by existing and future current assets and all plant and machinery of the Company and further secured by exclusive charge on the fixed asset of the Company i.e. Land and Building situated at Bharuch. The working facilities carries rate @ 8.00% and 8.35% p.a.	

Note 27 - Current Financial Liabilities - Trade Payables

		(₹ in lakhs)
Particulars	As at 31 st March, 2023	
Micro, Small and Medium Enterprises	899.54	
Others	8,039.74	
Total	8,939.28	

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:

		(₹ in lakhs)
Particulars	As at 31 st March, 2023	
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	899.54
	ii) Interest thereon	0.58
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;	0.58

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023

(₹ in lakhs)

Particulars	As at 31 st March, 2023
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:

(₹ in lakhs)

Particulars	Outstanding from due date of payment as at 31 st 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	781.43	118.11	-	-	-	899.54
Total outstanding dues of Creditors other than micro, small & medium Enterprises	2,721.64	5,273.67	-	3.19	-	7,998.50
Disputed dues of micro, small and medium enterprises	-	-	-	-	-	-
Disputed dues of creditors other than micro, small and medium enterprises	-	-	-	-	41.24	41.24
Total	3,503.07	5,391.78	-	3.19	41.24	8,939.28

Note 28 - Current Financial Liabilities - Others

(₹ in lakhs)

Particulars	As at 31 st March, 2023
Interest accrued but not due on Borrowing	172.74
Interest accrued and due on Others	0.58
Unclaimed Dividends*	58.72
Creditors for Capital Expenditure	4,749.31
Deposits	80.13
Other Payables (Refer Note No. 28.1)	3,838.82
Total	8,900.30

* This figure does not include any amounts, due and outstanding, to be credited to Investor Education and Protection Fund.

28.1 Other Payables includes outstanding liabilities for expenses, provision for bonus, Derivative liabilities and worker settlement provision etc.

Note 29 - Other Current Liabilities

(₹ in lakhs)

Particulars	As at 31 st March, 2023
Advance from Customers	1,343.61
Statutory liabilities	413.17
Liability towards CO2 emission	605.78
Total	2,362.56

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023
Note 30 - Current Provisions

(₹ in lakhs)	
Particulars	As at 31 st March, 2023
Provisions for Employee Benefits	
Gratuity (Funded) (Refer Note No. 40)	80.28
Leave Encashment	30.06
Others employee benefits	716.67
Others	
Provisions for others	4.48
Total	831.49

Note 31 - Revenues from Operations

(₹ in lakhs)	
Particulars	For the Year Ended 31 st March, 2023
Sale of Products	89,072.43
Other Operating Revenue	331.06
Revenue from Operations	89,403.49

31.1 Revenue disaggregation by type of goods and services is as follows:

The Group is engaged only in the business of manufacture of Flat Glass which is a single segment in terms of Indian Accounting Standard 'Operating Segments (Ind AS-108) and hence, the requirement of disaggregation by type of goods and services is not applicable.

31.2 Disaggregated Revenue:
Revenue based on Geography:

(₹ in lakhs)	
Particulars	For the Year Ended 31 st March, 2023
India	50,709.25
Outside India	38,694.24
	89,403.49

31.3 Reconciliation of Revenue from Operation with contract price:

(₹ in lakhs)	
Particulars	For the Year Ended 31 st March, 2023
Contract Price	89,817.90
Reduction towards variables considerations components *	(414.41)
Total Revenue from operation	89,403.49

* The reduction towards variable consideration comprises of volume discounts, quality claims and breakage etc.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023

Note 32 - Other Income

Particulars	(₹ in lakhs) For the Year Ended 31st March, 2023
Interest Income from Financial Assets measured at amortised cost	
- Fixed Deposits with Banks	154.79
- Others	76.75
Gain on Sale of Investments (net)	
- Current Investments	248.67
Rent Income	4.00
Gain on Foreign Currency Transactions (net)	720.40
Export Incentives	387.79
Miscellaneous Income	381.94
Total	1,974.34

Note 33 - Changes in Inventories of Work-in-Progress, Finished Goods and Stock-in-Trade

Particulars	(₹ in lakhs) For the Year Ended 31st March, 2023
At the end of the Year	
Work-in-Progress	2,088.82
Finished Goods	9,907.14
	11,995.96
On account of acquisition (Refer Note No. 50)	
Work-in-Progress	843.85
Finished Goods	2,842.51
	3,686.36
At the beginning of the Year	
Work-in-Progress	201.58
Finished Goods	1,578.31
	1,779.89
Add: Stock of Trial Run Production (Refer Note No. 7.5)	1,134.98
	2,914.87
(Increase)/Decrease in Inventories	(5,394.73)

Note 34 - Employee Benefits Expense

Particulars	(₹ in lakhs) For the Year Ended 31st March, 2023
Salaries, Wages & allowances (Refer Note No. 34.1)	10,196.38
Contribution to Provident and Other Funds (Refer Note No. 40)	216.54
Share Based Payments (Refer Note No. 41)	97.45
Staff Welfare Expenses	1,337.73
Total	11,848.10

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023

34.1 Includes Managerial Remuneration of ₹ 100.00 Lakhs, which is subject to shareholder's approval.

Note 35 - Finance Cost

Particulars	(₹ in lakhs) For the Year Ended 31 st March, 2023
Interest Expenses on financial liabilities measured at amortised cost	711.19
Exchange Differences regarded as an adjustment to Borrowing Costs	51.36
Interest Expenses on account of fair valuation of liabilities	7.16
Interest Expenses on Finance lease liabilities (Refer Note No. 46)	9.48
Total	779.19

Note 36 - Depreciation and amortisation Expenses

Particulars	(₹ in lakhs) For the Year Ended 31 st March, 2023
Depreciation of Property, Plant and Equipment (Refer Note No. 7)	5,176.71
Amortisation of intangible assets (Refer Note No. 8)	224.58
Total	5,401.29

Note 37 - Other Expenses

Particulars	(₹ in lakhs) For the Year Ended 31 st March, 2023
Manufacturing and Other Expenses	
Consumption of Stores and Spares	2,554.49
Power & Fuel	24,242.33
Packing Materials Consumed	3,283.65
Contract Labour Expenses	2,215.09
Job Processing charges	7.33
Repairs to Machinery	933.54
Repairs to Buildings	79.02
Selling and Distribution Expenses	
Sales Promotion and Advertisement Expenses	211.10
Discount and Commission	278.92
Freight Outward	6,297.05
Administrative and General Expenses	
Rent	72.58
Rates and Taxes	85.62
Other Repairs	209.31
Insurance	662.73
Legal and Professional Fees (Refer Note No 37.3)	3,525.65
Travelling	954.64
Bad Debts	148.71
Less : Reversal of provision for credit Impaired	31.12
Loss on sale/discarding of Property, Plant and Equipment	35.26
Directors Sitting Fees	50.35
Commission to Directors	96.00

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023

Particulars	(₹ in lakhs) For the Year Ended 31 st March, 2023
Payment to Auditors (Refer to Note No. 37.1)	227.01
Corporate Social Responsibility Expenditure (Refer to Note No. 37.2)	258.98
Donation	0.15
Sundry Debit Balance Written off (net)	6.59
Miscellaneous Expenses	1,171.02
Total	47,576.00

37.1 Details of Payment to Auditors

Particulars	(₹ in lakhs) For the Year Ended 31 st March, 2023
Payment to Auditors as :	
For Statutory Audit	157.63
For Quarterly Review Fees	65.88
For Tax Audit	-
For Taxation Matters	-
For Company Law Matters	-
For Certification charges	3.50
For Other Service	-
For Reimbursement of Expenses	-
Total	227.01

37.2 Notes related to Corporate Social Responsibility (CSR) expenditure:

- (a) CSR amount required to be spent as per Section 135 of the Companies Act, 2013 read with Schedule VII thereof by the Holding Company during the year was ₹ 257.48 Lakhs.
- (b) Expenditure related to Corporate Social Responsibility is ₹ 258.98 Lakhs.
Details of expenditure towards CSR given below:

Particulars	(₹ in lakhs) For the Year Ended 31 st March, 2023
(i) Horticulture - Plantation of fruit trees and related activities	93.00
(ii) Providing ration kits to Corona Warriors	-
(iii) Ensuring environmental sustainability and ecological balance	95.98
(iv) Eradicating hunger, poverty and malnutrition, promoting health care including preventive health care and sanitation	45.00
(v) Promoting Education	25.00
Total	258.98

37.3 Includes acquisition related cost of ₹ 1,930.71 Lakhs incurred by overseas wholly owned subsidiaries.

Note 38 - Earnings Per Equity share (EPS)

Particulars	For the Year Ended 31 st March, 2023
Net profit for the year attributable to Equity Shareholders for Basic EPS (₹ in Lakhs)	6,963.18
Add: Share based Payments (net of tax)	72.92
Net profit for the year attributable to Equity Shareholders for Diluted EPS (₹ in Lakhs)	7,036.10

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023

Particulars	For the Year Ended 31 st March, 2023
Weighted average number of equity shares outstanding during the year for Basic EPS (in Nos.)	13,04,31,911
Weighted average number of equity shares outstanding during the year for Diluted EPS (in Nos.)	13,05,40,084
Earnings per share of ₹ 1 each (in ₹)	
- Basic	5.34
- Diluted*	5.34
Face value per equity share (in ₹)	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	(₹ in lakhs) As at 31 st March 2023
Disputed Liabilities in Appeal (No Cash outflow is expected in the near future)	
- Income Tax	201.47
- Sales Tax	588.30
- Entry Tax	85.36
- Wealth Tax (amount paid under protest of ₹ 16.68 Lakhs)	38.45
- Cenvat Credit/Service Tax	5.89
- Others (amount paid under protest of ₹ 44.13 Lakhs)	131.18
Guarantees	
- Bank Guarantees	2,126.12
Letter of Credit Outstanding	
-Letter of Credit opened in favour of Suppliers (Cash flow is expected on receipt of material from suppliers)	315.73

39.2 The Group received refund of ₹ 523.00 Lakhs including interest in previous years for transit insurance matter for extended period as mentioned by Hon'ble CESTAT, Ahmedabad in its final order no A/11490-114911 2017 dated 28.07.2017. Aggrieved by the order of the Hon'ble CESTAT, the department had filed appeals before the Hon'ble High court of Gujarat vide Tax appeals no 613-617 of 2018. The said appeals were admitted. However the Hon'ble High court has not granted any stay against operation of the order the Hon'ble CESTAT dated 28-07-2017. The Group does not expect any financial effect of the above matter under litigation.

39.3 Department has filed an appeal with Hon'ble High court of Madras against the order passed in favour of the Group with respect to wealth tax matter for an aggregate amount of ₹ 38.45 Lakhs the AY 1997-98 and AY 1998-99.

39.4 Management is of the view that above litigations will not materially impact the financial position of the Group.

39.5 Commitments

Particulars	(₹ in lakhs) As at 31 st 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	9,378.43
-- Related to Intangible Assets	50.08
-- Commitments towards EPCG License	30,043.67

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023

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 year are as under:

	(₹ in lakhs)
Particulars	2022-23
Employer's Contribution to Provident Fund	1.26
Employer's Contribution to Pension Scheme	154.95

The contribution to provident fund is made to Employees' Provident Fund managed by Provident Fund Commissioner.

(b) Defined Benefit Plan:

The Gratuity benefits and pension fund of the Group is funded.

The employees' Gratuity Fund and Pension Fund is managed by the Birla Sun Life Insurance Corporation of India and Stiftung Sozialfonds respectively. The present value of obligation is determined based on actuarial valuation using the Projected Unit Credit Method, which recognises 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	Defined Benefit Plans As at 31 st March, 2023
<u>Actuarial assumptions</u>	
Mortality Table	Indian Assured Lives Mortality (2012-14) Ult and BVG 2020 GT (BFS)
Salary growth	1.50% p.a. to 5.00% p.a.
Discount rate	2.15% and 7.45%
Expected returns on plan assets	1.20% and 7.45%
Interest on saving assets	2.15%
Withdrawal rates	2.00% p.a. at younger ages reducing to 1.00% p.a.% at older ages and 25.00%
Disability and Turnover table	BVG 2020
Treatment of contributions from employees	IAS19.93(b)

	(₹ in lakhs)
Particulars	Defined Benefit Plans 2022-23
<u>Movement in present value of defined benefit obligation</u>	
Obligation at the beginning of the year	597.63
On account of acquisition (Refer Note No. 50)	899.08
Current service cost	124.04
Interest cost	49.03
Contributions by plan participants	33.54
Benefits paid	(375.17)
Actuarial loss on obligation	(201.99)
Obligation at the end of the year	1,126.16

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023

Particulars	(₹ in lakhs)
	Defined Benefit Plans 2022-23
Movement in present value of plan assets	
Fair value at the beginning of the year	507.54
On account of acquisition (Refer Note No. 50)	781.62
Interest Income	43.58
Expected Return on Plan Assets	(17.04)
Actuarial gain/(loss) on plan assets	(85.62)
Contributions by plan participants	33.54
Employer Contribution	136.59
Benefits paid	(375.17)
Fair value at the end of the year	1,025.04
Amount recognised in Statement of Profit and Loss	
Current service cost	76.84
Interest cost	4.32
Total	81.16
Amount recognised in the other comprehensive income	
Components of actuarial gain/losses on obligations:	
Due to Change in financial assumptions	(30.54)
Due to change in demographic assumption	(34.44)
Due to experience adjustments	67.90
Return on plan assets excluding amounts included in interest income	17.04
Total	19.96

(c) Fair Value of plan assets

Particulars	(₹ in lakhs)
	Fair value of asset 2022-23
Birla Sun Life Insurance Corporation of India	582.41
Stiftung Sozialfonds	442.63
Total	1,025.04

(d) Net Liability Recognised in the Balance Sheet

Amount recognised in the Balance Sheet	(₹ in lakhs)
	As at 31 st March, 2023
Present value of obligations at the end of the year	1,126.16
Less: Fair value of plan assets at the end of the year	1,025.04
Net liability recognised in the Balance Sheet	101.12

- (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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023

40.2 Sensitivity analysis of the holding Company:

Particulars	Changes in assumptions	(₹ in lakhs)
		Effect on Defined Benefit Plans Increase/ (Decrease)
For the year ended 31st March, 2023		(Decrease) / Increase
Discount rate	+0.5%	(15.36)
	-0.5%	67.77
Salary growth rate	+0.5%	63.84
	-0.5%	(17.93)
Withdrawal rate (W.R.)	W.R. x 110%	42.20
	W.R. x 90%	(39.29)

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 assumption than the Gratuity Benefits will be paid earlier than expected. Since there is no condition of vesting on the death benefit, the acceleration of cashflow 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 assumption than 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 cashflows.

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 Holding Company 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 Holding 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 an insurance Group. The insurance Group in turn manages these funds as per the mandate provided to them by the trustees and the asset allocation

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023

which is within the permissible limits prescribed in the insurance regulations. 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 Gratuity (defined benefit plan) is within one year.

40.6 The following payments of the holding Company are expected towards Gratuity in future years:

Year Ended	Expected payment (₹ in lakhs)
31 st March, 2024	13.64
31 st March, 2025	47.38
31 st March, 2026	28.24
31 st March, 2027	40.09
31 st March, 2028	56.48
1 st April, 2028 to 31 st March, 2033	465.64

40.7 The average duration of the Gratuity (defined benefit plan obligation) at the end of the reporting period is 9.57 years.

Note 41 - Share Based Payments

The Company offers equity based option plan to its employees through the Company's stock option plan.

Borosil Employee Stock Option Scheme (ESOS) 2017

On 2nd November, 2017, the Company had introduced a Borosil Employee Stock Option Scheme 2017 ("ESOS"), which was approved by the shareholders of the Company to provide equity settled incentive to specific employees of the Company. The ESOS scheme includes tenure based stock options. The specific Employees to whom the Options are granted and their Eligibility Criteria are determined by the Nomination and Remuneration Committee. The Company had granted 3,63,708 options to the employees on 2nd November, 2017 with an exercise price of ₹ 200 per share and further, 79,680 options were granted to an employee on 24th July, 2018 with exercise price of ₹ 254 per share. Exercise period is 5 years from the date of respective vesting of options.

On account of Composite scheme of Amalgamation and Arrangement, the Board of Directors of the Company in its meeting held on 3rd February, 2020, approved modification/amendments to the existing "Borosil Employee Stock Option Scheme 2017" with a view to restore the value of the employee stock options ("Options") pre and post arrangement by providing fair and reasonable adjustment and sought to provide revised exercise price to the existing Option-holders, to whom old employee stock options had been granted under the ESOS 2017.

Pursuant to Composite Scheme of Amalgamation and Arrangement (Scheme), employment of these employees were transferred to Borosil Limited with effect from February 12, 2020, but in terms of clause 30 of the said scheme, their entitlement of options in the Company subsists.

The Nomination and Remuneration committee of the Board had approved adjusted exercise price of ₹ 72.25 per share for the options granted on 2nd November, 2017 and ₹ 91.75 per share for the options granted on 24th July, 2018.

During the year, the Company has granted 85,600 options to employees of the Company with an exercise price ranging from ₹ 436 to ₹ 630 per share in pursuant to the above scheme ESOS 2017. The Exercise period is 5 years from the date of vesting of respective options.

The details of options granted for the year ended 31 March 2023 is presented below:

Particulars	ESOP 2017
	As at 31 st March, 2023
Options as at 1st April	2,54,676
Options granted during the year	85,600
Options forfeited during the year	-
Options exercised during the year	(1,42,900)
Options outstanding as at 31st March	1,97,376
Number of option exercisable at the end of the year	1,97,376

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023

The fair values 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 options. The inputs to the model include the share price at date of the 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 about the ESOS granted

Particulars	ESOS 2017
Date of Shareholder's Approval	10 th August, 2017
Total Number of Options approved	46,20,000
Vesting Requirements	Time based vesting depending on completion of Service period, starting from 1 year after the date of grant
The pricing Formula	The Exercise price shall be market price of share or discount upto 40% or premium upto 10% to market price of share decided by Nomination and remuneration committee from time to time as on the date of grant.
Maximum Term of options granted	5 years from the date of vesting of options
Method of Settlements	Equity Settled
Sources of Shares	Primary issuance of shares
Variation in terms of ESOP	During the pervious year, the Shareholders have approved the limit of discount that could be offered at the time of grant of options under the said ESOS up to 40% on market price of shares and also approved amended ESOS, in order to bring it in line with SEBI (Share based Employee Benefits and Sweat Equity) Regulations, 2021 and to increase the maximum vesting period of options for future grants from 3 years to 5 years.
Method of Accounting	Fair Value Method

In accordance with Ind AS 102, if the modification, on account of business combination, reduces the fair value of the equity instruments granted, measured immediately before and after the modification, the entity shall not take into account that decrease in fair value and shall continue to measure the amount recognised for services received as consideration for the equity instruments based on the original grant date fair value of the equity instruments granted.

ESOS 2017	(Grant Date)			
	02/11/2017	24/07/2018	12/02/2021	12/05/2021
Number of Options	3,63,708	79,680	1,75,000	1,28,000
Exercise Price	₹ 72.25	₹ 91.75	₹ 274	₹ 240
Share Price at the date of grant	₹ 228.64	₹ 281.50	₹ 276.50	₹ 266.20
Vesting Period on completion of year				
1 st Year	33.00%	50.00%	100.00%	33.00%
2 nd Year	33.00%	50.00%		33.00%
3 rd Year	34.00%			34.00%
Expected Volatility	38.60% p.a.	37.72% p.a.	40.43% p.a.	25% p.a.
Expected option life	6 months	6 months	24 months	2.51 year(s)
Expected dividends	0.28% p.a.	0.26% p.a.	0.26% p.a.	0.26% p.a.
Risk free interest rate	6.70% p.a.	7.50% p.a.	4.51% p.a.	4.71% p.a.
Fair value per option granted				
Life of option 1.5 yrs	₹ 65.91	₹ 77.49	₹ 71.64	₹ 54.06
Life of option 2.5 yrs	₹ 81.41	₹ 97.99		₹ 68.44
Life of option 3.5 yrs	₹ 94.22			₹ 81.21

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023

ESOS 2017	(Grant Date)				
	05/05/2022	05/05/2022	05/05/2022	05/05/2022	13/02/2023
Number of Options	11300	19100	9600	29200	16400
Exercise Price	₹ 525	₹ 560	₹ 595	₹ 630	₹ 436
Share Price at the date of grant	₹ 645	₹ 645	₹ 645	₹ 645	₹ 466
Vesting Period on completion of year					
1 st Year	33%	33%	33%	33%	33%
2 nd Year	33%	33%	33%	33%	33%
3 rd Year	34%	34%	34%	34%	34%
Expected Volatility	30% p.a.	30% p.a.	30% p.a.	30% p.a.	40% p.a.
Expected option life	2.51 year(s)	2.51 year(s)	2.51 year(s)	2.51 year(s)	2.51 year(s)
Expected dividends	0.26% p.a.	0.26% p.a.	0.26% p.a.	0.26% p.a.	0.26% p.a.
Risk free interest rate	6.34% p.a.	6.34% p.a.	6.34% p.a.	6.34% p.a.	7.30% p.a.
Fair value per option granted					
Life of option 1.5 yrs	₹ 188.97	₹ 166.58	₹ 146.13	₹ 127.62	₹ 124.36
Life of option 2.5 yrs	₹ 225.33	₹ 205.22	₹ 186.58	₹ 169.37	₹ 159.54
Life of option 3.5 yrs	₹ 256.21	₹ 237.76	₹ 220.49	₹ 204.35	₹ 188.15

The Company has recognized total expenses of ₹ 97.45 Lakhs related to above equity settled share-based payment transactions for the year ended 31st March, 2023.

Note 42 - Provisions

Disclosures as required by Ind AS 37 Provisions, Contingent Liabilities and Contingent Assets:

Movement in provisions:

Nature of provision			(₹ in lakhs)
	Provision for Credit Impaired	Provision for Expected Credit Loss	Total
As at 31st March, 2022	31.12	-	31.12
Provision during the year	121.13	-	121.13
Reversal of provision during the year	(31.12)	-	(31.12)
As at 31st March, 2023	121.13	-	121.13

Note 43 - Related party disclosure

In accordance with the requirements of Ind AS 24, on 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 year, are as detailed below:

43.1 List of Related Parties:
(a) Associate Company

ReNew Green (GJS Two) Private Limited (w.e.f. 24th August, 2022)

(b) Key Management Personnel

Mr. P.K. Kheruka – Executive Chairman

Mr. Shreevar Kheruka – Vice-Chairman (Non-Executive Director)

Mr. Ramaswami Velayudhan Pillai - Whole-time Director (till 31.03.2023)

Mr. Ashok Jain - Whole-time Director

Mr. Sunil Kumar Roongta-Chief Financial Officer

Mr. Kishor Talreja-Company Secretary

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023

(c) Relative of Key Management Personnel

Mrs. Rekha Kheruka - Relative of Mr. P. K. Kheruka and Mr. Shreevar Kheruka.

Mrs. Kiran Kheruka - Relative of Mr. P. K. Kheruka and Mr. Shreevar Kheruka.

Mrs. Priyanka Kheruka - Relative of Mr. P. K. Kheruka and Mr. Shreevar Kheruka.

(d) Enterprises over which persons described in (b) & (c) above are able to exercise significant influence (Other Related Parties) with whom transactions have taken place:-

Borosil Limited

Croton Trading Private Limited

(e) Trust under Common control

Name of the entity	Country of incorporation	Principal Activities
Borosil Renewables Limited Employee Gratuity Fund	India	Company's employee gratuity trust

Nature of Transactions	Name of the Related Party	(₹ in lakhs) 2022-23
Transactions with associate company:		
Investment in Associates	ReNew Green (GJS Two) Private Limited	330.00
Transactions with other related parties:		
Purchase of Goods	Borosil Limited	10.19
Rent Paid	Borosil Limited	13.20
Reimbursement of expenses to	Borosil Limited	10.99
Purchase of Goods	Croton Trading Private Limited	151.71
Directors Sitting Fees	Mr. Shreevar Kheruka	6.00
Commission to Directors	Mr. Shreevar Kheruka	16.00
Managerial/ KMP Remuneration	Mr. P.K. Kheruka	760.00
	Mr. Ramaswami Velayudhan Pillai	250.29
	Mr. Ashok Jain	237.74
Share Based Payment	Mr. Sunil Roongta	85.35
	Mr. Kishor Talreja	39.31
Amount Received on account of ESOP Exercise	Mr. Sunil Roongta	7.66
	Mr. Kishor Talreja	3.95
	Mr. Ramaswami Velayudhan Pillai	102.75
	Mr. Ashok Jain	171.25
	Mr. Sunil Roongta	26.40

Nature of Transactions	Name of the Related Party	(₹ in lakhs) As at 31 st March, 2023
Balances with associates Company:		
Non current investments	ReNew Green (GJS Two) Private Limited	1,097.80
Balances with other related parties:		
Trade Payable	Borosil Limited	11.73
Current Liabilities - Others	Borosil Limited	2.29
Other Current assets - Others	Borosil Limited	2.23

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023
43.2 Compensation to key management personnel of the Group

	(₹ in lakhs)
Nature of transaction	2022-23
Short-term employee benefits	1,369.17
Post-employment benefits	22.93
Total compensation paid to key management personnel	1,392.10

43.3 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.

43.4 Associate Company

Name of the related party	Country of incorporation	% of equity interest	
		As at 31 st March, 2023	
Associate Company			
ReNew Green (GJS Two) Private Limited	India		31.20%

Note 44 - Fair Values
44.1 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 designated at amortised cost:-

Particulars	(₹ in lakhs)	
	As at 31 st March, 2023	
	Carrying Value	Fair Value
Financial Assets designated at amortised cost:-		
- Trade Receivable	9,329.64	9,329.64
- Cash and cash equivalents	12,632.63	12,632.63
- Bank Balance other than cash and cash equivalents	636.21	636.21
- Loans	94.40	94.40
- Others	2,827.81	2,827.81
	25,520.69	25,520.69

b) Financial Liabilities designated at amortised cost:-

Particulars	(₹ in lakhs)	
	As at 31 st March, 2023	
	Carrying Value	Fair Value
Financial Liabilities designated at amortised cost:-		
- Borrowings	41,649.10	41,649.10
- Lease Liabilities	420.45	420.45
- Trade Payable	8,939.28	8,939.28
- Other Financial Liabilities	9,760.32	9,760.32
	60,769.15	60,769.15

44.2 Fair Valuation techniques used to determine fair value

The Group maintains procedures to value its 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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023

The following methods and assumptions were used to estimate the fair values:

- i) Fair value of cash and cash equivalents, other bank balances, trade receivables, trade payables, current loans, current borrowings, deposits and other current financial assets and liabilities are approximate at their carrying amounts largely due to the short-term maturities of these instruments.
- ii) The fair values of non-current borrowings, Security Deposits and Margin money are approximate at their carrying amount due to interest bearing features of these instruments.
- iii) Fair values of mutual fund are derived from published NAV (unadjusted) in active markets for identical assets.
- iv) 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.
- v) Fair values of quoted financial instruments are derived from quoted market prices in active markets.

44.3 Fair value hierarchy

The Group uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation techniques:-

- i) 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.
- ii) 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.
- iii) 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	(₹ in lakhs)		
	31st March, 2023		
	Level 1	Level 2	Level 3
Financial Liabilities designated at fair value through profit or loss:-			
-- Interest rate swap	-	41.79	-
	-	41.79	-

Note 45 :- Financial Risk Management objective and policies

The Group is exposed to market risk, credit risk and liquidity risk. Risk management is carried out by the respective Companies 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 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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023
45.1 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.

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.

(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, GBP and EURO. The Group has obtained foreign currency loans, foreign currency trade payables and trade receivables 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, GBP and EURO 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 31 st March, 2023	Currency	Amount in FC	₹ in lakhs
Trade Receivables	USD	2,72,244	223.83
Trade Receivables	EURO	32,557	29.17
Trade Payables and Capital Creditors	USD	13,91,636	1,144.16
Trade Payables and Capital Creditors	EURO	11,38,277	1,019.98
Trade Payables and Capital Creditors	GBP	2,194	2.23
Borrowings and interest thereon	EURO	60,74,543	5,443.25

Foreign currency sensitivity

1% increase or decrease in foreign exchange rates will have the following impact on profit before tax:

Particulars	(₹ in lakhs)	
	2022-23	
	1% Increase	1% Decrease
USD	(9.20)	9.20
EURO	(64.34)	64.34
GBP	(0.02)	0.02
Increase / (Decrease) in profit before tax	(73.56)	73.56

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 having non current borrowing in the form of Term Loans. Also, the group is having current borrowings in the form of working capital facility. There is a fixed rate of interest in case of foreign currency Term Loan hence, there is no interest rate risk associated with this borrowing. The group is exposed to interest rate risk associated with Term Loan and working capital facility due to floating rate of interest.

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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023

Particulars	(₹ in lakhs)	
	2022-23	
	2% Increase	2% Decrease
Working Capital Facility	(118.02)	118.02
Term Loan - From Bank	(608.91)	608.91
Increase / (Decrease) in profit before tax	(726.93)	726.93

The assumed movement in basis points for interest rate sensitivity analysis is based on the currently observable market environment.

c) Commodity price risk:

The Holding Company is exposed to the movement in price of key consumption materials in domestic and international markets. The Company entered into contracts for procurement of material, most of the transactions are short term fixed price contract and hence Company is not exposed to significant risk.

The Subsidiaries Company is exposed to price increase in raw materials and energy cost in domestic and international markets. To limit the price risk that subsidiaries Company is hedging purchase prices in the field of energy for a significant level of consumption. The subsidiaries Company is also using short term fixed price contracts where applicable. In this respect the subsidiaries Company is not exposed to supererogatory commodity price risk.

45.2 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 whether there has been a significant increase in credit risk on an ongoing basis through each reporting year. 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 and operate in largely independent markets. No single customer accounted for 10% or more of revenue in any of the years presented. The history of trade receivables shows a negligible provision for bad and doubtful debts. Therefore, the Group does not expect any material risk on account of non performance by any of the counterparties.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023

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	(₹ in lakhs)	
	As at 31 st March, 2023	
	Gross Carrying Amount	Loss Allowance
Trade Receivable	9,450.77	121.13

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.

45.3 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 facility 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 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	(₹ in lakhs)					Total
	Maturity					
	On Demand	0 - 3 Months	3 - 6 Months	6 - 12 months	More than 1 year	
As at 31st March, 2023						
Non current borrowings	-	-	-	-	31,928.32	31,928.32
Non current Lease Liabilities	-	-	-	-	227.42	227.42
Other Financial Liabilities	-	-	-	-	860.02	860.02
Short term borrowings	5,900.79	439.75	833.45	2,546.79	-	9,720.78
Current lease Liabilities	-	48.62	49.31	95.10	-	193.03
Trade Payable	-	8,939.28	-	-	-	8,939.28
Other financial liabilities	97.04	8,803.26	-	-	-	8,900.30
Total	5,997.83	18,230.91	882.76	2,641.89	33,015.76	60,769.15

45.4 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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023

Note 46 - 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	(₹ in lakhs)
	For the Year Ended 31st March, 2023
Depreciation expense for right-of-use assets	82.44
Interest expense on lease liabilities	9.48
Total amount recognised	91.92

- (ii) The following is the movement in lease liabilities during the year:

Particulars	(₹ in lakhs)
	For the Year Ended 31st March, 2023
Opening Balance	-
On account of acquisition (Refer Note No. 50)	459.37
Finance cost accrued during the year	9.48
Payment of lease liabilities	(87.79)
Foreign Currency Translation Reserve Adjustments	39.39
Closing Balance	420.45

- (iii) The following is the contractual maturity profile of lease liabilities:

Particulars	(₹ in lakhs)
	For the Year Ended 31st March, 2023
Less than one year	193.03
One year to five years	227.42
Closing Balance	420.45

- (iv) Lease liabilities carry an effective interest rate is in the range of 5.62%. The average lease term is in the range of 1-5 years.

Note - 47

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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023
Note 48 - Interests in other entities

48.1 The consolidated financial statements of the Group includes subsidiaries (including step-down subsidiary) listed in the table below:-

Name	Principal Activities	Country of Incorporation	% equity interest
			As at 31 st March, 2023
Geosphere Glassworks GmbH ("GGG")	Investment Holding Company	Germany	100.00%
Laxman AG ("LA")	Investment Holding Company	Liechtenstein	100.00%
GMB Glasmanufaktur Brandenburg GmbH ("GMB")	Manufacturer of solar and photovoltaic modules, greenhouse constructions and thermal collectors	Germany	86.00%
Interfloat Corporation ("IF")	Trading of solar and photovoltaic modules, greenhouse constructions and thermal collectors	Liechtenstein	86.00%

During the year, the Company has acquired 100% control of Geosphere Glassworks GmbH ("GGG") and incorporated Laxman AG ("LA"). Accordingly, GGG and LA have become wholly owned subsidiaries of the Company.

During the year, the GGG and LA has acquired 86% control of GMB and IF respectively. Accordingly, GMB and IF have become step down subsidiaries of the Company.

Geosphere Glassworks GmbH holds 86% of the total voting rights in GMB Glasmanufaktur Brandenburg GmbH and Laxman AG holds 86% of the total rights in Interfloat Corporation. In view of the above, GMB Glasmanufaktur Brandenburg GmbH and Interfloat Corporation are step down subsidiary of the Company.

48.2 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
		For the Year Ended 31 st March, 2023
GMB Glasmanufaktur Brandenburg GmbH ("GMB")	Germany	14.00%
Interfloat Corporation ("IF")	Liechtenstein	14.00%

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	(₹ in lakhs)	
	GMB	IF
	As at 31 st March, 2023	As at 31 st March, 2023
Current assets	29,804.13	15,070.29
Current Liabilities	15,048.58	12,756.59
Net current assets / (liabilities)	14,755.55	2,313.70
Non-current assets	8,712.81	1,055.56
Non-current liabilities	8,745.08	128.79
Net non-current assets / (liabilities)	(32.27)	926.77
Net assets	14,723.28	3,240.47
Accumulated NCI	2,061.26	453.67
Adjustment of foreign currency translation reserve	(157.34)	(46.55)
Non-controlling Interest	1,903.92	407.12

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023

(₹ in lakhs)		
Summarised Statement of profit and loss	GMB	IF
	For the Year Ended 31 st March, 2023	For the Year Ended 31 st March, 2023
Revenue from operations	20,435.36	20,614.52
Profit for the year	1,841.25	(1,123.42)
Other Comprehensive income	-	-
Total comprehensive income	1,841.25	(1,123.42)
Profit allocated to NCI	257.78	(157.28)

Note - 49 Investment in an associate

During the year, the Company has acquired 31.20% interest in ReNew Green (GJS Two) Private Limited. ReNew Green (GJS Two) Private Limited is a private entity incorporated in India. The Company's interest in ReNew Green (GJS Two) Private Limited is accounted using the equity method in the consolidated financial statements. The summarised financial information of the Company's investment in ReNew Green (GJS Two) Private Limited, which is based on management certified financial statement is as follows:

49.1 Summarised financial information for associates:

(₹ in lakhs)	
Summarised balance sheet	ReNew Green (GJS Two) Private Limited
	As at 31 st March, 2023
Current assets	461.32
Current Liabilities	6,023.29
Net current assets/(Liabilities)	(5,561.97)
Non-current assets	9,163.82
Non-current liabilities	122.94
Net non-current assets	9,040.88
Net assets	3,478.91
Share in (31.20%)	1,085.42
Goodwill	12.38
Net assets	1,097.80

(₹ in lakhs)	
Reconciliation to carrying amounts	ReNew Green (GJS Two) Private Limited
Particulars	As at 31 st March, 2023
Opening net assets	-
Loss for the year	(7.06)
Other comprehensive income	-
Closing net assets	(7.06)
Company's share in %	31.20%
Carrying amount	(2.20)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023

Summarised statement of profit or loss	(₹ in lakhs)	
	ReNew Green (GJS Two) Private Limited	
	For the Year Ended 31 st March, 2023	
Net Loss for the year		(7.06)
Other comprehensive income		-
Total Comprehensive income		(7.06)
Group's share of profit		(2.20)

Note - 50 Business Combination
50.1 Acquisition during the year ended 31st March, 2023
Summary of acquisition

In connection with acquisition of 86% stake in Interfloat Corporation ("Interfloat") and GMB Glasmanufaktur Brandenburg GmbH ("GMB") (entities engaged in the solar glass manufacturing business, sales and distribution in Europe), the Company has acquired 100% Share Capital of an overseas Company in Germany namely 'YOUCO F22-H190 Vorrats-GmbH – renamed as Geosphere Glassworks GmbH', and has incorporated an overseas wholly owned subsidiary Company in Liechtenstein namely 'Laxman AG'. The said Companies have become wholly owned subsidiaries of the Company.

Purchase Consideration

Overseas Wholly Owned Subsidiaries ("WOS") of the Company namely, Geosphere Glassworks GmbH ("Geosphere") and Laxman AG, have acquired 86% stake in GMB Glasmanufaktur Brandenburg GmbH ("GMB") and Interfloat Corporation ("Interfloat"), respectively, in Europe, for an upfront consideration of EUR 5.50 million and EUR 2.00 million for acquisition of GMB and IF paid in cash and additional consideration amount to be determined on the basis of performance of GMB and IF in calendar year 2024, 2025 and 2026, equivalent to 20% of EBIT of GMB and IF. Consequently, both GMB and Interfloat have become step-down subsidiary companies of the Company with effect from 21st October, 2022.

Additionally, an amount of EUR 1.50 million was paid to the existing minority shareholder, Blue Minds IF Beteiligungs GmbH ("Blue Minds") as consideration against waiver by Blue Minds of its rights under the existing shareholders agreement. Geosphere has stepped-in as a creditor to Interfloat to the tune of EUR 2.48 million by taking over a factoring agreement executed between GMB and HS Timber Group GmbH.

Assets acquired and liabilities assumed

The fair values of the identifiable assets and liabilities of GMB Glasmanufaktur Brandenburg GmbH ("GMB") and Interfloat Corporation ("IF") as at the date of acquisition were:

Particulars	(₹ in lakhs)	
	Fair Value recognised on acquisition	
	GMB	IF
Assets		
Property, plant and equipment	2,956.36	11.93
Intangible assets	175.39	984.61
Capital work in progress	667.24	-
Inventories	5,261.75	-
Trade receivable	9,939.48	5,128.47
Cash and cash equivalents	6,942.77	5,543.74
Other current financial assets	1,392.69	5,421.47
Current tax assets	1.92	131.64
Other current assets	1,042.10	40.04
Deferred tax assets	331.20	-
	28,710.90	17,261.90
Liabilities		
Borrowings	5,421.47	-
Non-current lease liabilities	279.29	-
Non-current provision	4.52	-

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023

Particulars	(₹ in lakhs)	
	Fair Value recognised on acquisition	
	GMB	IF
Current lease liabilities	180.08	-
Trade payable	7,432.02	10,765.29
Current financial liabilities	1,899.23	118.40
Other current liabilities	841.08	266.23
Provisions	509.63	36.16
Current tax liabilities	54.21	1,921.33
Deferred tax liabilities	331.20	123.08
	<u>16,952.73</u>	<u>13,230.49</u>
Net identifiable assets at fair value	<u>11,758.17</u>	<u>4,031.41</u>

Calculation of Bargain Purchase

Particulars	(₹ in lakhs)	
	GMB	IF
Consideration transferred	5,668.73	2,491.58
Less:- Net Identifiable assets acquired	11,758.17	4,031.41
Less:- Non-controlling interest in the acquired entity	1,646.14	564.40
Bargain Purchase	<u>(4,443.30)</u>	<u>(975.43)</u>

The Overseas Wholly Owned Subsidiaries have identified and recognised gain on a bargain purchase of ₹ 5,418.74 Lakhs which has been shown under the head of Other Comprehensive Income and accumulated in Other Equity as Capital reserve in compliance with the respective provisions of Ind AS 103 "Business Combination".

Non-controlling Interest:-

For non-controlling interest in GMB Glasmanufaktur Brandenburg GmbH ("GMB") and Interfloat Corporation ("IF"), the Group elected to recognise the non-controlling interest at its proportionate share of the acquired net identifiable assets

Purchase Consideration - Outflow of cash to acquire subsidiaries and step down subsidiaries, net of cash acquired

Particulars	(₹ in lakhs)	
	GMB	IF
Consideration transferred	5,668.73	2,491.58
Less:- Balances Acquired (Included in cash flow from investing activities)		
Cash and cash equivalents	6,942.77	5,543.74
Other bank balances	1,392.69	5,421.47
Net inflow of cash - Investing activities	<u>(2,666.73)</u>	<u>(8,473.63)</u>

Note - 51 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, free fixed deposits and current investments. Equity comprises all components including other comprehensive income.

Particulars	(₹ in lakhs)
	As at 31 st March, 2023
Total Debt	41,766.16
Less:- Cash and cash equivalent	12,632.63
Less:- Current Investments	-

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023

Particulars	(₹ in lakhs)
	As at 31 st March, 2023
Less:- Fixed Deposits	1,124.76
Net Debt	29,133.53
Equity (Equity Share Capital plus Other Equity)	91,941.70
Total Capital (Equity plus net debts)	121,075.23
Gearing ratio	31.69%

Note - 52 Segment Information

52.1 The Group is engaged only in the business of manufacture of Flat Glass which is a single segment in terms of Indian Accounting Standard 'Operating Segments (Ind AS-108).

52.2 Revenue from Operations

Particulars	(₹ in lakhs)
	As at 31 st March, 2023
India	50,709.25
Outside India	38,694.24
Total	89,403.49

52.3 No single customer has accounted for more than 10% of the Group revenue for the year ended 31st March, 2023.

52.4 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	(₹ in lakhs)
	As at 31 st March, 2023
India	95,593.29
Outside India	9,768.37
Total	105,361.66

Note - 53 Other Statutory Information

53.1 There are no balances outstanding on account of any transaction with companies struck off under section 248 of the Companies Act, 2013 or section 560 of the Companies Act, 1956.

53.2 The Group has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise) that the 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 Beneficiaries) or (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

53.3 The Group has not received any fund from any person(s) or entity(s), 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.

53.4 The Group does not have any such transaction which is not recorded in the books of account that has been surrendered or disclosed as income during the year in the tax assessments under the Income-tax act, 1961.

53.5 The Group is not declared wilful defaulter by any bank or financial institution or other lender.

Note - 54 As the Company did not have any subsidiary / associate companies till 31st March, 2022, the Company has started preparing the consolidated financial statement since the year ended 31st March, 2023 and accordingly, figures for the previous year have not been given in respect of the aforesaid consolidated financial statements.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023

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	₹ in lakhs	As % of Consolidated Statement of Profit and Loss	₹ in lakhs	As % of Consolidated Other Comprehensive Income	₹ in lakhs	As % of Consolidated Total Comprehensive Income	₹ in lakhs
Parent								
Borosil Renewables Limited	93.11%	87,759.56	127.16%	8,854.39	-0.25%	(14.94)	67.88%	8,839.45
Foreign Subsidiaries								
Geosphere Glassworks GmbH	-2.20%	(2,076.77)	-29.27%	(2,037.82)	0.00%	-	-15.65%	(2,037.82)
Laxman AG	-0.45%	(427.62)	-6.59%	(458.62)	0.00%	-	-3.52%	(458.62)
Foreign Step-down Subsidiaries								
GMB Glasmanufaktur Brandenburg GmbH	15.62%	14,723.29	26.44%	1,841.25	0.00%	-	14.14%	1,841.25
Interfloat Corporation	3.44%	3,240.49	-16.13%	(1,123.43)	0.00%	-	-8.63%	(1,123.43)
Non controlling Interest	2.45%	2,311.04	1.44%	100.50	0.00%	-	0.77%	100.50
Associates Company								
ReNew Green (GJS Two) Private Limited	1.16%	1,097.80	-0.03%	(2.20)	0.00%	-	-0.02%	(2.20)
Consolidation Adjustments / Elimination	-13.13%	12,375.05)	-3.03%	(210.89)	100.25%	6,073.34	45.02%	5,862.45
Total	100.00%	94,252.74	100.00%	6,963.18	100.00%	6,058.40	100.00%	13,021.58

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)

Anuj Bhatia

Partner
Membership No. 122179

Date: 24th May, 2023

Ashok Jain
Whole-time Director
(DIN-00025125)

Kishor Talreja
Company Secretary
Membership No. F7064

P. K. Kheruka
Chairman
(DIN-00016909)

Sunil Kumar Roongta
Chief Financial Officer

BOROSIL RENEWABLES LIMITED
Form No. AOC-1
A. Salient Features of Financial Statements of Subsidiaries (including step-down subsidiaries) / Associate as per Companies Act, 2013
A-1. Subsidiaries

Sl. No.	Particulars	Subsidiaries		Step-down subsidiaries	
		Geosphere Glassworks GmbH	Laxman AG	GMB Glasmanufaktur Brandenburg GmbH	Interfloat Corporation
1	The date since when subsidiary was acquired.	25.04.2022	12.07.2022	21.10.2022	21.10.2022
2	Reporting period for the subsidiary concerned, if different from the holding company's reporting period [^]	Calendar Year	Calendar Year	Calendar Year	Calendar Year
3	Reporting Currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries ^{^^}	EURO	EURO	EURO	EURO
4	Share Capital (₹ in Lakhs)	22.40	44.80	224.02	268.82
5	Other Equity (₹ in Lakhs)*	(2,099.18)	(472.42)	14,499.27	2,971.66
6	Total Assets (₹ in Lakhs)	9,504.62	2,747.97	38,516.94	16,125.85
7	Total Liabilities (₹ in Lakhs)	11,581.39	3,175.60	23,793.66	12,885.38
8	Investments (₹ in Lakhs)	6,183.83	2,717.98	-	-
9	Revenue From Operations (₹ in Lakhs)	-	-	20,435.36	20,614.52
10	Profit / (Loss) before Tax (₹ in Lakhs)	(2,037.81)	(456.66)	2,237.53	(1,127.17)
11	Provision for Taxation (₹ in Lakhs)	-	1.96	(17.94)	(3.75)
12	Profit / (Loss) After Taxation (₹ in Lakhs)	(2,037.81)	(458.62)	2,255.47	(1,123.42)
13	Other Comprehensive Income	-	-	-	-
14	Total Comprehensive Income	(2,037.81)	(458.62)	2,255.47	(1,123.42)
15	Proposed Dividend	-	-	-	-
16	% of shareholding#	100.00%	100.00%	86.00%	86.00%
17	Country	Germany	Liechtenstein	Germany	Liechtenstein

[^]Subsidiaries (including step-down subsidiaries) follow the calendar year for financial reporting. However, for the purpose of this statement as well as for the consolidated financial statements, the period ended March 31, 2023 from the respective date of their acquisition, has been considered.

^{^^} Subsidiaries (including step-down subsidiaries) report their financial figures in EUR. However, their financial figures in this statement as well as in consolidated financial statements have been reported in INR after conversion of EUR. 1 EUR = ₹ 89.61 (31.03.2023)

*Includes Reserves and Surplus

Geosphere Glassworks GmbH holds 86% stake in GMB Glasmanufaktur Brandenburg GmbH and Laxman AG holds 86% stake in Interfloat Corporation.

A-2. Associate Company

Sl. No.	Particulars	ReNew Green (GJS Two) Private Limited
1	Latest Audited Balance Sheet*	31.03.2023
2	Date on which the Associate was associated or acquired	24.08.2022
3	Shares of Associate held by the company on the year end	
a.	No. of shares	1,00,00,000
b.	Amount of Investment in Associates (₹ In Lakhs)	1,100.00
c.	Extent of Holding (%)	31.20%
4	Description of how there is significant influence	Through percentage of voting rights held
5	Reason why the associate is not consolidated	NA
6	Networth attributable to Shareholding as per latest audited Balance Sheet (₹ In Lakhs)	1,097.80
7	Profit / (Loss) for the year	
a.	Considered in Consolidation (₹ in Lakhs)	(2.20)
b.	Not Considered in Consolidation (₹ in Lakhs)	-
8	Other comprehensive income for the year	-
a.	Considered in Consolidation (₹ in Lakhs)	-
b.	Not Considered in Consolidation (₹ in Lakhs)	-

* The figures of the associate are not audited but are certified by its Management.

Notes to the Statement:

- i The above statement also indicates performance and financial position of each of the subsidiaries (including step-down subsidiaries) and associate company.
- ii None of the Subsidiaries/Associate Company is yet to commence its operations.
- iii None of the Subsidiaries/Associate Company has been liquidated or sold during the year.

For and on behalf of Board of Directors

Ashok Jain
Whole-time Director
(DIN-00025125)

P. K. Kheruka
Chairman
(DIN-00016909)

Kishor Talreja
Company Secretary
(Membership No. F7064)

Sunil Kumar Roongta
Chief Financial Officer

Date: 24th May, 2023

ACCOUNTING RATIOS AND CAPITALISATION STATEMENT

Accounting Ratios

The following tables present certain accounting and other ratios computed on the basis of amounts derived from the Audited Consolidated Financial Statements, included in “*Financial Statements*” beginning on page 93:

Particulars	Consolidated	
	As at and for the year ended March 31, 2024	As at and for the year ended March 31, 2023
Basic EPS (₹)	(3.59)	5.34
Diluted EPS (₹)	(3.59)	5.34
Return on Net Worth (%)	(5.59)	7.87
Net Asset Value per Equity Share (₹)	66.89	70.49
EBITDA (₹ in lakhs)	5,458.43	14,310.24

The formulae used in the computation of the above ratios are as follows:

Basic EPS	Profit and loss attributable to Equity shareholders of Company / Weighted average number of Equity shares outstanding at the end of the period as adjusted for treasury shares
Diluted EPS	Profit and loss attributable to Equity shareholders of Company / Weighted average number of Equity shares outstanding at the end of the period as adjusted for treasury shares and for the effects of all dilutive potential equity shares
Return on Net Worth	Net Profit/ (loss) after tax for the period attributable to equity shareholders of the Company divided by Net worth as attributable to equity shareholders of the parent at the end of the period.
Net Asset Value per Equity Share	Total Equity at the end of the period divided by Total number of weighted average equity share outstanding at the end of the period. Total Equity means Equity Share Capital plus other equity.
EBITDA	EBITDA stands for earnings before interest, taxes, depreciation and amortization. It includes share of profits from Associate and excludes other income and exceptional items of the Company.

(a) Calculation of Return on Net Worth

(₹ in lakhs, except percentages)

Particulars	Consolidated	
	As at and for the year ended March 31, 2024	As at and for the year ended March 31, 2023
Net profit/(loss) after tax (A)*	(4,689.54)	6,963.18
Net Worth (B)	83,821.13	88,460.62
Return on Net Worth [A / B] * 100 (%)	(5.59)	7.87

*Owners of the Company

Particulars	Consolidated	
	As at and for the year ended March 31, 2024	As at and for the year ended March 31, 2023
Equity Share capital (A)	1,305.38	1,304.98
Other Equity * (B)	82,515.75	87,155.64
Net Worth (C = A + B)	83,821.13	88,460.62
Total Equity #	87,305.71	91,941.70
No. of Equity shares subscribed and fully paid outstanding (E)	13,05,257,423	13,04,31,911
Net Asset Value per Equity Share (₹)	66.89	70.49

* Other Equity means, Securities Premium, Share Based Payment Reserve, Retained Earnings and Remeasurements of Defined Benefit Plans.

Owners of the Company and Equity share Capital

(b) Details of EBITDA

(₹ in lakhs, except per share data)

Particulars	Consolidated	
	As at and for the year ended March 31, 2024	As at and for the year ended March 31, 2023
Net profit/(loss) before tax (A)	(8,608.83)	10,106.30
Share of profit/(Loss) in associate (B)	91.70	(2.20)
Finance costs (C)	2,921.86	779.19
Depreciation and amortisation expense (D) (₹ in lakhs)	13,171.59	5,401.29
Other Income (E)	2,117.89	1,974.34
EBITDA (F)= [A+B+C+D-E]	5,458.43	14,310.24

Consolidated Capitalisation Statement

The following table sets forth the capitalisation statement of our Company (i) derived from the Audited Consolidated Financial Statements; and (ii) as adjusted for the Issue:

(₹ in lakhs)

Particulars	Pre – Issue	Post – Issue
	As at March 31, 2024 (Unadjusted)	As Adjusted
Total Borrowings: -		
Non-current borrowings (including current maturities)*(A)	53,601.36	[●]
Current borrowings* (B)	3,500.00	[●]
Total Borrowings(C)=(A)+(B)	57,101.36	[●]
Total Equity		
Equity Share capital* (D)	1,305.38	[●]
Other Equity*# (E)	86,000.33	[●]^
Total Equity (F)=(D)+(E)	87,305.71	[●]
Ratio -Non-current borrowings/ Total Equity (A)/(F)	0.61	[●]
Ratio -Total borrowings/ Total Equity (C)/(F)	0.65	[●]

Note 1: As per Audited Consolidated Financial Statements of the Company for the year 31st March, 2024.

*The above terms in the table shall carry the meaning as per Schedule III of the Companies Act, 2013

#Other equity includes other comprehensive income and excludes non con-controlling interest

^ Not adjusted for Issue related expenses

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

An investment in the Equity Shares involves a high degree of risk. Prospective investors should carefully consider all the information in this Draft Letter of Offer, including the risks and uncertainties described below, before making an investment in the Equity Shares. This section should be read in conjunction with "Risk Factors", "Industry Overview", "Our Business" and "Financial Information" on beginning pages 17, 51, 75 and 93, respectively, before making an investment decision in relation to the Equity Shares.

This section contains forward-looking statements. Our actual results may differ materially from those expressed in or implied by these forward-looking statements. See "Forward-Looking Statements" beginning on page 14 for a discussion of the risks and uncertainties related to those statements and "Risk Factors" beginning on page 17 for a discussion of certain factors that may affect our business, financial condition, results of operations or cash flows.

Our fiscal year commences on April 1 and ends on March 31 of the subsequent year, and references to a particular "Fiscal" are to the 12 months ended March 31 of that year. Unless otherwise specified or as the context requires, financial information herein is derived from the Audited Consolidated Financial Statements. However, all information in this section regarding cost, yield and average balances is based on the average balances outstanding during the relevant Fiscal year.

Certain non-GAAP financial measures and certain other statistical and operational information relating to our operations and financial performance have been included in this section. For further details, see "Presentation of Financial Information and Other Information – Non-GAAP Financial Measures" on page 12.

Industry and market data used in this section is derived from the industry report titled "Industry Report on Solar Glass Market" dated June 6, 2024 prepared by Frost & Sullivan (India) Private Limited ("F&S" and such report, the "F&S Report") appointed by our Company pursuant to an engagement letter dated March 22, 2024. We have commissioned and paid for the F&S Report specifically for the purpose of the Issue. For further details, see "Presentation of Financial Information and Other Information - Market and Industry Data" on page 12.

OVERVIEW

We are India's largest solar glass manufacturer with a capacity of 1,350 TPD in the calendar year ended 2023 (*Source: F&S Report*) of which 350 TPD is at our manufacturing facility at Tschernitz, Germany. We manufacture textured low iron solar glass, with specifications ranging from 2 mm to 6 mm thickness and with maximum sheet length and width of 3,500 mm and 2,500 mm, respectively, which finds application in solar photo-voltaic (PV) modules, solar modules for utility scale solar projects and solar modules for rooftops or water pumps and glazing of greenhouses.

SIGNIFICANT FACTORS AFFECTING OUR RESULTS OF OPERATIONS

Our business, prospects, results of operations, cash flow and financial condition are affected by a number of factors, including key factors:

Government focus on domestic manufacturing of solar modules and solar glass and strong industry outlook on the solar energy sector in India.

The Indian government in the last few years has taken a multitude of demand and supply measures to boost the solar power sector in India. On the demand side, schemes have been launched to promote solar capacity additions to meet the 300 GW installed capacity by CY 2030 and demand visibility has been created by having a robust order pipeline. On the supply side, policies have been initiated to attract investments in the domestic solar manufacturing industry and safeguard the domestic solar cell and module manufacturing against imports by putting basic customs duty, incentivizing local production by setting up capacities by allowing incentives under production linked incentive (PLI) scheme and introducing a non tariff barrier in the form of mandating use of solar modules produced by manufacturers listed under "Approved list of models and manufacturers (ALMM) mechanism" targeting to avoid imports from China and other Southeast Asian countries.

A brief description of some of the notable demand side measures have been provided below:

A. Solar Parks – 37.7 GW

This scheme underscores India's commitment to solar energy, aiming to establish 50 solar parks each of 500 MW and above by FY 2025-26, with a cumulative capacity of 37.7 GW. These parks serve as pivotal hubs for solar energy generation, stimulating investments and fostering an environment conducive to solar power development, thereby enhancing affordability and accessibility. By the end of December 2023, approximately 10.5 GW of solar projects have been commissioned under this scheme.

B. PM Surya Ghar Muft Bijli Yojana – 25-30 GW

With an allocation of over ₹ 750 billion, the scheme aims to provide financial assistance through capital subsidies, facilitating the installation of rooftop solar panels and granting up to 300 units of free electricity every month to approximately 10 million households across India. The objective of this scheme is to reduce the electricity costs of the households by installing rooftop

solar panels and harnessing freely available solar energy. This scheme aims to decrease dependency on traditional energy sources and move towards sustainable energy practices. The scheme mandates use of domestically made modules under domestic content requirements (“DCR”). The government has proposed to provide the below subsidies for implementation of this programme:

- For up to 2 kW - ₹ 30,000 per kW
- For additional capacity up to 3 kW - ₹ 18,000 per kW
- Total subsidy for systems larger than 3 kW - Maximum ₹ 78,000

Further, as per the Frost & Sullivan report, this scheme is expected to generate 25 – 30 GW of rooftop solar installation opportunities over the next 2-3 years. Since the modules have to be made in India, it generates demands for all the components including solar glass.

C. PM-KUSUM Scheme – 34.8 GW

The main objectives of the Pradhan Mantri Kisan Urja Suraksha Evam Utthaan Mahabhiyan (PM-KUSUM) include dieselization of the farm sector, providing water and energy security to farmers, increasing the income of farmers, and curbing environmental pollution. The scheme has three components targeted to achieve solar power capacity addition of 34.8 GW by March 31, 2026 with total central financial support of ₹ 344 million. The three components of the scheme are:

- Component A: Setting up of 10,000 MW of decentralized ground/stilt mounted solar power plants on barren/fallow/pasture/marshy/cultivable land of farmers. Such plants can be installed by individual farmers, solar power developers, cooperatives, panchayats, and farmers producer organizations.
- Component B: Installation of 1.4 million stand-alone solar water pumps in off-grid areas.
- Component C: Solarization of 3.5 million grid connected agriculture pumps through (i) individual pump solarization and (ii) feeder level solarization.

D. CPSU Scheme – Phase II – 12 GW

The CPSU Scheme Phase-II, also known as the Government producer scheme, is a significant initiative from the Indian government to promote domestic solar power generation and enhance energy security. Key features of the scheme are:

- Financial Assistance: The scheme offers viability gap funding (“VGF”) of up to ₹ 7 million per MW to incentivize participation and address project cost viability concerns.
- Capacity Target: The scheme initially aimed to develop a total of 12,000 MW of grid-connected solar power capacity through plants set up by the eligible entities. While the deadline for the project commissioning has already passed, the scheme continues to be operational for unallocated projects.
- Implementation: The scheme is implemented through a competitive bidding process managed by the solar energy corporation of India (“SECI”). Eligible entities can submit proposals for setting up solar power plants, and SECI selects the most competitive proposals based on predefined criteria.

With government initiatives like the PM-KUSUM, PM-Surya Ghar Muft Bijli Yojana, and the CPSU scheme in play, there is an emphasis on the utilization of DCR solar modules produced in India.

E. Production Linked Incentive (PLI) on solar value chain

The Indian Government has implemented a production linked incentive (“PLI”) scheme for a national programme on high efficiency solar PV modules, for achieving manufacturing capacity of giga watt (“GW”) scale with an outlay of ₹ 240 billion. The scheme offers incentives to the selected solar PV module manufacturers on manufacture and sale of high efficiency solar photovoltaic (“PV”) modules. The scheme is applicable for the first five years from the actual commissioning date or from the scheduled commissioning date, whichever is earlier. The objectives of the scheme include the following:

- To build up solar PV manufacturing capacity of high efficiency modules.
- To bring cutting-edge technology to India for manufacturing of high efficiency modules. The scheme will be technology agnostic however, the technologies that would yield better module performance will be incentivized.
- To promote setting up of integrated plants for better quality control and competitiveness.
- To develop an ecosystem for sourcing of local material in solar manufacturing.
- Employment generation and technological self-sufficiency.

The PLI Scheme is being implemented in two tranches as follows:

- Tranche-I: Under this tranche, Indian Renewable Energy Development Agency Limited (“IREDA”), the implementing agency on behalf of the Ministry for New and Renewable Energy (“MNRE”) for the PLI Scheme, issued letters of award (“LOA”) in November and December 2021 to three successful bidders for setting up of 8,737 MW capacity of fully integrated solar PV Module manufacturing units with an outlay of ₹ 45 billion.
- Tranche-II: MNRE, on September 30, 2022, has issued guidelines for implementation of Tranche-II with an outlay of ₹195 billion. In this tranche, solar energy corporation of India (“SECI”), the implementing agency on behalf of MNRE, issued LOA to 11 bidders in April 2023 for setting up 39,600 MW of fully / partially integrated solar PV module manufacturing units.
- The PLI scheme indirectly benefits the domestic production of components by providing a higher incentive to module manufacturers on higher local content and thus creates a higher demand.

F. Domestic Content Requirements

The DCR is a policy implemented by the Indian government that mandates a specific percentage of components including cells and modules used in solar power projects, particularly those funded by the government, to be sourced from domestic manufacturers. This percentage has been steadily increasing over the years and going forward, the 40% minimum domestic content requirement is set to increase annually, to 45% for projects starting construction in CY 2025, 50% in CY 2026 and 55% thereafter.

The DCR policy in India mandates the use of domestically manufactured components in specific government-funded projects. This policy aims to boost domestic manufacturing, create jobs, and reduce dependence on imports. In August last year, the Ministry waived domestic requirement norms for projects awarded on or before June 20, 2023. However, not all sectors are subject to DCR, and certain exemptions exist. DCR is applicable for grid-connected solar power plants, rooftop solar installations on government buildings, and off-grid solar solutions. The DCR policy serves the following benefits to the Indian solar cell and module manufacturers:

- **Guaranteed market:** DCR acts as a powerful market driver by ensuring a guaranteed demand for domestically produced solar cells and modules. This provides manufacturers with the confidence and stability needed to invest in setting up new facilities, expanding existing ones, and adopting advanced technologies. This leads to a significant increase in overall domestic manufacturing capabilities.
- **Reduced competition:** By making imported components less competitive, DCR fosters a level playing field for domestic manufacturers. This reduces the threat from cheaper imports, allowing Indian companies to establish themselves in the market and improve their competitiveness through economies of scale and technological advancements.
- **Technology development:** DCR incentivizes manufacturers to invest in research and development (“**R&D**”) activities to enhance the efficiency and quality of their products. This not only helps them compete effectively in the domestic market but also positions them for global competition, fostering technological innovation and a future-proof industry.

As per a recent briefing, the Indian government is planning to set up a data repository of India made solar modules. The objective of this initiative is to check imports and ensure adherence to DCR for solar projects under central government schemes.

G. Approved List of Models and Manufacturers (“**ALMM**”)

The ALMM program establishes a pre-approved list of reliable solar photovoltaic (“**PV**”) modules and cell manufacturers. This program ensures quality and efficiency of solar installations in India by requiring developers and investors to source their equipment from ALMM-listed vendors. By promoting high-quality domestic and imported products, ALMM fosters trust and encourages the adoption of reliable solar solutions throughout the country. ALMM policy was introduced from April 2022 and after being under suspension for FY 2023-24, it resumed to be in effect from April 1, 2024 and as per the latest list published by MNRE, the ALMM list still does not have any foreign manufacturer.

H. Basic Customs Duty of Solar Cells and Modules

The Government has imposed a basic customs duty on solar cells (at 25% plus a surcharge of 10% thereof) and solar modules (at 40% plus a surcharge of 10% thereof) from April 1, 2022. This has led to rise in module/cell manufacturing capacity within the country and propelled domestic manufacturing which in turn has created a higher demand for all the components including solar glass.

In order to create a level-playing field for the domestic manufacturers of solar glass, the following measures have been /are being undertaken. These measures benefit the solar glass manufacturers like us who supply to the solar module manufacturers:

- **Level playing field for manufacturers in Domestic Tariff Area (DTA):** The Government in March 2021, issued an extraordinary gadget notification from the Ministry of Law and Justice, that if there is any Countervailing Duty, Safeguard Duty, and Anti-dumping Duty applicable on the import of any item, then that part of the duty should be paid by special economic zone (“**SEZ**”) unit while supplying finished goods to DTA. This has made domestically produced components competitive with imports and established a level playing field for SEZ and DTA.
- **Imposition of Anti-dumping Duty on imports of solar glass from China:** The Indian Government promoted domestic manufacturing of solar glass by imposing anti-dumping duties on foreign competitors. For instance, in August 2017, the revenue department issued a notification imposing an anti-dumping duty in the range of USD 52.85 - 136.21 per ton on tempered glass imports from China which was applicable for five years. The duty was imposed on textured toughened (tempered) glass with a minimum of 90.5% transmission having a thickness not exceeding 4.2 mm (including tolerance of 0.2 mm) and where at least one dimension exceeds 1,500mm, whether coated or uncoated. This Anti-dumping Duty on imports of solar glass from China expired in August 2022. Further, against a fresh application filed by the domestic industry, the Ministry of Commerce and Industry, through the DGTR, on February 13, 2024, has notified the launch of an investigation on dumped imports of Textured Tempered Coated and Uncoated Glass from China and Vietnam for the imposition of anti-dumping duty which is yet to be concluded..

Imposition of Countervailing Duty on imports of solar glass: The revenue department has in March 2021 issued a notification levying a CVD of 9.71% on imports of solar glass from Malaysia applicable for five years. This duty is currently in force. Further, on February 13th, 2024, the Ministry of Commerce and Industry, through the Director General of Trade Remedies (“**DGTR**”), notified the initiation of countervailing duty investigation on imports of textured tempered coated and uncoated

glass from Vietnam for the imposition of countervailing duty which is yet to be concluded.

The price and allocation levels of Administered Price Mechanism gas as well as the market linked price of Regasified Liquefied Natural Gas, which is used as a fuel at our manufacturing facility

The utilities that we require for our manufacturing process are natural gas, furnace oil, electricity and water.

The glass melting furnace at our manufacturing unit uses natural gas as feedstock. Currently, we source our natural gas requirements through open market buying under short term contracts from GAIL India Limited (“GAIL”) and Shell Energy India Private Limited/ Sanron Energy Private Limited. Typically, we procure natural gas, for use at our manufacturing facility, through (a) natural gas allotted by the Government of India, the price of which is governed by the Administered Price Mechanism (“APM”) and (b) Regasified Liquefied Natural Gas (“RLNG”) which we procure at the market prices. The natural gas sourced at APM currently accounts for approximately 15% of our total natural gas requirement in India at current prices, APM price is approximately 59% of the current price at which we procure gas at RLNG in India. In order to mitigate the price risk, we source the RLNG through a mix of suppliers at market prices. In the past we have used long term supply contracts with GAIL. However, in view of the current high prices of open market gas for sourcing under medium/long term contracts as against spot/short term contracts, we have not yet entered into any medium/long term contracts.

As an alternative to using RLNG, we have been using a partial quantity of furnace oil to run our furnaces based on the economic viability against the RLNG.

We procure power from Dakshin Gujarat Vij Company Limited - DGVCL (a distribution company) and a windmill of 1.5 MW in Gujarat.

Further, we have invested in a solar wind hybrid power plant of 10 MW for self-consumption through a group captive mechanism which started power generation in May 2023.

We have borewells at our facility, from which we draw our water requirements.

Price at which we procure our raw materials

Raw material costs are a major component of our operating costs. The raw materials primarily utilized by our manufacturing processes include silica sand, quartz, soda ash, limestone, dolomite, sodium antimonate, coating liquid, etc. India plant - quartz and silica sand are sourced domestically. We have been using dolomite from North India. However, recently we have started importing dolomite from China as well, limestone from Egypt, sodium antimonate and coating liquid from Europe. All the raw materials used at our German facility are sourced from the European Union. The cost of materials consumed for Fiscal 2024 and Fiscal 2023 was ₹ 35,072.85 lakhs and ₹ 21,061.68 lakhs, respectively.

Research and development and investment in technology

We believe that research and development is critical in maintaining our competitive position and in addressing the changing consumer requirements, industry developments and business models. This business requires innovation through research and development to differentiate itself from competition, reduce costs and thereby improve profitability. We have invested in research and development and through such efforts, we have developed the technology and the process to:

NoSbEra: Antimony free low iron solar glass	Developed technology to manufacture antimony free low iron textured Solar Glass
Shakti - Solar Glass in matt-matt finish	Developed a solar glass in matt-matt finish
Selene - Anti-glare solar glass	Developed an Anti-glare solar glass for Solar installations near airports to ensure aviation safety
Patents filed	Antimony Free Solar. Patent obtained in Fiscal 2021 Use of certail waste material in glass. Patent obtained in Fiscal 2021
B. L. Kheruka Centre for Research & Development	Formation of a dedicated R&D center at Pune to focus on development of new products and process improvement
Solar R&D project for field trials	Worked with NCPRE at IIT-B for setting up a large R&D facility for testing field performance of various solar technologies

Further, we have in Fiscal 2024, set up an R&D center to explore various opportunities in the solar sector to improve product performance and develop new products for growth.

SUMMARY OF MATERIAL ACCOUNTING POLICIES

Below are the material accounting policies used for the preparation of the annual audited financial statements as at and for the year ended March 31, 2024:

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).
- 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 (₹), which is the Company's functional and presentation currency and all values are rounded to the nearest Lakhs, except when otherwise indicated.

Basis of Consolidation

The consolidated financial statements comprise the financial statements of the Company, its subsidiaries and associate as at March 31, 2024.

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 differences arising on consolidation is recognized in the Foreign Currency Translation Reserve ("FCTR") through OCI.
- e) Consolidated statements 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 recognizes 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 the consolidated statement of profit and loss. Any investment retained is recognised at fair value. The results of subsidiaries acquired or disposed of 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 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 the 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.

Material Accounting Policies

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.

2. *Property, Plant and Equipment:*

Property, plant and equipment are carried at cost, net of recoverable taxes, trade discount and rebates less accumulated depreciation 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. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the entity and the cost can be measured reliably.

Property, plant and equipment not ready for the intended use on the date of balance sheet are disclosed as "Capital Work-in-Progress" and expenses incurred relating to it, net of income earned during the development stage, are disclosed as pre-operative expenses under "Capital Work-in-Progress".

Depreciation on the property, plant and equipment is provided using straight line method over the useful life of the assets as specified in Schedule II to the Companies Act, 2013 and following assets where the useful life is different as per technical evaluation than those prescribed in Schedule II.

Particulars	Useful life considered for depreciation
Certain Plant & machineries	10 Years
Melting Furnace	5 Years

Freehold land is not depreciated.

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

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

3. *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.

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 on a straight line method over the period of useful lives or period of three years, whichever is less and in the case of technical know-how, amortisation period is six years. Customer relationship are amortised on a straight line method over the period of fourteen year. The assets' useful lives and method of depreciation are reviewed at each financial year end. The assets' useful lives and method of depreciation 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. *Inventories:*

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

5. *Cash and cash equivalents:*

Cash and cash equivalents 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.

6. *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.

7. *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 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 receivable that do not contain a significant financing component are measured at transaction price.

II. 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 cashflow 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.

III. Financial assets – Equity investment in subsidiaries, associates and joint ventures

The Group has accounted for its equity investment in associate and joint venture at cost.

IV. 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 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 assets.

• 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, the 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.

V. 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.

VI. 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.

VII. 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.

VIII. 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.

IX. 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.

X. Revenue recognition and other income:

- Sales of goods and services:

The Group derives revenues primarily from sale of products comprising of low iron textured solar glass.

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 transfer 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 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 expect to 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, performance bonuses, price concessions and incentives, if any, as specified in the contract with the customer. Revenue also excludes taxes collected from customers.

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

- 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 or the payment is due (whichever is earlier). 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 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 statement of profit or loss.

XI. 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.

XII. Employee Benefits:

Short term employee benefits are recognized as an expense in the 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.

The cost of providing gratuity, a defined benefit plans, 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. 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 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 statement of profit and loss in subsequent periods.

XIII. 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 options 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 Holding Company's estimate of shares that will eventually vest. The estimate of the number of 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.

XIV. 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 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 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 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.

XV. 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 companies 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.

XVI. 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.

XVII. Government Grant:

Grants and subsidies from the government are recognised when there is reasonable assurance that (i) the Group will comply with the conditions attached to them, and (ii) the grant/subsidy will be received. When the grant or subsidy relates to revenue, it is recognised by adjusting the grant with the related costs which they are intended to compensate in the statement of profit and loss. Where the grant relates to an asset, it is recognised by deducting the grant from the value of respective asset to arrive at carrying amount.

XVIII. Research and Development Expenditure:

Revenue expenditure pertaining to research is charged to the Statement of Profit and Loss as and when incurred. Development costs are capitalised as an property, plant and equipment and intangible asset if it can be demonstrated that the project is expected to generate future economic benefits, it is probable that those future economic benefits will flow to the entity and the costs of the asset can be measured reliably, else it is charged to the Statement of Profit and Loss.

XIX. 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.

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.

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.

2. Income Tax:

Respective companies 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 statement of profit and loss.

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.

4. 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. 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.

6. 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.

7. 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 exercisethe 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.

CHANGES IN ACCOUNTING POLICIES

There has been no change in our accounting policies in the Fiscal 2024 and Fiscal 2023.

PRINCIPLE COMPONENTS OF INCOME AND EXPENDITURE

Income

Our total income comprises our revenue from operation and other income.

Revenue from Operations

Our revenue from operations comprises sale of products and other operating revenue. The Group is engaged only in the business of manufacture of Flat Glass which is a single segment in terms of Indian Accounting Standard ‘Operating Segments (Ind AS-108) and hence, the requirement of disaggregation by type of goods and services is not applicable.

Disaggregated revenue comprise (i) revenue based on geography and (ii) reconciliation of revenue from operations with contract price. Revenue based on geography comprise revenue from India and outside India, while reconciliation of revenue from operations with contract price comprise (i) contract price and (ii) reduction towards variables considerations components which in turn comprise of volume discounts, quality claims and breakage etc.

Other Income

Our other income component comprises (i) interest income from financial assets measured at amortised cost; (ii) gain on sale investments (net); (iii) rent income; (iv) gain on foreign currency transaction (net); export incentives and (iv) miscellaneous income. Interest income from financial assets measured at amortised cost comprise (i) fixed deposits with banks and (ii) other,

while gain on sale investments (net) comprise current investments.

Expenses

Our total expenses comprise our (i) cost of materials consumed; (ii) changes in inventories of finished goods, work-in-progress and stock-in-trade; (iii) employee benefits expenses; (iv) finance costs; (v) depreciation and amortisation expense and (vi) other expenses.

Employee Benefits Expenses

Employee benefits expense comprise (i) salaries, wages and allowances, which is subject to shareholder's approval; (ii) contribution to provident and other funds; (iii) share based payments; and (iv) staff welfare expenses.

Finance Cost

Our finance cost comprises (i) interest expenses on financial liabilities measured at amortised cost; (ii) exchange differences regarded as an adjustment to borrowing costs; (iii) interest expenses on account of fair valuation of liabilities; and (iv) interest expenses on finance lease liabilities.

Depreciation And Amortisation Expense

Our depreciation and amortisation expenses include (i) depreciation of property, plant and equipment; and (ii) amortisation of intangible assets.

Other Expenses

Our other expenses comprise (i) manufacturing and other expenses; (ii) selling and distribution expenses and (iii) administrative and general expenses.

(i) Manufacturing And Other Expenses

Our manufacturing and other expenses comprise (a) consumption of stores and spares, (b) power & fuel, (c) packing materials consumed, (d) contract labour expenses, (e) job processing charges, (f) repairs to machinery; and (g) repairs to buildings.

(ii) Selling and Distribution Expenses

Our selling and distribution expenses comprise (a) sales promotion and advertisement expenses, (b) discount and commission; and (c) freight outward.

(iii) Administrative and General Expenses

Our administrative and general expenses comprise (a) rent, (b) rates and taxes, (c) other repairs, (d) insurance, (e) legal and professional fees, (f) travelling, (g) bad debts, (h) reversal of provision for credit impaired, (i) loss on sale/discarding of property, plant and equipment, (j) directors sitting fees, (k) commission to directors, (l) payment to auditors, (m) corporate social responsibility expenditure, (n) donation, (o) sundry debit balance written off (net); and (p) miscellaneous expenses.

SEGMENTAL REPORTING

The Group is engaged only in the business of manufacture of flat glass which is a single segment in terms of Indian Accounting Standard Operating Segments (Ind AS-108).

NON-GAAP MEASURES

Certain measures which are Return on Average Equity, Debt to Equity Ratio, Interest Coverage Ratio, EBITDA Margin, Current Ratio, Inventory Turnover Ratio, Trade Receivable Turnover Ratio, Net Profit Ratio, Return on Capital Employed, Return on Investment, Return on Net Worth and Net Worth (together, "**Non-GAAP Measures**"), presented in this Draft Letter of Offer are a supplemental measure of our performance and liquidity that is not required by, or presented in accordance with, Ind AS, IFRS, US GAAP or any other GAAP. Further, these Non-GAAP Measures are not a measurement of our financial performance or liquidity under Ind AS, IFRS, US GAAP or any other GAAP and should not be considered in isolation or construed as an alternative to cash flows, profit/ (loss) for the years/ period 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, IFRS, US GAAP or any other GAAP. In addition, these Non-GAAP Measures are not standardised terms, hence a direct comparison of these Non-GAAP Measures between companies may not be possible. Other companies may calculate these Non-GAAP Measures differently from us, limiting its usefulness as a comparative measure. Although such Non-GAAP Measures are not a measure of performance calculated in accordance with applicable accounting standards, our

Company's management believes that they are useful to an investor in evaluating us as they are widely used measures to evaluate a company's operating or financial performance.

Reconciliation of non-GAAP measures

The tables below reconciles our profit for the period/ year from Continuing Operations under Ind AS to our definition of Adjusted EBITDA and Adjusted EBITDA Margin for the periods/ years specified:

Particulars	(₹ in lakhs, except percentages)	
	Fiscal 2024	Fiscal 2023
Profit for the period/year from Continuing Operations (A)	(5,027.36)	7,063.68
Total tax expense of Continuing Operations (B)	(245.55)	3,040.42
Exceptional items (C)	(3,244.22)	0.00
Share In Profit/ (Loss) of Equity Accounted Investees (D)	91.70	(2.20)
Other finance costs (E)	2,921.86	779.19
Depreciation and amortisation expenses (F)	13,171.59	5,401.29
Adjusted EBITDA⁽¹⁾ (G=A+B+C+D+E+F)	7,668.02	16,282.38
Revenue from operations (H)	1,36,928.34	89,403.49
Adjusted EBITDA margin (%)⁽²⁾ (G/H)	5.60%	18.21%

Notes:

⁽¹⁾ Adjusted EBITDA is calculated as profit from ordinary activities for the period/ profit from continuing operations for the year, before share in profit of equity accounted investees, exceptional items, tax, finance costs (other than finance cost relating to NBFC/HFC's business) and depreciation and amortization expenses.

⁽²⁾ Adjusted EBITDA margin is calculated as adjusted EBITDA divided by revenue from operations.

For a reconciliation of Return on Average Equity, Debt to Equity Ratio, Interest Coverage Ratio, Current Ratio, Inventory Turnover Ratio, Trade Receivable Turnover Ratio, Net Profit Ratio, Return on Capital Employed, Return on Investment, Return on Net Worth and Net Worth, see "Accounting Ratios and Capitalisation Statement" beginning on page 222.

RESULTS OF OPERATIONS

Consolidated financials for Fiscal 2024 compared to Fiscal 2023

Particulars	Fiscal 2024		Fiscal 2023	
	(₹ lakhs)	Percentage of Total Income (in %)	(₹ lakhs)	Percentage of Total Income (in %)
I. Income				
Revenue from operations	1,36,928.34	98.48	89,403.49	97.84
Other income	2,117.89	1.52	1974.34	2.16
Total Income (I)	1,39,046.23	100	91,377.83	100.00
II. Expenses				
Cost of Materials Consumed	35,072.85	25.22	21,061.68	23.05
Changes in Inventories of Finished Goods, Work-in-Progress and Stock-in-Trade	1,184.03	0.85	(5,394.73)	(5.90)
Employee Benefits Expense	21,823.75	15.70	11,848.10	12.97
Finance Costs	2,921.86	2.10	779.19	0.85
Depreciation and Amortization Expense	13,171.59	9.47	5,401.29	5.91
Other Expenses	73,480.98	52.85	47,576	52.07
Total Expenses (II)	1,47,655.06	106.19	81,271.53	88.94
III. Profit/(loss) before share of profit in Associate, exceptional items and tax (I-II)	(8,608.83)	(6.19)	10,106.3	11.06
IV. Share of profit/(loss) in Associate	91.70	0.07	(2.20)	0.00
V. Profit/(loss) before exceptional and extraordinary items and tax (III+IV)	(8,517.13)	(6.13)	10,104.10	11.06
VI. Exceptional Items	3,244.22	2.33	0.00	0.00

VII. Profit/(loss) Before Tax (V+VI)	(5,272.91)	(3.79)	10,104.10	11.06
VIII. Tax expense				
(1) Current tax	137.56	0.10	2,381.56	2.61
(2) Deferred tax	(383.11)	(0.28)	658.86	0.72
Total Tax Expenses	(245.55)	(0.18)	3,040.42	3.33
IX. Profit/(loss) for the Year (VII-VIII)	(5,027.36)	(3.62)	7,063.68	7.73
X. Other Comprehensive Income (OCI)				
i. Items that will not be reclassified to profit or loss:				
Re-measurement gains / (losses) on Defined Benefit Plans	(87.79)	(0.06)	(19.96)	(0.02)
Bargain Purchase gain	0.00	0.00	5,418.74	5.93
Income Tax effect on above	19.08	0.01	5.02	0.01
ii. Items that will be reclassified to profit or loss:				
Exchange difference in translating the financial statement of a foreign operation	3.50	0.00	654.6	0.72
Income tax effect on above	0.00	0.00	0.00	0.00
Total Other Comprehensive Income	(65.21)	(0.05)	6,058.4	6.63
XI. Total Comprehensive Income for the Year (IX + X)	(5,092.57)	(3.66)	13,122.08	14.36
XII. Profit/(loss) attributable to				
Owners of the Company	(4,689.54)	(3.37)	6,963.18	7.62
Non-controlling Interest	(337.82)	(0.24)	100.50	0.11
XIII. Other Comprehensive Income attributable to				
Owners of the Company	(62.29)	(0.04)	6,058.40	6.63
Non-controlling Interest	(2.91)	0.00	0.00	0.00
XIV. Total Comprehensive Income attributable to				
Owners of the Company	(4,751.83)	(3.42)	13,021.58	14.25
Non-controlling Interest	(340.73)	(0.25)	100.50	0.11
XV. Earnings per Equity Share of ₹1/- each (in ₹)				
- Basic	(3.59)	0.00	5.34	0.00
- Diluted	(3.59)	0.00	5.34	0.00

COMPARISON OF AUDITED CONSOLIDATED FINANCIALS OF FISCAL 2024 TO FISCAL 2023

Total Income

Our total income increased by 52.17% from ₹ 91,377.83 lakhs in Fiscal 2023 to ₹ 1,39,046.23 lakhs in Fiscal 2024. This increase was primarily due to an increase in our sales volume as compared to the previous Fiscal. The primary reasons for this increase are as set forth below.

Revenue from operations

Our revenue from operations increased by 53.16% from ₹ 89,403.49 lakhs in Fiscal 2023 to ₹ 1,36,928.34 lakhs in Fiscal 2024.

The increase in our revenue from operations was primarily on account of commencement of the SG-3 plant from February 23, 2023 and full year consolidation of the Step-down Subsidiaries in Fiscal 2024

Other income

Our other income increased by 7.27% from ₹ 1,974.34 lakhs in Fiscal 2023 to ₹ 2,117.89 lakhs in Fiscal 2024.

The increase in our other income was primarily attributable to the following:

- (i) The increase in interest income by 42.56% from ₹ 231.54 lakhs in Fiscal 2023 to ₹ 330.09 lakhs in Fiscal 2024.
- (ii) The increase in government grant by 100% from ₹ 0.00 lakhs in Fiscal 2023 to ₹ 647.67 lakhs in Fiscal 2024.
- (iii) The increase in business support service income by 100% from ₹ Nil lakhs in Fiscal 2023 to ₹ 90.03 lakhs in Fiscal 2024.
- (iv) The increase in miscellaneous income by 35.78% from ₹ 381.94 lakhs in Fiscal 2023 to ₹ 518.58 lakhs in Fiscal 2024.

- (v) The decrease in gain on sale of investments (net) (including gain on foreign currency transactions (net)) by 100% from ₹ 969.07 lakhs in Fiscal 2023 to ₹ Nil lakhs in Fiscal 2024.

Expenses

Our total expenses increased by 81.68% from ₹ 81,271.53 lakhs in Fiscal 2023 to ₹ 1,47,655.06 lakhs in Fiscal 2024 for reasons set forth below:

Cost of materials consumed

Our cost of materials consumed increased by 66.52% from ₹ 21,061.68 lakhs in Fiscal 2023 to ₹ 35,072.85 lakhs in Fiscal 2024 owing mainly to the increase in production capacity from 450 TPD to 1000 TPD from February 23, 2023 and full year consolidation of the step-down subsidiaries..

Changes in inventories of finished goods, work-in-progress and stock-in-trade

Our inventories of finished goods, work-in-progress and stock-in-trade increased by 573.97% from ₹ 1,779.89 lakhs in the beginning of Fiscal 2023 to ₹ 11,995.96 lakhs in the beginning of Fiscal 2024. Further, inventories of Rs 1,134.98 lakhs were added from the trial run production and inventories of Rs 3686.36 lakhs were added being stocks of step down subsidiaries on account of acquisition during the Fiscal 2023. Our inventories of finished goods, work-in-progress and stock-in-trade decreased by 9.87% from ₹ 11,995.96 lakhs at the end of Fiscal 2023 to ₹ 10,811.93 lakhs by the end of Fiscal 2024. Thereby, our changes in inventories of finished goods, work-in-progress and stock-in-trade decreased by 121.95% - from ₹ (5,394.73) lakhs in Fiscal 2023 to ₹ 1,184.03 lakhs in Fiscal 2024. This decrease is attributable to higher volume sold as compared to production quantity.

Employee benefits expenses

Our total employee benefits expenses increased by 84.20% from ₹ 11,848.10 lakhs in Fiscal 2023 to ₹ 21,823.75 lakhs in Fiscal 2024.

The increase in our employee benefits expenses was related to the increase in the salaries, wages & allowances staff welfare expenses, and contribution to provident and other funds. Further, the increase was also primarily attributable to the following:

- (i) The increase in salaries, wages and allowances by 80.31% from ₹ 10,196.38 lakhs in Fiscal 2023 to ₹ 18,385.17 lakhs in Fiscal 2024.
- (ii) The increase in staff welfare expenses by 130.37% from ₹ 1,337.73 lakhs in Fiscal 2023 to ₹ 3,081.78 lakhs in Fiscal 2024.-
- (iii) The increase in contribution to provident and other funds by 36.81% from ₹ 216.54 lakhs in Fiscal 2023 to ₹ 296.25 lakhs in Fiscal 2024.
- (iv) The decrease in share based payments by 37.87% from ₹ 97.45 lakhs in Fiscal 2023 to ₹ 60.55 lakhs in Fiscal 2024.

Finance costs

Our total finance costs increased by 274.99% from ₹ 779.19 lakhs in Fiscal 2023 to ₹ 2,921.86 lakhs in Fiscal 2024.

The increase in our finance cost was primarily attributable to the increase in interest expenses on financial liabilities measured at amortised cost by 290.39% from ₹ 711.19 lakhs in Fiscal 2023 to ₹ 2,776.39 lakhs in Fiscal 2024 as interest on loans for SG-3 are now charged to revenue with effect from February 23, 2023.

Depreciation and amortisation expense

Our total depreciation and amortisation expense increased by 143.86% from ₹ 5,401.29 lakhs in Fiscal 2023 to ₹ 13,171.59 lakhs in Fiscal 2024.

The increase in our depreciation and amortisation expense was primarily attributable to depreciation of SG-3 being charged to the profit and loss account with effect from February 23, 2023.

Other expenses

Our total other expenses increased by 54.45% from ₹ 47,576.00 lakhs in Fiscal 2023 to ₹ 73,480.98 lakhs in Fiscal 2024 for the following reasons:

- (i) ***Manufacturing and other expenses***

Our total manufacturing and other expenses increased by 73.31% from ₹ 33,315.45 lakhs in Fiscal 2023 to ₹ 57,740.45 lakhs in Fiscal 2024 mainly due to the commissioning of SG 3 plant with effect from February 23, 2023 and full year profit and loss account are consolidated of step down subsidiaries in the current financial year.

The increase in manufacturing and other expenses was primarily attributable to the following:

- (i) The increase in consumption of stores and spares by 75.44% from ₹ 2,554.49 lakhs in Fiscal 2023 to ₹ 4,481.63 lakhs in Fiscal 2024.
- (ii) The increase in power & fuel by 69.96% from ₹ 24,242.33 lakhs in Fiscal 2023 to ₹ 41,201.08 lakhs in Fiscal 2024.
- (iii) The increase in packing materials consumed by 79.39% from ₹ 3,283.65 lakhs in Fiscal 2023 to ₹ 5,890.38 lakhs in Fiscal 2024.
- (iv) The increase in contract labour expenses by 50.41% from ₹ 2,215.09 lakhs in Fiscal 2023 to ₹ 3,331.82 lakhs in Fiscal 2024.
- (v) The increase in repairs to machinery and repairs to buildings by 173.16% from ₹ 1,012.56 lakhs in Fiscal 2023 to ₹ 2,765.88 lakhs in Fiscal 2024.

(ii) Selling and distribution expenses

Our total selling and distribution expenses increased by 20.50% from ₹ 6,787.07 lakhs in Fiscal 2023 to ₹ 8,178.48 lakhs in Fiscal 2024.

The increase in selling and distribution expenses was primarily attributable to the following:

- (i) The increase in sales promotion and advertisement expenses by 41.48% from ₹ 211.1 lakhs in Fiscal 2023 to ₹ 298.66 lakhs in Fiscal 2024.
- (ii) The increase in freight outward by 21.44% from ₹ 6,297.05 lakhs in Fiscal 2023 to ₹ 7,647.00 lakhs in Fiscal 2024.
- (iii) The decrease in discount and commission by 16.53% from ₹ 278.92 lakhs in Fiscal 2023 to ₹ 232.82 lakhs in Fiscal 2024.

(iii) Administrative and General Expenses

Our total administrative and general expenses increased by 1.19% from ₹ 7,473.48 lakhs in Fiscal 2023 to ₹ 7,562.05 lakhs in Fiscal 2024.

The increase in administrative and general expenses was primarily attributable to the following:

- (i) The increase in rent by 55.94% from ₹ 72.58 lakhs in Fiscal 2023 to ₹ 113.18 lakhs in Fiscal 2024.
- (ii) The increase in rates and taxes by 103.99% from ₹ 85.62 lakhs in Fiscal 2023 to ₹ 174.66 lakhs in Fiscal 2024.
- (iii) The decrease in other repairs by 13.92% from ₹ 209.31 lakhs in Fiscal 2023 to ₹ 180.17 lakhs in Fiscal 2024.
- (iv) The increase in insurance by 69.78% from ₹ 662.73 lakhs in Fiscal 2023 to ₹ 1,125.17 lakhs in Fiscal 2024.
- (v) The decrease in legal and professional fees by 49.70% from ₹ 3,525.65 lakhs in Fiscal 2023 to ₹ 1,773.28 lakhs in Fiscal 2024.
- (vi) The increase in travelling expenses by 24.40% from ₹ 954.64 lakhs in Fiscal 2023 to ₹ 1,187.55 lakhs in Fiscal 2024.
- (vii) The increase in corporate social responsibility expenditure by 32.44% from ₹ 258.98 lakhs in Fiscal 2023 to ₹ 343.00 lakhs in Fiscal 2024.

Profit/(loss) before exceptional and extraordinary items and tax

Our profit/(loss) before exceptional and extraordinary items and tax decreased by 185.18% from ₹ 10,106.30 lakhs in Fiscal 2023 to a loss of ₹ (8,608.83) lakhs in Fiscal 2024 primarily due to decrease in the selling prices as compared to Fiscal 2023.

Exceptional items

Exceptional items for the year ended March 31, 2024 represents the amount received pursuant to the Step-down Subsidiary's claim filed under the insolvency proceedings relating to an annual contract with a customer before the acquisition by the Company, which was fully written off in 2017.

Profit/(loss) before tax

Our total profit/(loss) before tax decreased by 152.19% from ₹ 10,104.10 lakhs in Fiscal 2023 to a loss of ₹ (5,272.91) lakhs in Fiscal 2024 mainly due to lower selling price in Fiscal 2024 as compared to Fiscal 2023.

Tax expense

Our total tax expenses decreased by 108.08% from ₹ 3,040.42 lakhs in Fiscal 2023 to a tax credit of ₹ (245.55) lakhs in Fiscal 2024 due to lower profit before tax.

The decrease in total tax expenses was primarily attributable to the following:

- (i) The decrease in current tax by 94.22% from ₹ 2,381.56 lakhs in Fiscal 2023 to ₹ 137.56 lakhs in Fiscal 2024.
- (ii) The decrease in deferred tax by 158.15% from ₹ 658.86 lakhs in Fiscal 2023 to ₹ (383.11) lakhs in Fiscal 2024.

Profit/(loss) for the year

Our total profit/(loss) for the year has decreased by 171.17% from ₹ 7,063.68 lakhs in Fiscal 2023 to a loss of ₹ (5,027.36) lakhs in Fiscal 2024 primarily on account of lower of selling prices.

Other comprehensive income (OCI)

Our total OCI has decrease by 101.08% from ₹ 6,058.40 lakhs in Fiscal 2023 to ₹ (65.21) lakhs in Fiscal 2024 primarily on account of bargain purchase which was comes on acquisition of Step-down Subsidiaries in Fiscal 2023.

LIQUIDITY AND CAPITAL RESOURCES

We have historically financed the expansion of our business and operations through a combination of internal accruals and external borrowings.

Cash Flows

The following table sets forth certain information relating to our cash flows in the periods/ years indicated:

Particulars	<i>(in ₹ lakhs)</i>	
	For the financial year ended March 31, 2024 (consolidated financials)	For the financial year ended March 31, 2023 (consolidated financials)
Net cash generated from/ (used in) operating activities	6,874.62	(637.07)
Net cash generated from/ (used in) investing activities	(21,526.50)	(24,116.64)
Net cash generated from/ (used in) financing activities	16,796.62	23,753.47
Net increase/ (decrease) in cash and cash equivalents from continuing operations	2,144.74	(1,000.24)

Financial Indebtedness

As of March 31, 2024, our total borrowings (non-current borrowings and current borrowings) were ₹ 57,101.36 lakhs (excluding interest).

Off-Balance Sheet Commitments and Arrangements

Other than as disclosed in this Draft Letter of Offer, as of March 31, 2024, we had no other off-balance sheet commitments and arrangements that materially affect our financial condition or results of operations.

Capital Expenditure

Our capital expenditures consist principally of investments towards expansion of our capacity in existing businesses. As per our consolidated financials for Fiscal 2024 and Fiscal 2023, we had a cash outflow of ₹ 21,667.40 lakhs and ₹ 34,749.81 lakhs, respectively, towards purchase of property, plant and equipment and other intangible assets.

Qualitative Disclosure about Market Risk

The Group is exposed to market risk, credit risk and liquidity risk. Risk management is carried out by the respective Companies 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. 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.

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.

Foreign exchange risk

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, GBP and EURO. The Group has obtained foreign currency loans, foreign currency trade payables and trade receivables and is therefore, exposed to foreign exchange risk. The Group regularly reviews and evaluates exchange rate exposure arising from foreign currency transactions.

Interest rate risk

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 non current borrowing in the form of Term Loans. Also, the group is having current borrowings in the form of working capital facility. There is a fixed rate of interest in case of foreign currency Term Loan hence, there is no interest rate risk associated with this borrowing. The group is exposed to interest rate risk associated with Term Loan and working capital facility due to floating rate of interest.

Commodity price risk

The Holding Company is exposed to the movement in price of key consumption materials in domestic and international markets. The Company entered into contracts for procurement of material, most of the transactions are short term fixed price contracts and hence Company is not exposed to significant risk.

The Subsidiaries Company is exposed to price increase in raw materials and energy cost in domestic and international markets. To limit the price risk that subsidiaries Company is hedging purchase prices in the field of energy for a significant level of consumption. The subsidiaries Company is also using short term fixed price contracts where applicable. In this respect the subsidiaries Company is not exposed to supererogatory commodity price risk.

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 whether there has been a significant increase in credit risk on an ongoing basis through each reporting year. 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.

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 on operating cash flows and short term borrowings in the form of working capital facility 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.

Competition and price risk

The Group faces competition from local and foreign competitors. Nevertheless, it believes that it has a 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.

Auditor's Observations

There have been no reservations/ qualifications/ adverse remarks/ emphasis of matters highlighted by the relevant statutory auditors of our Company in the consolidated financials for Fiscal 2024 and Fiscal 2023.

Unusual or Infrequent Events or Transactions

Except as described in this Draft Letter of Offer, 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

Except as described in this Draft Letter of Offer, there have been no known trends or uncertainties that have in the past or may in the future affect our business operations or future financial performance.

Significant Economic Changes that Materially Affect or are Likely to Affect Income from Continuing Operation

Our business has been subject, and we expect it to continue to be subject to significant economic changes that materially affect or are likely to affect income from continuing operations identified above in “—*Significant Factors affecting our Results of Operations*” on page 224.

New Products or Business Segments

Except as described in this Draft Letter of Offer, we have not publicly announced any new products or business segments nor have there been any material increases in our revenues due to increased disbursements and the introduction of new products.

Future Relationship Between Cost and Income

Except as described in this Draft Letter of Offer, we do not anticipate any future relationship between cost and income that may in the future affect our business operations or future financial performance.

Significant Dependence on a Single or Few Customers or Suppliers

We are not significantly dependent on a Single or Few Customers or Suppliers

Competitive Conditions

We operate in a competitive environment. See sections, “*Our Business*”, “*Industry Overview*” beginning on pages 75 and 51, respectively.

Seasonality/Cyclicalities of Business

Our business operations or future financial performances are not impacted by seasonality and cyclicalities of the business.

MATERIAL DEVELOPMENTS OCCURRING AFTER MARCH 31, 2024

Except as mentioned above and elsewhere in this Draft Letter of Offer, in the opinion of the Company, no circumstances have arisen since March 31, 2024 that would materially and adversely affect or is likely to affect within the next 12 months: (a) our trading or profitability; (b) the value of our assets or (c) our ability to pay our liabilities.

SECTION VI: LEGAL AND OTHER INFORMATION

OUTSTANDING LITIGATION AND DEFAULTS

Our Company and our Subsidiaries are subject to various legal proceedings from time to time, primarily arising in the ordinary course of business.

*There is no outstanding litigation which has been considered material in accordance with our Company's 'Policy for Determining Material Events and Information', framed in accordance with Regulation 30 of the SEBI LODR Regulations. Accordingly, there is no outstanding litigation involving our Company and/or our Subsidiaries that requires disclosure in this Draft Letter of Offer. However, solely for the purpose of the Issue, our Company has disclosed in this section, outstanding litigations, including civil and tax proceedings, involving an amount equivalent to or in excess of 5% of the average of absolute value of profit or loss after tax, as per the last three audited consolidated financial statements of the Company, which is determined to be ₹ 477.93 lakhs, adopted by our Board through its resolution dated June 7, 2024 ("**Materiality Threshold**").*

Except as disclosed below, there are no outstanding litigations with respect to the (i) issues of moral turpitude or criminal liability on the part of our Company and/or our Subsidiaries; (ii) material violations of statutory regulations by our Company and/or our Subsidiaries; (iii) economic offences where proceedings have been initiated against our Company and/or our Subsidiaries; (iv) proceedings which have been initiated against our Company and our Subsidiaries in relation to the SARFAESI actions initiated by our Company and/or our Subsidiaries; (v) criminal proceedings initiated by our Company and / or our Subsidiaries; and (vi) any pending matters, which if they result in an adverse outcome, would materially and adversely affect our operations or our financial position.

Pre-litigation notices received by our Company and/or our Subsidiaries from third parties (excluding notices pertaining to any offence involving issues of moral turpitude, criminal liability, material violations of statutory regulations or proceedings related to economic offences shall not be evaluated for materiality until such time our Company and/or our Subsidiaries are impleaded as defendants in litigation proceedings before any judicial forum.

I. Outstanding Litigation involving our Company

Outstanding proceedings involving issues of moral turpitude or criminal liability against the Company

Nil

Outstanding criminal proceedings initiated by the Company

Nil

Outstanding material tax proceedings involving the Company

The Directorate General of Central Excise Intelligence, Ahmedabad Zonal Unit ("**DGCEI**") visited the Gujarat Borosil Limited ("**GBL**", which had amalgamated into our Company vide the order passed by the Mumbai Bench of the National Company Law Tribunal, dated January 15, 2020) factory on September 29, 2003 and carried out a search of the factory premises and thereby withdrew certain records/documents. Pursuant to show cause notice dated February 26, 2004 ("**SCN**") and on examination of the documents withdrawn, it was observed that GBL had short paid the central excise duty for a period between February 1999 to September 2003, in violation of Section 4 of the Central Excise Act, 1944 ("**Act**") read with Rule 4 of the Central Excise Rules, 2002, by not including (i) insurance charges/transportation/octroi and (ii) discounts offered to its customers, as part of the taxable amount to be paid by GBL, thereby committing an offence as described under Rule 25 of the Central Excise Rules, 2002. It was also stated in the SCN that Ashok Jain, whole time director of GBL was involved in this voluntary short payment of excise duty of GBL for personal interests and gains. In furtherance to the SCN, subsequently, three show cause notices dated September 28, 2004, July 7, 2005 and August 8, 2005 were issued by the Office of Commissioner, Central Excise and Customs, Surat – II for the subsequent periods of short payment of excise duty by GBL.

Pursuant to the order dated July 10, 2007 passed by Customs, Excise and Service Tax Appellate Tribunal, West Zone Bench ("**CESTAT**"), the orders dated December 30, 2004 and August 27, 2006 passed by the Commissioner of Central Excise and Customs, Surat – II with regards to the appeals filed by GBL were rejected and the appeal filed by Ashok Jain was allowed by way of setting aside the penalty imposed on him.

Subsequently, GBL had filed an appeal dated September 26, 2007 before the Supreme Court of India whereby the matter was remanded back to the CESTAT, Ahmedabad vide order dated December 4, 2015 passed by the Supreme Court of India, for a fresh consideration. By way of an order dated July 28, 2017 passed by the CESTAT ("**Final Order**"), the order dated July 10, 2007 was partially upheld for the normal period while the imposition of penalty for the extended period was set aside and thereby GBL was sanctioned an amount of ₹ 523.98 lakhs by the CESTAT, as their refund claimed.

Thereafter, the Commissioner of Central GST and Central Excise, Vadodara – II ("**Commissioner**"), filed a petition dated June 21, 2018, moving the High Court of Gujarat, Ahmedabad ("**High Court**"), questioning the setting aside of the penalty invoked on the extended period pursuant to the Final Order. The matter is currently pending before the High Court.

Outstanding regulatory or statutory proceedings initiated against the Company

Gujarat Borosil Limited (“GBL”, which had amalgamated into our Company vide the order passed by the Mumbai Bench of the National Company Law Tribunal, dated January 15, 2020) received a letter dated July 6, 2022, from the Directorate of Enforcement, FEMA, PMLA, Department of Revenue: Ministry of Finance, Government of India (“ED”) (the “Letter”), to obtain and examine certain documents as mentioned in the Letter. Pursuant to this Letter and as under Section 37 of the Foreign Exchange and Management Act, 1999, read with Section 133(6) of the Income-tax Act, 1961, GBL was directed to furnish the records/documents mentioned in the annexure to the Letter from the ED within seven days of receipt of the Letter. Subsequently, owing to extensivity of the documents requisitioned by the ED, GBL submitted a letter dated July 18, 2022 to the ED, requesting for additional time of thirty days to collate the required data.

Our Company, vide letter dated August 19, 2022 to the ED, had responded to the Letter and thereby submitted the requisite records/documents for the inspection of the ED. We have not received any further communications from the ED till date.

Other pending matters against the Company which, if they result in an adverse outcome would materially and adversely affect the operations or financial position of our Company

Nil

Economic offences where proceedings have been initiated against the Company

Nil

Outstanding material civil proceedings against the Company

Nil

Outstanding material civil proceedings initiated by the Company

Nil

II. Litigation involving our Subsidiaries

Geosphere Glassworks GmbH (“Geosphere”)

Outstanding proceedings involving issues of moral turpitude or criminal liability against Geosphere

Nil

Outstanding criminal proceedings initiated by Geosphere

Nil

Outstanding material tax proceedings involving Geosphere

Nil

Outstanding regulatory or statutory proceedings initiated against Geosphere

Nil

Other pending matters against Geosphere which, if they result in an adverse outcome would materially and adversely affect the operations or financial position of our Company

Nil

Economic offences where proceedings have been initiated against Geosphere

Nil

Outstanding material civil proceedings against Geosphere

Nil

Outstanding material civil proceedings initiated by Geosphere

Nil

Laxman AG (“Laxman”)

Outstanding proceedings involving issues of moral turpitude or criminal liability against Laxman

Nil

Outstanding criminal proceedings initiated by Laxman

Nil

Outstanding material tax proceedings involving Laxman

Nil

Outstanding regulatory or statutory proceedings initiated against Laxman

Nil

Other pending matters against Laxman which, if they result in an adverse outcome would materially and adversely affect the operations or financial position of our Company

Nil

Economic offences where proceedings have been initiated against Laxman

Nil

Outstanding material civil proceedings against Laxman

Nil

Outstanding material civil proceedings initiated by Laxman

Nil

GMB Glasmanufaktur Brandenburg GmbH (“GMB”)

Outstanding proceedings involving issues of moral turpitude or criminal liability against GMB

Nil

Outstanding criminal proceedings initiated by GMB

Nil

Outstanding material tax proceedings involving GMB

Nil

Outstanding regulatory or statutory proceedings initiated against GMB

Nil

Other pending matters against GMB which, if they result in an adverse outcome would materially and adversely affect the operations or financial position of our Company

Nil

Economic offences where proceedings have been initiated against GMB

Nil

Outstanding material civil proceedings against GMB

Nil

Outstanding material civil proceedings initiated by GMB

On July 31, 2022, GMB faced a breakage of the glass melting tank at its premises. In relation to this damage, GMB (the “**Plaintiff**”) reached out to the insurance company HDI Global SE, Dusseldorf branch (the “**Defendant**”) to obtain its claim from the damage caused pursuant to the Plaintiff’s insurance contract with the Defendant. However, the Defendant refused to accept liability and compensate for the same on the grounds that the glass melting tank was utilized by the Plaintiff beyond its capabilities resulting in the damage. The Plaintiff has prayed before the District Court of Dusseldorf for the Defendant to pay the Plaintiff an amount of EUR 2,014,859.21 along with an interest at the rate of nine percentage points above the base interest rate since May 23, 2023. The matter is currently pending before the District Court of Dusseldorf.

Interfloat Corporation (“Interfloat”)

Outstanding proceedings involving issues of moral turpitude or criminal liability against Interfloat

Nil

Outstanding criminal proceedings initiated by Interfloat

Nil

Outstanding material tax proceedings involving Interfloat

Nil

Outstanding regulatory or statutory proceedings initiated against Interfloat

Nil

Other pending matters against Interfloat which, if they result in an adverse outcome would materially and adversely affect the operations or financial position of our Company

Nil

Economic offences where proceedings have been initiated against Interfloat

Nil

Outstanding material civil proceedings against Interfloat

Nil

Outstanding material civil proceedings initiated by Interfloat

Nil

GOVERNMENT AND OTHER APPROVALS

We are not required to obtain any licenses or approvals from any government or regulatory authority for the objects of this Issue. For further details, refer to “*Objects of the Issue*” beginning on page 40.

MATERIAL DEVELOPMENTS

There have not arisen, since the date of the last financial statements disclosed in this Draft Letter of Offer, any circumstances which materially and adversely affect or are likely to affect our operations, performance, prospects or profitability, or the value of our assets or our ability to pay material liabilities.

OTHER REGULATORY AND STATUTORY DISCLOSURES

Authority for the Issue

The Issue has been authorised by a resolution of the Board of Directors passed at its meeting held on February 7, 2024, and resolution passed by Securities Issue Committee on March 1, 2024, pursuant to Section 62(1)(a) of the Companies Act.

This Draft Letter of Offer has been approved by our Board pursuant to its resolution dated June 7, 2024 and by our Securities Issue Committee pursuant to its resolution dated June 10, 2024. The Securities Issue Committee, in its meeting held on [●], 2024 has resolved to issue the Equity Shares to the Eligible Equity Shareholders, at ₹[●] per Rights Equity Share (including a premium of ₹[●] per Rights Equity Share) and Rights Entitlement as [●] Rights Equity Shares of face value ₹ 1 each for every [●] Equity Shares of face value ₹ 1 each held on the Record Date aggregating up to ₹ 45,000 lakhs. The Issue Price is ₹[●] per Rights Equity Share and has been arrived at by our Company in consultation with the Lead Manager prior to determination of the Record Date.

Our Company has received in-principle approvals from BSE and NSE in accordance with Regulation 28(1) of the SEBI LODR Regulations for listing of the Rights Equity Shares to be Allotted in the Issue pursuant to their letters dated [●] and [●], respectively. Our Company will also make applications to BSE and NSE to obtain their trading approvals for the Rights Entitlements as required under the SEBI Rights Issue Circulars.

Our Company has been allotted the ISIN '[●]' for the Rights Entitlements to be credited to the respective demat accounts of the Equity Shareholders of our Company. For details, please see "*Terms of the Issue*" beginning on page 258.

Prohibition by SEBI or Other Governmental Authorities

Our Company, the Promoters, the members of the Promoter Group, our Directors have not been and are not prohibited from accessing the capital markets or debarred from buying, selling or dealing in securities under any order or direction passed by SEBI or any securities market regulator in any other jurisdiction or any other authority/court.

Further, the Promoters and the Directors are not promoter(s) or director(s) of any other company which is debarred from accessing or operating in the capital markets or restrained from buying, selling or dealing in securities under any order or direction passed by SEBI.

None of our Directors are associated with entities operating in the securities market. Further, SEBI has not initiated action against any of our Directors in the past five years preceding the date of this Draft Letter of Offer.

Neither our Promoters nor any of our Directors are declared fugitive economic offenders under Section 12 of the Fugitive Economic Offenders Act, 2018.

Prohibition by RBI

Neither our Company nor our Promoters or any of our Directors have been or are identified or categorized as Wilful Defaulters or Fraudulent Borrowers.

Eligibility for the Issue

Our Company is a listed company and has been incorporated under the Companies Act, 1956. Our Equity Shares are presently listed on the Stock Exchanges. Our Company is eligible to offer Equity Shares pursuant to the Issue in terms of Chapter III of the SEBI ICDR Regulations and other applicable provisions of the SEBI ICDR Regulations. Further, our Company is undertaking the Issue in compliance with Part B of Schedule VI of the SEBI ICDR Regulations.

Confirmation under Companies (Significant Beneficial Ownership) Rules, 2018

Our Company, Promoters and members of our Promoter Group are in compliance and undertake to comply with the requirements of the Companies (Significant Beneficial Ownership) Rules, 2018, as amended, to the extent applicable, as on the date of this Draft Letter of Offer.

Compliance with Regulations 61 and 62 of the SEBI ICDR Regulations

Our Company is in compliance with the conditions specified in Regulations 61 and 62 of the SEBI ICDR Regulations, to the extent applicable. Further, in relation to compliance with Regulation 62(1)(a) of the SEBI ICDR Regulations, our Company will make applications to the Stock Exchanges for in-principle approvals for listing of the Rights Equity Shares to be issued pursuant to the Issue. [●] is the Designated Stock Exchange for the Issue.

Compliance with Part B of Schedule VI of the SEBI ICDR Regulations

Our Company is in compliance with the provisions specified in Clause (1) of Part B of Schedule VI of the SEBI ICDR Regulations as explained below:

1. Our Company has been filing periodic reports, statements and information in compliance with the Listing Agreement or the SEBI Listing Regulations, as applicable for the last one year immediately preceding the date of filing of this Draft Letter of Offer with the SEBI.
2. The reports, statements and information referred to above are available on the websites of BSE and NSE.
3. Our Company has an investor grievance handling mechanism which includes meeting of the Stakeholders' Relationship Committee at frequent intervals, appropriate delegation of power by our Board as regards share transfer and clearly laid down systems and procedures for timely and satisfactory redressal of investor grievances.

As our Company satisfies the conditions specified in Clause (1) of Part B of Schedule VI of SEBI ICDR Regulations, and is not covered under the conditions specified in Clause (3) of Part B of Schedule VI of SEBI ICDR Regulations, disclosures in this Draft Letter of Offer have been made in terms of Clause (4) of Part B of Schedule VI of SEBI ICDR Regulations.

DISCLAIMER CLAUSE OF SEBI

IT IS TO BE DISTINCTLY UNDERSTOOD THAT THE SUBMISSION OF THIS DRAFT LETTER OF OFFER TO SEBI SHOULD NOT, IN ANY WAY BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED OR APPROVED BY SEBI. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH THE ISSUE IS PROPOSED TO BE MADE, OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THIS DRAFT LETTER OF OFFER. THE LEAD MANAGER, BEING ICICI SECURITIES LIMITED HAS CERTIFIED THAT THE DISCLOSURES MADE IN THIS DRAFT LETTER OF OFFER ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING INVESTMENT IN THE PROPOSED ISSUE.

IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE OUR COMPANY IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THIS DRAFT LETTER OF OFFER, THE LEAD MANAGER IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE COMPANY DISCHARGES ITS RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE LEAD MANAGER, BEING ICICI SECURITIES LIMITED, HAS FURNISHED TO SEBI, A DUE DILIGENCE CERTIFICATE DATED JUNE 10, 2024, WHICH READS AS FOLLOWS:

- (1) **WE HAVE EXAMINED VARIOUS DOCUMENTS INCLUDING THOSE RELATING TO LITIGATION, INCLUDING COMMERCIAL DISPUTES, PATENT DISPUTES, DISPUTES WITH COLLABORATORS, ETC. AND OTHER MATERIAL WHILE FINALISING THIS DRAFT LETTER OF OFFER OF THE SUBJECT ISSUE.**
- (2) **ON THE BASIS OF SUCH EXAMINATION AND DISCUSSIONS WITH THE COMPANY, ITS DIRECTORS AND OTHER OFFICERS, OTHER AGENCIES, AND INDEPENDENT VERIFICATION OF THE STATEMENTS CONCERNING THE OBJECTS OF THE ISSUE, PRICE JUSTIFICATION, CONTENTS OF THE DOCUMENTS AND OTHER PAPERS FURNISHED BY THE COMPANY, WE CONFIRM THAT:**
 - (a) **THE DRAFT LETTER OF OFFER FILED WITH SEBI IS IN CONFORMITY WITH THE DOCUMENTS, MATERIALS AND PAPERS WHICH ARE MATERIAL TO THE ISSUE;**
 - (b) **ALL MATERIAL LEGAL REQUIREMENTS RELATING TO THE ISSUE AS SPECIFIED BY SEBI, THE CENTRAL GOVERNMENT AND ANY OTHER COMPETENT AUTHORITY IN THIS BEHALF HAVE BEEN DULY COMPLIED WITH; AND**
 - (c) **THE MATERIAL DISCLOSURES MADE IN THE DRAFT LETTER OF OFFER ARE TRUE AND ADEQUATE TO ENABLE THE INVESTORS TO MAKE A WELL INFORMED DECISION AS TO THE INVESTMENT IN THE PROPOSED ISSUE AND SUCH DISCLOSURES ARE IN ACCORDANCE WITH THE REQUIREMENTS OF THE COMPANIES ACT, 2013, THE SEBI ICDR REGULATIONS AND OTHER APPLICABLE LEGAL REQUIREMENTS.**
- (3) **BESIDES OURSELVES, ALL THE INTERMEDIARIES NAMED IN THE DRAFT LETTER OF OFFER ARE REGISTERED WITH SEBI AND THAT UNTIL DATE SUCH REGISTRATION IS VALID. COMPLIED WITH**
- (4) **WE HAVE SATISFIED OURSELVES ABOUT THE CAPABILITY OF THE UNDERWRITERS TO FULFIL THEIR UNDERWRITING COMMITMENTS. NOT APPLICABLE**
- (5) **WRITTEN CONSENT FROM THE PROMOTERS HAS BEEN OBTAINED FOR INCLUSION OF HIS SPECIFIED SECURITIES PROPOSED TO FORM PART OF PROMOTERS' CONTRIBUTION SUBJECT**

TO LOCK-IN AND THE EQUITY SHARES PROPOSED TO FORM PART OF PROMOTERS' CONTRIBUTION SUBJECT TO LOCK-IN SHALL NOT BE DISPOSED OR SOLD OR TRANSFERRED BY THE PROMOTERS DURING THE PERIOD STARTING FROM THE DATE OF FILING THE DRAFT LETTER OF OFFER WITH SEBI UNTIL THE DATE OF COMMENCEMENT OF LOCK-IN PERIOD AS STATED IN THE DRAFT LETTER OF OFFER. NOT APPLICABLE

- (6) ALL APPLICABLE PROVISIONS OF SEBI ICDR REGULATIONS, WHICH RELATE TO EQUITY SHARES INELIGIBLE FOR COMPUTATION OF PROMOTERS' CONTRIBUTION, HAVE BEEN AND SHALL BE DULY COMPLIED WITH AND APPROPRIATE DISCLOSURES AS TO COMPLIANCE WITH THE SAID REGULATION(S) HAVE BEEN MADE IN THE DRAFT LETTER OF OFFER. NOT APPLICABLE
- (7) ALL APPLICABLE PROVISIONS OF SEBI ICDR REGULATIONS, WHICH RELATE TO RECEIPT OF PROMOTERS' CONTRIBUTION PRIOR TO OPENING OF THE ISSUE, SHALL BE COMPLIED WITH. ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT PROMOTERS' CONTRIBUTION SHALL BE RECEIVED AT LEAST ONE DAY BEFORE THE OPENING OF THE ISSUE AND THE STATUTORY AUDITOR'S CERTIFICATE TO THIS EFFECT SHALL BE DULY SUBMITTED TO SEBI. WE FURTHER CONFIRM THAT ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT PROMOTERS' CONTRIBUTION SHALL BE KEPT IN AN ESCROW ACCOUNT WITH A SCHEDULED COMMERCIAL BANK AND SHALL BE RELEASED TO THE COMPANY ALONG WITH THE PROCEEDS OF THE ISSUE. NOT APPLICABLE
- (8) NECESSARY ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT THE MONIES RECEIVED PURSUANT TO THE ISSUE ARE CREDITED OR TRANSFERRED TO A SEPARATE BANK ACCOUNT AS PER THE PROVISIONS OF SUB-SECTION (3) OF SECTION 40 OF THE COMPANIES ACT, 2013 AND THAT SUCH MONIES SHALL BE RELEASED BY THE SAID BANK ONLY AFTER PERMISSION IS OBTAINED FROM ALL THE STOCK EXCHANGES, AND THAT THE AGREEMENT ENTERED INTO BETWEEN THE BANKER(S) TO THE ISSUE AND THE COMPANY SPECIFICALLY CONTAINS THIS CONDITION. NOTED FOR COMPLIANCE TO THE EXTENT APPLICABLE
- (9) THE EXISTING BUSINESS AS WELL AS ANY NEW BUSINESS OF THE COMPANY FOR WHICH THE FUNDS ARE BEING RAISED FALL WITHIN THE 'MAIN OBJECTS' IN THE OBJECT CLAUSE OF THE MEMORANDUM OF ASSOCIATION OF THE COMPANY AND THAT THE ACTIVITIES WHICH HAVE BEEN CARRIED IN LAST TEN YEARS ARE VALID IN TERMS OF THE OBJECT CLAUSE OF ITS MEMORANDUM OF ASSOCIATION. COMPLIED WITH TO THE EXTENT APPLICABLE
- (10) FOLLOWING DISCLOSURES HAVE BEEN MADE IN THE DRAFT LETTER OF OFFER:
 - (a) AN UNDERTAKING FROM THE COMPANY THAT AT ANY GIVEN TIME, THERE SHALL BE ONLY ONE DENOMINATION FOR THE EQUITY SHARES OF THE COMPANY, EXCLUDING SUPERIOR EQUITY SHARES, WHERE THE COMPANY HAS OUTSTANDING SUPERIOR EQUITY SHARES. COMPLIED WITH (THE COMPANY HAS NOT ISSUED ANY SUPERIOR RIGHTS EQUITY SHARES); AND
 - (b) AN UNDERTAKING FROM THE COMPANY THAT IT SHALL COMPLY WITH ALL DISCLOSURE AND ACCOUNTING NORMS SPECIFIED BY SEBI. COMPLIED WITH
- (11) WE SHALL COMPLY WITH THE REGULATIONS PERTAINING TO ADVERTISEMENTS IN TERMS OF THE SEBI ICDR REGULATIONS. NOTED FOR COMPLIANCE
- (12) IF APPLICABLE, THE COMPANY IS ELIGIBLE TO LIST ON THE INNOVATORS GROWTH PLATFORM IN TERMS OF THE PROVISIONS CHAPTER X OF THE SEBI ICDR REGULATIONS. NOT APPLICABLE
- (13) NONE OF THE INTERMEDIARIES NAMED IN THIS DRAFT LETTER OF OFFER HAVE BEEN DEBARRED FROM FUNCTIONING BY ANY REGULATORY AUTHORITY. COMPLIED WITH
- (14) WE ENCLOSE A NOTE EXPLAINING HOW THE PROCESS OF DUE DILIGENCE HAS BEEN EXERCISED BY US IN VIEW OF THE NATURE OF CURRENT BUSINESS BACKGROUND OR THE ISSUER, SITUATION AT WHICH THE PROPOSED BUSINESS STANDS, THE RISK FACTORS, PROMOTERS' EXPERIENCE, ETC.- COMPLIED WITH
- (15) WE ENCLOSE A CHECKLIST CONFIRMING REGULATION- WISE COMPLIANCE WITH THE APPLICABLE PROVISIONS OF THE SEBI ICDR REGULATIONS, AS AMENDED, CONTAINING DETAILS SUCH AS THE REGULATION NUMBER, ITS TEXT, THE STATUS OF COMPLIANCE, PAGE NUMBER OF THE DRAFT LETTER OF OFFER WHERE THE REGULATION HAS BEEN COMPLIED WITH AND OUR COMMENTS, IF ANY.- COMPLIED WITH

THE FILING OF THE DRAFT LETTER OF OFFER DOES NOT, HOWEVER, ABSOLVE THE COMPANY FROM ANY LIABILITIES UNDER THE COMPANIES ACT, 2013 OR FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY OR OTHER CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE PROPOSED ISSUE. SEBI FURTHER RESERVES THE RIGHT TO TAKE UP, AT ANY POINT OF TIME, WITH THE LEAD MANAGER ANY IRREGULARITIES OR LAPSES IN THE LETTER OF OFFER.

Disclaimer clauses from our Company and the Lead Manager

Our Company and the Lead Manager accept no responsibility for statements made otherwise than in this Draft Letter of Offer or in any advertisement or other material issued by our Company or by any other persons at the instance of our Company and anyone placing reliance on any other source of information would be doing so at his own risk.

Eligible Equity Shareholders who invest in the Issue will be deemed to have represented to our Company, the Lead Manager and their respective directors, officers, agents, affiliates and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares, and are relying on independent advice / evaluation as to their ability and quantum of investment in the Issue.

CAUTION

Our Company and the Lead Manager shall make all information available to the Eligible Equity Shareholders in accordance with the SEBI ICDR Regulations and no selective or additional information would be available for a section of the Eligible Equity Shareholders in any manner whatsoever including at presentations, in research or sales reports etc. after filing of this Draft Letter of Offer.

No dealer, salesperson or other person is authorized to give any information or to represent anything not contained in this Draft Letter of Offer. You must not rely on any unauthorized information or representations. This Draft Letter of Offer is an offer to sell only the Rights Equity Shares and rights to purchase the Rights Equity Shares offered hereby, but only under circumstances and in jurisdictions where it is lawful to do so. The information contained in this Draft Letter of Offer is current only as of its date.

Our Company, the Lead Manager and its directors, officers, agents, affiliates and representatives accept no responsibility or liability for advising any Applicant on whether such Applicant is eligible to acquire any Rights Equity Shares. The Lead Manager and their respective affiliates may engage in transactions with and perform services for our Company or affiliates in the ordinary course of business and have engaged, or may in the future engage, in transactions with our Company or affiliates, for which they have received and may in the future receive, compensation.

Disclaimer with respect to jurisdiction

This Draft Letter of Offer has been prepared under the provisions of Indian laws and the applicable rules and regulations thereunder. Any disputes arising out of the Issue will be subject to the jurisdiction of the appropriate court(s) in Mumbai, India only.

Designated Stock Exchange

The Designated Stock Exchange for the purpose of the Issue is [●].

Disclaimer Clause of the BSE

As required, a copy of this Draft Letter of Offer has been submitted to BSE. The disclaimer clause as intimated by BSE to us, post scrutiny of this Draft Letter of Offer, shall be included in the Letter of Offer prior to filing with SEBI and the Stock Exchanges.

Disclaimer Clause of NSE

As required, a copy of this Draft Letter of Offer has been submitted to NSE. The disclaimer clause as intimated by NSE to us, post scrutiny of this Draft Letter of Offer, shall be included in the Letter of Offer prior to filing with SEBI and the Stock Exchanges.

Filing

This Draft Letter of Offer has been filed with SEBI for its observations electronically through the SEBI intermediary portal at <https://siportal.sebi.gov.in> in terms of the SEBI circular bearing reference no. SEBI/HO/CFD/DIL1/CIR/P/2018/011) dated January 19, 2018 issued by the SEBI, and with the Stock Exchanges. Further, in light of the SEBI notification dated March 27, 2020, our Company has submitted a copy of this Draft Letter of Offer to the e-mail address: cfddil@sebi.gov.in. After SEBI gives its observations, the final Letter of Offer will be filed with SEBI and the Stock Exchanges simultaneously with the filing of the Letter of Offer with the Designated Stock Exchange as per the provisions of the SEBI ICDR Regulations.

Listing

The Rights Equity Shares offered through the Letter of Offer are proposed to be listed on BSE and NSE. Applications will be made to the Stock Exchanges for obtaining permission for listing and trading of the Rights Equity Shares. [●] will be the Designated Stock Exchange with which the Basis of Allotment will be finalised.

Consents

Consents in writing of each of our Directors, Legal Counsel to the Issue, Bankers to our Company, the Lead Manager, Registrar to the Issue, Statutory Auditors, in their respective capacities, have been obtained, and such consents have not been withdrawn up to the time of delivery of this Draft Letter of Offer.

Experts to the Issue

Except as stated below, our Company has not obtained any expert opinions:

Our Company has received consent from its Statutory Auditors, Chaturvedi & Shah LLP, Chartered Accountants through their letter dated June 10, 2024 to include their name as required under Section 26(1) of the Companies Act, 2013 in this Draft Letter of Offer and as an “expert” as defined under Section 2(38) of the Companies Act, 2013 in respect of the Audited Consolidated Financial Statements, the audit reports in respect of the Audited Consolidated Financial Statements, and the statement of special tax benefits dated June 10, 2024 and such consents have not been withdrawn as of the date of this Draft Letter of Offer. However, the term “expert” shall not be construed to mean an “Expert” as defined under the U.S. Securities Act.

Our Company has received written consent dated June 7, 2024 from R K Malpani & Co., Chartered Accountants, to include their name in this Draft Letter of Offer, as an “expert” as defined under section 2(38) of the Companies Act, 2013 to the extent and in their capacity as an independent chartered accountant to our Company. and in respect of the certificates dated June 7, 2024 and June 10, 2024, as applicable, issued by them and the details derived from the certificates and to be included in this Draft Letter of Offer, and such consent has not been withdrawn as on the date of this Draft Letter of Offer.

Our Company has received written consent dated June 7, 2024, from the independent chartered engineer, namely Prakash Lokhandwala (registration number: M 100110-2 (Chartered Engineer)), to include his name in this Draft Letter of Offer and as an “expert” as defined under Section 2(38) of the Companies Act, 2013, to the extent and in his capacity as a chartered engineer, in relation to his certificate dated June 7, 2024, certifying the capacity utilization manufacturing facilities included under “*Our Business*” beginning on page 75 and such consent has not been withdrawn as on the date of this Draft Letter of Offer.

Performance vis-à-vis objects

Our Company has not undertaken any public or rights issue in the preceding five years.

Mechanism for Redressal of Investor Grievances

Our Company has adequate arrangements for the redressal of investor complaints in compliance with the corporate governance requirements in compliance with SEBI LODR Regulations. We have been registered with the SEBI Complaints Redress System (SCORES) as required by the SEBI circular no. CIR/OIAE/2/2011 dated June 3, 2011 and shall comply with the SEBI circular no. (CIR/OIAE/1/2014) dated December 18, 2014 in relation to redressal of investor grievances through SCORES. Consequently, investor grievances are also tracked online by our Company through the SCORES mechanism.

Our Company has a Stakeholders Relationship Committee which meets at least once every year and as and when required. Its terms of reference include considering and resolving grievances of shareholders in relation to transfer of shares and effective exercise of voting rights. Link Intime India Private Limited is our Registrar and Share Transfer Agent. All investor grievances received by us are handled by the Registrar and Share Transfer Agent in consultation with the Company Secretary and Compliance Officer.

The Investor complaints received by our Company are generally disposed of within 30 days from the date of receipt of the complaint.

Investors may contact the Registrar or our Company Secretary and Compliance Officer for any pre-Issue or post-Issue related matter. All grievances relating to the ASBA process may be addressed to the Registrar, with a copy to the SCSBs(in case of ASBA process), giving full details such as name, address of the Applicant, contact number(s), e mail address of the sole/ first holder, folio number or demat account number, number of Rights Equity Shares applied for, amount blocked (in case of ASBA process), ASBA Account number and the Designated Branch of the SCSBs where the Application Form or the plain paper application, as the case may be, was submitted by the Investors along with a photocopy of the acknowledgement slip (in case of ASBA process). For details on the ASBA process, please see “*Terms of the Issue*” beginning on page 258.

The contact details of Registrar to the Issue and our Company Secretary and Compliance Officer are as follows:

Registrar to the Issue

Link Intime India Private Limited

C-101, 1st floor, 247 Park
L.B.S. Marg, Vikhroli (West)
Mumbai 400 083
Maharashtra, India

Tel: +91 81081 14949

E-mail: borosil.rights2024@linkintime.co.in

Investor Grievance ID: borosil.rights2024@linkintime.co.in

Website: www.linkintime.co.in

Contact person: Ms. Shanti Gopalakrishnan

SEBI Registration No.: INR000004058

Company Secretary and Compliance Officer

Ravi Vaishnav is the company secretary and compliance officer of our Company. His details are as follows:

Ravi Vaishnav

1101, Crescenzo, G Block,
Opposite MCA Club,
Bandra Kurla Complex,
Bandra (East), Mumbai 400 051,
Maharashtra, India

Tel: +91 22 6740 6300

E-mail: ravi.vaishnav@borosil.com

SECTION VII: ISSUE INFORMATION

TERMS OF THE ISSUE

This section is for the information of the Investors proposing to apply in the Issue. Investors should carefully read the provisions contained in this Draft Letter of Offer, the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter and the Application Form, before submitting the Application Form. Our Company and the Lead Manager are not liable for any amendments or modifications or changes in applicable laws or regulations, which may occur after the date of this Draft Letter of Offer. Investors are advised to make their independent investigation and ensure that the Application Form is accurately filled up in accordance with instructions provided therein and this Draft Letter of Offer. Unless otherwise permitted under the SEBI ICDR Regulations read with the SEBI Rights Issue Circulars, Investors proposing to apply in the Issue can apply only through ASBA or by mechanism as disclosed in this Draft Letter of Offer.

Investors are requested to note that an Application in the Issue can only be made through ASBA or any other mode which may be notified by SEBI.

The Rights Entitlement on the Equity Shares, the ownership of which is currently under dispute and including any court proceedings or are currently under transmission or are held in a demat suspense account and for which our Company has withheld the dividend, shall be held in abeyance and the Application Form along with the Rights Entitlement Letter in relation to these Rights Entitlements shall not be dispatched pending resolution of the dispute or court proceedings or completion of the transmission or pending their release from the demat suspense account. On submission of such documents /records confirming the legal and beneficial ownership of the Equity Shares with regard to these cases on or prior to the Issue Closing Date, to the satisfaction of our Company, our Company shall make available the Rights Entitlement on such Equity Shares to the identified Eligible Equity Shareholder. The identified Eligible Equity Shareholder shall be entitled to subscribe to Equity Shares pursuant to the Issue during the Issue Period with respect to these Rights Entitlement and subject to the same terms and conditions as the Eligible Equity Shareholder.

Overview

The Issue is proposed to be undertaken on a rights basis and is subject to the terms and conditions contained in this Draft Letter of Offer, the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter, the Application Form, and the Memorandum of Association and the Articles of Association of our Company, the provisions of the Companies Act, 2013, the FEMA, the FEMA Rules, the SEBI ICDR Regulations, the SEBI LODR Regulations and the guidelines, notifications, circulars and regulations issued by SEBI, the Government of India and other statutory and regulatory authorities from time to time, approvals, if any, from RBI or other regulatory authorities, the terms of the Listing Agreements entered into by our Company with Stock Exchanges and the terms and conditions as stipulated in the Allotment Advice.

I. DISPATCH AND AVAILABILITY OF ISSUE MATERIALS

In accordance with the SEBI ICDR Regulations, the Letter of Offer, the Abridged Letter of Offer, the Application Form, the Rights Entitlement Letter and other Issue material will be sent/ dispatched only to the Eligible Equity Shareholders who have provided their Indian address to our Company and who are located in jurisdictions where the offer and sale of the Rights Entitlement or Rights Equity Shares is permitted under laws of such jurisdiction and does not result in and may not be construed as, a public offering in such jurisdictions. In case such Eligible Equity Shareholders have provided their valid e-mail address, the Letter of Offer, the Abridged Letter of Offer, the Application Form, the Rights Entitlement Letter and other Issue material will be sent only to their valid e-mail address and in case such Eligible Equity Shareholders have not provided their e-mail address, then the Letter of Offer, the Abridged Letter of Offer, the Application Form, the Rights Entitlement Letter and other Issue material will be physically dispatched, on a reasonable effort basis, to the Indian addresses provided by them.

Further, the Letter of Offer will be sent/ dispatched to the Eligible Equity Shareholders who have provided Indian address and who have made a request in this regard.

Investors can access this Draft Letter of Offer, Letter of Offer, the Abridged Letter of Offer and the Application Form (provided that the Eligible Equity Shareholder is eligible to subscribe for the Rights Equity Shares under applicable laws) on the websites of:

- (i) our Company at www.borosilrenewables.com;
- (ii) the Registrar at www.linkintime.co.in;
- (iii) the Lead Manager, i.e., ICICI Securities Limited at www.icicisecurities.com; and
- (iv) the Stock Exchanges at www.bseindia.com and www.nseindia.com.

To update the respective Indian addresses/e-mail addresses/phone or mobile numbers in the records maintained by the Registrar or by our Company, Eligible Equity Shareholders should visit www.linkintime.co.in.

Eligible Equity Shareholders can also obtain the details of their respective Rights Entitlements from the website of the Registrar (*i.e.*, www.linkintime.co.in) by entering their DP ID and Client ID or folio number (for Eligible Equity Shareholders who hold Equity Shares in physical form as on Record Date) and PAN. The link for the same shall also be available on the website of our Company (*i.e.*, www.borosilrenewables.com).

Further, our Company along with the Lead Manager will undertake all adequate steps to reach out to the Eligible Equity Shareholders who have provided their Indian address through other means, as may be feasible.

Please note that neither our Company nor the Registrar nor the Lead Manager shall be responsible for not sending the physical copies of Issue materials, including this Draft Letter of Offer, the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter and the Application Form or delay in the receipt of this Draft Letter of Offer, the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter or the Application Form attributable to non-availability of the e-mail addresses of Eligible Equity Shareholders or electronic transmission delays or failures, or if the Application Forms or the Rights Entitlement Letters are delayed or misplaced in the transit.

The distribution of this Draft Letter of Offer, the Letter of Offer, Abridged Letter of Offer, the Rights Entitlement Letter and the issue of Rights Equity Shares on a rights basis to persons in certain jurisdictions outside India is restricted by legal requirements prevailing in those jurisdictions. No action has been, or will be, taken to permit the Issue in any jurisdiction where action would be required for that purpose, except that this Draft Letter of Offer is being filed with SEBI and the Stock Exchanges. Accordingly, the Rights Entitlements and Rights Equity Shares may not be offered or sold, directly or indirectly, and this Draft Letter of Offer, the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter, the Application Form or any Issue related materials or advertisements in connection with the Issue may not be distributed, in any jurisdiction, except in accordance with and as permitted under the legal requirements applicable in such jurisdiction. Receipt of this Draft Letter of Offer, the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter or the Application Form (including by way of electronic means) will not constitute an offer, invitation to or solicitation by anyone in any jurisdiction or in any circumstances in which such an offer, invitation or solicitation is unlawful or not authorised or to any person to whom it is unlawful to make such an offer, invitation or solicitation. In those circumstances, this Draft Letter of Offer, the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter or the Application Form must be treated as sent for information only and should not be acted upon for making an Application and should not be copied or re-distributed.

Accordingly, persons receiving a copy of this Draft Letter of Offer, the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter or the Application Form should not, in connection with the issue of the Rights Equity Shares or the Rights Entitlements, distribute or send this Draft Letter of Offer, the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter or the Application Form in or into any jurisdiction where to do so, would, or might, contravene local securities laws or regulations or would subject our Company or its affiliates or the Lead Manager or their respective affiliates to any filing or registration requirement (other than in India). If this Draft Letter of Offer, the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter or the Application Form is received by any person in any such jurisdiction, or by their agent or nominee, they must not seek to make an Application or acquire the Rights Entitlements referred to in this Draft Letter of Offer, the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter or the Application Form. Any person who makes an application to acquire Rights Entitlements and the Rights Equity Shares offered in the Issue will be deemed to have declared, represented and warranted that such person is authorized to acquire the Rights Entitlements and the Rights Equity Shares in compliance with all applicable laws and regulations prevailing in such person's jurisdiction and India, without requirement for our Company or our affiliates or the Lead Manager or their respective affiliates to make any filing or registration (other than in India).

Our Company is undertaking the Issue on a rights basis to the Eligible Equity Shareholders and will send the Letter of Offer, Abridged Letter of Offer, the Application Form and other applicable Issue materials primarily to email addresses of Eligible Equity Shareholders who have provided a valid email address and an Indian address to our Company.

The Letter of Offer will be provided, primarily through e-mail, by the Registrar on behalf of our Company or the Lead Manager to the Eligible Equity Shareholders who have provided their Indian addresses to our Company and who make a request in this regard.

II. PROCESS OF MAKING AN APPLICATION IN THE ISSUE

In accordance with Regulation 76 of the SEBI ICDR Regulations, the SEBI Rights Issue Circulars and the ASBA Circulars, all Investors desiring to make an Application in the Issue are mandatorily required to use the ASBA process. Investors should carefully read the provisions applicable to such Applications before making their Application through ASBA.

The Application Form can be used by the Eligible Equity Shareholders as well as the Renouncees, to make Applications in the Issue basis the Rights Entitlement credited in their respective demat accounts or demat suspense escrow account, as applicable. For further details on the Rights Entitlements and demat suspense escrow account, see

“- *Credit of Rights Entitlements in demat accounts of Eligible Equity Shareholders*” beginning on page 269.

Please note that one single Application Form shall be used by Investors to make Applications for all Rights Entitlements available in a particular demat account or entire respective portion of the Rights Entitlements in the demat suspense escrow account in case of resident Eligible Equity Shareholders holding shares in physical form as on Record Date and applying in the Issue, as applicable. In case of Investors who have provided details of demat account in accordance with the SEBI ICDR Regulations, such Investors will have to apply for the Rights Equity Shares from the same demat account in which they are holding the Rights Entitlements and in case of multiple demat accounts, the Investors are required to submit a separate Application Form for each demat account.

Investors may apply for the Rights Equity Shares by submitting the Application Form to the Designated Branch of the SCSB or online/electronic Application through the website of the SCSBs (if made available by such SCSB) for authorising such SCSB to block Application Money payable on the Application in their respective ASBA Accounts.

Investors are also advised to ensure that the Application Form is correctly filled up stating therein:

- (i) the ASBA Account (in case of Application through ASBA process) in which an amount equivalent to the amount payable on Application as stated in the Application Form will be blocked by the SCSB; or
- (ii) the requisite internet banking.

Applicants should note that they should very carefully fill-in their depository account details and PAN in the Application Form or while submitting application through online/electronic Application through the website of the SCSBs (if made available by such SCSB). Please note that incorrect depository account details or PAN or Application Forms without depository account details shall be treated as incomplete and shall be rejected. For details, see “- *Grounds for Technical Rejection*” beginning on page 265. Our Company, the Lead Manager, the Registrar and the SCSBs shall not be liable for any incomplete or incorrect demat details provided by the Applicants.

Additionally, in terms of Regulation 78 of the SEBI ICDR Regulations, Investors may choose to accept the offer to participate in the Issue by making plain paper Applications. Please note that SCSBs shall accept such applications only if all details required for making the application as per the SEBI ICDR Regulations are specified in the plain paper application and that Eligible Equity Shareholders making an application in the Issue by way of plain paper applications shall not be permitted to renounce any portion of their Rights Entitlements. For details, - see “- *Making of an Application by Eligible Equity Shareholders on Plain Paper under ASBA process*” beginning on page 262.

Options available to the Eligible Equity Shareholders

The Rights Entitlement Letter will clearly indicate the number of Rights Equity Shares that the Eligible Equity Shareholder is entitled to.

If the Eligible Equity Shareholder applies in the Issue, then such Eligible Equity Shareholder can:

- (i) apply for its Rights Equity Shares to the full extent of its Rights Entitlements; or
- (ii) apply for its Rights Equity Shares to the extent of part of its Rights Entitlements (without renouncing the other part); or
- (iii) apply for Rights Equity Shares to the extent of part of its Rights Entitlements and renounce the other part of its Rights Entitlements; or
- (iv) apply for its Rights Equity Shares to the full extent of its Rights Entitlements and apply for Additional Rights Equity Shares; or
- (v) renounce its Rights Entitlements in full.

Making of an Application through the ASBA process

An Investor, wishing to participate in the Issue through the ASBA facility, is required to have an ASBA enabled bank account with SCSBs, prior to making the Application. Investors desiring to make an Application in the Issue through ASBA process, may submit the Application Form in physical mode to the Designated Branches of the SCSB or online/ electronic Application through the website of the SCSBs (if made available by such SCSB) for authorizing such SCSB to block Application Money payable on the Application in their respective ASBA Accounts.

Investors should ensure that they have correctly submitted the Application Form and have provided an authorisation to the SCSB, *via* the electronic mode, for blocking funds in the ASBA Account equivalent to

the Application Money mentioned in the Application Form, as the case may be, at the time of submission of the Application.

For the list of banks which have been notified by SEBI to act as SCSBs for the ASBA process, please refer to <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34>.

Please note that subject to SCSBs complying with the requirements of the SEBI circular bearing reference number CIR/CFD/DIL/13/2012 dated September 25, 2012, within the periods stipulated therein, Applications may be submitted at the Designated Branches of the SCSBs. Further, in terms of the SEBI circular bearing reference number CIR/CFD/DIL/1/2013 dated January 2, 2013, it is clarified that for making Applications by SCSBs on their own account using ASBA facility, each such SCSB should have a separate account in its own name with any other SEBI registered SCSB(s). Such account shall be used solely for the purpose of making an Application in the Issue and clear demarcated funds should be available in such account for such an Application.

The Lead Manager, our Company, its directors, its employees, affiliates, associates and their respective directors and officers and the Registrar shall not take any responsibility for acts, mistakes, errors, omissions and commissions etc., in relation to Applications accepted by SCSBs, Applications uploaded by SCSBs, Applications accepted but not uploaded by SCSBs or Applications accepted and uploaded without blocking funds in the ASBA Accounts.

Investors applying through the ASBA facility should carefully read the provisions applicable to such Applications before making their Application through the ASBA process.

Do's for Investors applying through ASBA:

- (a) Ensure that the necessary details are filled in the Application Form including the details of the ASBA Account.
- (b) Ensure that the details about your Depository Participant, PAN and beneficiary account are correct and the beneficiary account is activated as the Rights Equity Shares will be Allotted in the dematerialized form only.
- (c) Ensure that the Applications are submitted with the Designated Branch of the SCSBs and details of the correct bank account have been provided in the Application.
- (d) Ensure that there are sufficient funds (equal to {number of Rights Equity Shares (including Additional Rights Equity Shares) applied for} X {Application Money of Equity Shares}) available in ASBA Account mentioned in the Application Form before submitting the Application to the respective Designated Branch of the SCSB.
- (e) Ensure that you have authorised the SCSB for blocking funds equivalent to the total amount payable on application mentioned in the Application Form, in the ASBA Account, of which details are provided in the Application Form and have signed the same.
- (f) Ensure that you have a bank account with SCSBs providing ASBA facility in your location and the Application is made through that SCSB providing ASBA facility in such location.
- (g) Ensure that you receive an acknowledgement from the Designated Branch of the SCSB for your submission of the Application Form in physical form or plain paper Application.
- (h) Ensure that the name(s) given in the Application Form is exactly the same as the name(s) in which the beneficiary account is held with the Depository Participant. In case the Application Form is submitted in joint names, ensure that the beneficiary account is also held in same joint names and such names are in the same sequence in which they appear in the Application Form and the Rights Entitlement Letter.

Don'ts for Investors applying through ASBA:

- (a) Do not apply if you are not eligible to participate in the Issue under the securities laws applicable to your jurisdiction.
- (b) Do not submit the Application Form after you have submitted a plain paper Application to a Designated Branch of the SCSB or *vice versa*.
- (c) Do not send your physical Application to the Lead Manager, the Registrar, the Escrow Collection Bank(s) (assuming that such Escrow Collection Bank is not an SCSB), a branch of the SCSB which is not a Designated Branch of the SCSB or our Company; instead submit the same to a Designated

Branch of the SCSB only.

- (d) Do not instruct the SCSBs to unblock the funds blocked under the ASBA process upon making the Application.
- (e) Do not submit the Application Form using a third party ASBA account.

Making of an Application by Eligible Equity Shareholders on Plain Paper under ASBA process

An Eligible Equity Shareholder in India who is eligible to apply under the ASBA process may make an Application to subscribe to the Issue on plain paper in case of non-receipt of Application Form as detailed above. In such cases of non-receipt of the Application Form through physical delivery (where applicable) and the Eligible Equity Shareholder not being in a position to obtain it from any other source may make an Application to subscribe to the Issue on plain paper with the same details as per the Application Form that is available on the website of the Registrar, Stock Exchanges or the Lead Manager. An Eligible Equity Shareholder shall submit the plain paper Application to the Designated Branch of the SCSB for authorising such SCSB to block Application Money in the said bank account maintained with the same SCSB. Applications on plain paper will not be accepted from any Eligible Equity Shareholder who has not provided an Indian address.

Please note that the Eligible Equity Shareholders who are making the Application on plain paper shall not be entitled to renounce their Rights Entitlements and should not utilize the Application Form for any purpose including renunciation even if it is received subsequently.

The Application on plain paper, duly signed by the Eligible Equity Shareholder including joint holders, in the same order and as per specimen recorded with his/her bank, must reach the office of the Designated Branch of the SCSB before the Issue Closing Date and should contain the following particulars:

1. Name of our Company, being Borosil Renewables Limited;
2. Name and address of the Eligible Equity Shareholder including joint holders (in the same order and as per specimen recorded with our Company or the Depository);
3. Folio number (in case of Eligible Equity Shareholders who hold Equity Shares in physical form as on Record Date)/DP and Client ID;
4. Except for Applications on behalf of the Central or State Government, the residents of Sikkim and the officials appointed by the courts, PAN of the Eligible Equity Shareholder and for each Eligible Equity Shareholder in case of joint names, irrespective of the total value of the Equity Shares applied for pursuant to the Issue;
5. Number of Equity Shares held as on Record Date;
6. Allotment option – only dematerialised form;
7. Number of Rights Equity Shares entitled to;
8. Number of Rights Equity Shares applied for within the Rights Entitlements;
9. Number of Additional Rights Equity Shares applied for, if any (applicable only if entire Rights Entitlements have been applied for);
10. Total number of Rights Equity Shares applied for;
11. Total amount paid at the rate of ₹[●] per Rights Equity Share;
12. Details of the ASBA Account such as the SCSB account number, name, address and branch of the relevant SCSB;
13. In case of non-resident Eligible Equity Shareholders making an application with an Indian address, details of the NRE / FCNR/ NRO account such as the account number, name, address and branch of the SCSB with which the account is maintained;
14. Authorisation to the Designated Branch of the SCSB to block an amount equivalent to the Application Money in the ASBA Account;
15. Signature of the Eligible Equity Shareholder (in case of joint holders, to appear in the same sequence and order as they appear in the records of the SCSB); and

16. All such Eligible Equity Shareholders shall be deemed to have made the representations, warranties and agreements set forth in “*Restrictions on Purchases and Resales - Representations, Warranties and Agreements by Purchasers*” on page 282, and shall include the following:

“I/ We hereby make representations, warranties and agreements set forth in “Restrictions on Purchases and Resales - Representations, Warranties and Agreements by Purchasers” on page 282.

I/ We acknowledge that the Company, the Lead Manager, its affiliates and others will rely upon the truth and accuracy of the representations, warranties and agreements set forth therein.”

In cases where Multiple Application Forms are submitted for Applications pertaining to Rights Entitlements credited to the same demat account or in demat suspense escrow account, as applicable, including cases where an Investor submits Application Forms along with a plain paper Application, such Applications shall be liable to be rejected.

Investors are requested to strictly adhere to these instructions. Failure to do so could result in an Application being rejected, with our Company, the Lead Manager and the Registrar not having any liability to the Investor. The plain paper Application format will be available on the website of the Registrar at www.linkintime.co.in.

Our Company, the Lead Manager and the Registrar shall not be responsible if the Applications are not uploaded by the SCSB or funds are not blocked in the Investors’ ASBA Accounts on or before the Issue Closing Date.

Making of an Application by Eligible Equity Shareholders holding Equity Shares in physical form

Please note that in accordance with Regulation 77A of the SEBI ICDR Regulations read with the SEBI Rights Issue Circulars, the credit of Rights Entitlements and Allotment of Rights Equity Shares shall be made in dematerialised form only. Accordingly, Eligible Equity Shareholders holding Equity Shares in physical form as on Record Date and desirous of subscribing to Rights Equity Shares in the Issue are advised to furnish the details of their demat account to the Registrar or our Company at least two clear Working Days prior to the Issue Closing Date, to enable the credit of their Rights Entitlements in their respective demat accounts at least one day before the Issue Closing Date.

Prior to the Issue Opening Date, the Rights Entitlements of those Eligible Equity Shareholders, among others, who hold Equity Shares in physical form, and whose demat account details are not available with our Company or the Registrar, shall be credited in a demat suspense escrow account opened by our Company.

Eligible Equity Shareholders, who hold Equity Shares in physical form as on Record Date and who have opened their demat accounts after the Record Date, shall adhere to following procedure for participating in the Issue:

- (a) The Eligible Equity Shareholders shall send a letter to the Registrar containing the name(s), address, e-mail address, contact details and the details of their demat account along with copy of self-attested PAN and self-attested client master sheet of their demat account either by e-mail, post, speed post, courier, or hand delivery so as to reach to the Registrar no later than two clear Working Days prior to the Issue Closing Date;
- (b) The Registrar shall, after verifying the details of such demat account, transfer the Rights Entitlements of such Eligible Equity Shareholders to their demat accounts at least one day before the Issue Closing Date;
- (c) The remaining procedure for Application shall be same as set out in “- *Making of an Application by Eligible Equity Shareholders on Plain Paper under ASBA process*” on page 262.

Resident Eligible Equity Shareholders who hold Equity Shares in physical form as on the Record Date will not be allowed renounce their Rights Entitlements in the Issue. However, such Eligible Equity Shareholders, where the dematerialized Rights Entitlements are transferred from the suspense escrow demat account to the respective demat accounts within prescribed timelines, can apply for Additional Rights Equity Shares while submitting the Application through ASBA process.

Application for Additional Rights Equity Shares

Investors are eligible to apply for Additional Rights Equity Shares over and above their Rights Entitlements, provided that they are eligible to apply for Equity Shares under applicable law and they have applied for all the Rights Equity Shares forming part of their Rights Entitlements without renouncing them in whole or in part. Where the number of Additional Rights Equity Shares applied for exceeds the number available for Allotment, the Allotment would be made as per the Basis of Allotment finalised in consultation with the Designated Stock Exchange. Applications for Additional Rights Equity Shares shall be considered, and

Allotment shall be made in accordance with the SEBI ICDR Regulations and in the manner as set out in “-Basis of Allotment” on page 275.

Eligible Equity Shareholders who renounce their Rights Entitlements cannot apply for Additional Rights Equity Shares. Non-resident Renounees who are not Eligible Equity Shareholders cannot apply for Additional Rights Equity Shares.

Additional general instructions for Investors in relation to making of an Application

- (a) Please read the Letter of Offer carefully to understand the Application process and applicable settlement process.
- (b) Please read the instructions on the Application Form sent to you. Application should be complete in all respects. The Application Form found incomplete with regard to any of the particulars required to be given therein, and/or which are not completed in conformity with the terms of this Draft Letter of Offer, the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter and the Application Form are liable to be rejected. The Application Form must be filled in English.
- (c) In case of non-receipt of Application Form, Application can be made on plain paper mentioning all necessary details as mentioned under “-Making of an Application by Eligible Equity Shareholders on Plain Paper under ASBA process” on page 262.
- (d) Applications should be submitted to the Designated Branch of the SCSB or made online/electronic through the website of the SCSBs (if made available by such SCSB) for authorising such SCSB to block Application Money payable on the Application in their respective ASBA Accounts. Please note that on the Issue Closing Date, Applications through ASBA process will be uploaded until 5.00 p.m. (Indian Standard Time) or such extended time as permitted by the Stock Exchanges.
- (e) Applications should not be submitted to the Bankers to the Issue or Escrow Collection Bank(s) (assuming that such Escrow Collection Bank is not an SCSB), our Company or the Registrar or the Lead Manager.
- (f) All Applicants, and in the case of Application in joint names, each of the joint Applicants, should mention their PAN allotted under the Income-tax Act, irrespective of the amount of the Application. Except for Applications on behalf of the Central or the State Government, the residents of Sikkim and the officials appointed by the courts, Applications without PAN will be considered incomplete and are liable to be rejected. With effect from August 16, 2010, the demat accounts for Investors for which PAN details have not been verified shall be “suspended for credit” and no Allotment and credit of Rights Equity Shares pursuant to the Issue shall be made into the accounts of such Investors.
- (g) Ensure that the demographic details such as address, PAN, DP ID, Client ID, bank account details and occupation (“**Demographic Details**”) are updated, true and correct, in all respects. Investors applying under the Issue should note that on the basis of name of the Investors, DP ID and Client ID provided by them in the Application Form or the plain paper Applications, as the case may be, the Registrar will obtain Demographic Details from the Depository. Therefore, Investors applying under the Issue should carefully fill in their Depository Account details in the Application. These Demographic Details would be used for all correspondence with such Investors including mailing of the letters intimating unblocking of bank account of the respective Investor and/or refund. The Demographic Details given by the Investors in the Application Form would not be used for any other purposes by the Registrar. Hence, Investors are advised to update their Demographic Details as provided to their Depository Participants. **The Allotment Advice and the intimation on unblocking of ASBA Account would be mailed to the address of the Investor as per the Indian address provided to our Company or the Registrar or Demographic Details received from the Depositories. The Registrar will give instructions to the SCSBs for unblocking funds in the ASBA Account to the extent Rights Equity Shares are not Allotted to such Investor. Please note that any such delay shall be at the sole risk of the Investors and none of our Company, the SCSBs, Registrar or the Lead Manager shall be liable to compensate the Investor for any losses caused due to any such delay or be liable to pay any interest for such delay. In case no corresponding record is available with the Depositories that match three parameters, (a) names of the Investors (including the order of names of joint holders), (b) DP ID, and (c) Client ID, then such Application Forms are liable to be rejected.**
- (h) By signing the Application Forms, Investors would be deemed to have authorised the Depositories to provide, upon request, to the Registrar, the required Demographic Details as available on its records.
- (i) For physical Applications through ASBA at Designated Branches of SCSB, signatures should be

either in English or Hindi or in any other language specified in the Eighth Schedule to the Constitution of India. Signatures other than in any such language or thumb impression must be attested by a Notary Public or a Special Executive Magistrate under his/her official seal. The Investors must sign the Application as per the specimen signature recorded with the SCSB.

- (j) Investors should provide correct DP ID and Client ID/ folio number (for Eligible Equity Shareholders who hold Equity Shares in physical form as on Record Date) while submitting the Application. Such DP ID and Client ID/ folio number should match the demat account details in the records available with Company and/or Registrar, failing which such Application is liable to be rejected. Investor will be solely responsible for any error or inaccurate detail provided in the Application. Our Company, the Lead Manager, SCSBs or the Registrar will not be liable for any such rejections.
- (k) In case of joint holders and physical Applications through ASBA process, all joint holders must sign the relevant part of the Application Form in the same order and as per the specimen signature(s) recorded with the SCSB. In case of joint Applicants, reference, if any, will be made in the first Applicant's name and all communication will be addressed to the first Applicant.
- (l) All communication in connection with Application for the Rights Equity Shares, including any change in contact details of the Eligible Equity Shareholders should be addressed to the Registrar prior to the date of Allotment in the Issue quoting the name of the first/sole Applicant, folio number (for Eligible Equity Shareholders who hold Equity Shares in physical form as on Record Date)/DP ID and Client ID and Application Form number, as applicable. In case of any change in contact details of the Eligible Equity Shareholders, the Eligible Equity Shareholders should also send the intimation for such change to the respective depository participant, or to our Company or the Registrar in case of Eligible Equity Shareholders holding Equity Shares in physical form.
- (m) Investors are required to ensure that the number of Rights Equity Shares applied for by them do not exceed the prescribed limits under the applicable law.
- (n) Do not apply if you are ineligible to participate in the Issue under the securities laws applicable to your jurisdiction.
- (o) Do not submit the GIR number instead of the PAN as the application is liable to be rejected on this ground.
- (p) Avoid applying on the Issue Closing Date due to risk of delay/ restrictions in making any physical Application.
- (q) Do not pay the Application Money in cash, by money order, pay order or postal order.
- (r) Do not submit multiple Applications.
- (s) An Applicant being an OCB is required not to be under the adverse notice of RBI and in order to apply for the issue as an incorporated non-resident must do so in accordance with the FDI Policy and Foreign Exchange Management (Non-Debt Instrument) Rules, 2019, as amended.
- (t) Ensure that your PAN is linked with Aadhaar and you are in compliance with CBDT notification dated Feb 13, 2020 and press release dated June 25, 2021 and September 17, 2021.

Grounds for Technical Rejection

Applications made in the Issue are liable to be rejected on the following grounds:

- (a) DP ID and Client ID mentioned in Application does not match with the DP ID and Client ID records available with the Registrar.
- (b) Details of PAN mentioned in the Application does not match with the PAN records available with the Registrar.
- (c) Sending an Application to our Company, the Lead Manager, Registrar, Escrow Collection Bank(s) (assuming that such Escrow Collection Bank is not a SCSB), to a branch of a SCSB which is not a Designated Branch of the SCSB.
- (d) Insufficient funds are available in the ASBA Account with the SCSB for blocking the Application Money.
- (e) Funds in the ASBA Account whose details are mentioned in the Application Form having been

frozen pursuant to regulatory orders.

- (f) Account holder not signing the Application or declaration mentioned therein.
- (g) Submission of more than one Application Form for Rights Entitlements available in a particular demat account.
- (h) Multiple Application Forms, including cases where an Investor submits Application Forms along with a plain paper Application.
- (i) Submitting the GIR number instead of the PAN (except for Applications on behalf of the Central or State Government, the residents of Sikkim and the officials appointed by the courts).
- (j) Applications by persons not competent to contract under the Indian Contract Act, 1872, except Applications by minors having valid demat accounts as per the Demographic Details provided by the Depositories.
- (k) Applications by SCSB on own account, other than through an ASBA Account in its own name with any other SCSB.
- (l) Application Forms which are not submitted by the Investors within the time periods prescribed in the Application Form and the Letter of Offer.
- (m) Physical Application Forms not duly signed by the sole or joint Investors, as applicable.
- (n) Application Forms accompanied by stock invest, outstation cheques, post-dated cheques, money order, postal order or outstation demand drafts.
- (o) If an Investor is (a) debarred by SEBI; or (b) if SEBI has revoked the order or has provided any interim relief then failure to attach a copy of such SEBI order allowing the Investor to subscribe to their Rights Entitlements.
- (p) Applications which: (i) appears to our Company or its agents to have been executed in, electronically transmitted from or dispatched from jurisdictions where the offer and sale of the Rights Equity Shares is not permitted under laws of such jurisdictions; (ii) does not include the relevant certifications set out in the Application Form, including to the effect that the person submitting and/or renouncing the Application Form is outside the United States, and is eligible to subscribe for the Rights Equity Shares under applicable securities laws and is complying with laws of jurisdictions applicable to such person in connection with the Issue; and our Company shall not be bound to issue or allot any Rights Equity Shares in respect of any such Application Form.
- (q) Applications which have evidence of being executed or made in contravention of applicable securities laws.
- (r) Applicants not having the requisite approvals to make application in the Issue.

Multiple Applications

In case where multiple Applications are made using same demat account in respect of the same Rights Entitlement, such Applications shall be liable to be rejected. A separate Application can be made in respect of Rights Entitlements in each demat account of the Investors and such Applications shall not be treated as multiple applications. Similarly, a separate Application can be made against Equity Shares held in dematerialized form and Equity Shares held in physical form, and such Applications shall not be treated as multiple applications. Further supplementary Applications in relation to further Rights Equity Shares with/without using Additional Rights Entitlement will not be treated as multiple application. A separate Application can be made in respect of each scheme of an Indian mutual fund registered with SEBI and such Applications shall not be treated as multiple applications. For details, see “- *Procedure for Applications by Mutual Funds*” beginning on page 268.

In cases where Multiple Application Forms are submitted, including cases where (a) an Investor submits Application Forms along with a plain paper Application or (b) multiple plain paper Applications (c) or multiple applications through ASBA, such Applications shall be treated as multiple applications and are liable to be rejected, other than multiple applications submitted by any of our Promoters or members of the Promoter Group to meet the minimum subscription requirements applicable to the Issue as described in “*Capital Structure – Subscription to the Issue by the Promoters and the Promoter Group*” on page 39.

Procedure for Applications by certain categories of Investors

Procedure for Applications by FPIs

In terms of applicable FEMA Rules and the SEBI FPI Regulations, investments by FPIs in the Equity Shares is subject to certain limits, *i.e.*, the individual holding of an FPI (including its investor group (which means multiple entities registered as foreign portfolio investors and directly and indirectly having common ownership of more than 50% of common control)) shall be below 10% of our post-Issue Equity Share capital. In case the total holding of an FPI or investor group increases beyond 10% of the total paid-up Equity Share capital of our Company, on a fully diluted basis or 10% or more of the paid-up value of any series of debentures or preference shares or share warrants that may be issued by our Company, the total investment made by the FPI or investor group will be re-classified as FDI subject to the conditions or restrictions as specified by SEBI and RBI in this regard. Further, the aggregate limit of all FPIs investments is up to the sectoral cap applicable to the sector in which our Company operates (*i.e.*, 100% under automatic route).

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. FPIs who wish to participate in the Issue are advised to use the Application Form for non-residents. Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of Regulation 21 of the SEBI FPI Regulations, an FPI may issue, subscribe to or otherwise deal in offshore derivative instruments (as defined under the SEBI FPI Regulations as any instrument, by whatever name called, which is issued overseas by an FPI against securities held by it that are listed or proposed to be listed on any recognised stock exchange in India, as its underlying) directly or indirectly, only in the event (i) such offshore derivative instruments are issued only to persons registered as Category I FPI under the SEBI FPI Regulations; (ii) such offshore derivative instruments are issued only to persons who are eligible for registration as Category I FPIs (where an entity has an investment manager who is from the Financial Action Task Force member country, the investment manager shall not be required to be registered as a Category I FPI); (iii) such offshore derivative instruments are issued after compliance with 'know your client' norms; and (iv) compliance with other conditions as may be prescribed by SEBI.

An FPI issuing offshore derivative instruments is also required to ensure that any transfer of offshore derivative instruments issued by or on its behalf, is carried out subject to *inter alia* the following conditions:

- (a) such offshore derivative instruments are transferred only to persons in accordance with the SEBI FPI Regulations; and
- (b) prior consent of the FPI is obtained for such transfer, except when the persons to whom the offshore derivative instruments are to be transferred to are pre-approved by the FPI.

Procedure for Applications by AIFs, FVCIs, VCFs and FDI route

The SEBI VCF Regulations and the SEBI FVCI Regulations prescribe, among other things, the investment restrictions on VCFs and FVCIs registered with SEBI. Further, the SEBI AIF Regulations prescribe, among other things, the investment restrictions on AIFs.

As per the SEBI VCF Regulations and SEBI FVCI Regulations, VCFs and FVCIs are not permitted to invest in listed companies pursuant to rights issues. Accordingly, applications by VCFs or FVCIs will not be accepted in the Issue. Further, venture capital funds registered as Category I AIFs, as defined in the SEBI AIF Regulations, are not permitted to invest in listed companies pursuant to rights issues. Accordingly, applications by venture capital funds registered as category I AIFs, as defined in the SEBI AIF Regulations, will not be accepted in the Issue. Other categories of AIFs are permitted to apply in the Issue subject to compliance with the SEBI AIF Regulations. Such AIFs having bank accounts with SCSBs that are providing ASBA in cities / centres where such AIFs are located are mandatorily required to make use of the ASBA facility. Otherwise, applications of such AIFs are liable for rejection.

Procedure for Applications by NRIs

Investments by NRIs are governed by the FEMA Rules. Applications will not be accepted from NRIs that are ineligible to participate in the Issue under applicable securities laws.

As per the FEMA Rules, an NRI or Overseas Citizen of India (“OCI”) may purchase or sell capital instruments of a listed Indian company on repatriation basis, on a recognised stock exchange in India, subject to the conditions, *inter alia*, that the total holding by any individual NRI or OCI will not exceed 5% of the total paid-up equity capital on a fully diluted basis or should not exceed 5% of the paid-up value of each series of debentures or preference shares or share warrants issued by an Indian company and the total holdings of all NRIs and OCIs put together will not exceed 10% of the total paid-up equity capital on a fully diluted basis or shall not exceed 10% of the paid-up value of each series of debentures or preference shares or share warrants. The aggregate ceiling of 10% may be raised to 24% if a special resolution to that effect is passed by the general body of the Indian company.

Further, in accordance with press note 3 of 2020, the FDI Policy has been amended to state that all investments by entities incorporate in a country which shares land border with India or where beneficial owner of an investment into India is situated in or is a citizen of any such country (“**Restricted Investors**”), will require prior approval of the Government of India. It is not clear from the press note whether or not an issue of the Rights Equity Shares to Restricted Investors will also require prior approval of the Government of India and each Investor should seek independent legal advice about its ability to participate in the Issue. In the event such prior approval has been obtained, the Investor shall intimate our Company and the Registrar about such approval within the Issue Period.

Procedure for Applications by Mutual Funds

A separate application can be made in respect of each scheme of an Indian mutual fund registered with SEBI and such applications shall not be treated as multiple applications. The applications made by asset management companies or custodians of a mutual fund should clearly indicate the name of the concerned scheme for which the application is being made.

Procedure for Applications by Systemically Important Non-Banking Financial Companies (“NBFC-SI”)

In case of an application made by NBFC-SI registered with RBI, (a) the certificate of registration issued by RBI under Section 45IA of RBI Act, 1934 and (b) net worth certificate from its statutory auditors or any independent chartered accountant based on the last audited financial statements is required to be attached to the application.

Last date for Application

The last date for submission of the duly filled in the Application Form or a plain paper Application is [●], *i.e.*, Issue Closing Date. Our Board or any committee thereof may extend the said date for such period as it may determine from time to time, subject to the Issue Period not exceeding 30 days from the Issue Opening Date (inclusive of the Issue Opening Date).

If the Application Form is not submitted with an SCSB, uploaded with the Stock Exchanges and the Application Money is not blocked with the SCSB, on or before the Issue Closing Date or such date as may be extended by our Board or any committee thereof, the invitation to offer contained in the Letter of Offer shall be deemed to have been declined and our Board or any committee thereof shall be at liberty to dispose of the Equity Shares hereby offered, as set out in “- *Basis of Allotment*” on page 275.

Please note that on the Issue Closing Date, Applications through ASBA process will be uploaded until 5.00 p.m. (Indian Standard Time) or such extended time as permitted by the Stock Exchanges.

Please ensure that the Application Form and necessary details are filled in. In place of Application number, Investors can mention the reference number of the e-mail received from Registrar informing about their Rights Entitlement or last eight digits of the demat account. Alternatively, SCSBs may mention their internal reference number in place of application number.

Withdrawal of Application

An Investor who has applied in the Issue may withdraw their Application at any time during Issue Period by approaching the SCSB where application is submitted. However, no Investor, applying through ASBA facility, may withdraw their Application post 5.00 p.m. (Indian Standard Time) on the Issue Closing Date.

Disposal of Application and Application Money

No acknowledgment will be issued for the Application Money received by our Company. However, the Designated Branches of the SCSBs receiving the Application Form will acknowledge its receipt by stamping and returning the acknowledgment slip at the bottom of each Application Form.

Our Board reserves its full, unqualified and absolute right to accept or reject any Application, in whole or in part, and in either case without assigning any reason thereto.

In case an Application is rejected in full, the whole of the Application Money will be unblocked in the respective ASBA Accounts, in case of Applications through ASBA. Wherever an Application is rejected in part, the balance of Application Money, if any, after adjusting any money due on Rights Equity Shares Allotted, will be refunded / unblocked in the respective bank accounts from which Application Money was received / ASBA Accounts of the Investor within a period of 4 days from the Issue Closing Date. In case of failure to do so, our Company shall pay interest at such rate and within such time as specified under applicable law.

For further instructions, please read the Application Form carefully.

III. CREDIT OF RIGHTS ENTITLEMENTS IN DEMAT ACCOUNTS OF ELIGIBLE EQUITY SHAREHOLDERS

Rights Entitlements

As your name appears as a beneficial owner in respect of the issued and paid-up Equity Shares held in dematerialised form or appears in the register of members of our Company as an Eligible Equity Shareholder in respect of our Equity Shares held in physical form, as on the Record Date, you may be entitled to subscribe to the number of Rights Equity Shares as set out in the Rights Entitlement Letter.

Eligible Equity Shareholders can also obtain the details of their respective Rights Entitlements from the website of the Registrar (*i.e.*, www.linkintime.co.in) by entering their DP ID and Client ID or folio number (for Eligible Equity Shareholders who hold Equity Shares in physical form as on Record Date) and PAN. The link for the same shall also be available on the website of our Company (*i.e.*, <https://www.borosilrenewables.com/>).

In this regard, our Company has made necessary arrangements with NSDL and CDSL for crediting of the Rights Entitlements to the demat accounts of the Eligible Equity Shareholders in a dematerialized form. A separate ISIN for the Rights Entitlements has also been generated which is [●]. The said ISIN shall remain frozen (for debit) until the Issue Opening Date. The said ISIN shall be suspended for transfer by the Depositories post the Issue Closing Date.

Additionally, our Company will submit the details of the total Rights Entitlements credited to the demat accounts of the Eligible Equity Shareholders and the demat suspense escrow account to the Stock Exchanges after completing the corporate action. The details of the Rights Entitlements with respect to each Eligible Equity Shareholders can be accessed by such respective Eligible Equity Shareholders on the website of the Registrar after keying in their respective details along with other security control measures implemented thereat.

Rights Entitlements shall be credited to the respective demat accounts of Eligible Equity Shareholders before the Issue Opening Date only in dematerialised form. Further, if no Application is made by the Eligible Equity Shareholders of Rights Entitlements on or before Issue Closing Date, such Rights Entitlements shall lapse and shall be extinguished after the Issue Closing Date. No Rights Equity Shares for such lapsed Rights Entitlements will be credited, even if such Rights Entitlements were purchased from market and purchaser will lose the premium paid to acquire the Rights Entitlements. Persons who are credited the Rights Entitlements are required to make an Application to apply for Rights Equity Shares offered under Issue for subscribing to the Rights Equity Shares offered under Issue.

If Eligible Equity Shareholders holding Equity Shares in physical form as on Record Date, have not provided the details of their demat accounts to our Company or to the Registrar, they are required to provide their demat account details to our Company or the Registrar not later than two clear Working Days prior to the Issue Closing Date, to enable the credit of the Rights Entitlements by way of transfer from the demat suspense escrow account to their respective demat accounts, at least one day before the Issue Closing Date. Such Eligible Equity Shareholders holding shares in physical form can update the details of their respective demat accounts on the website of the Registrar (*i.e.* https://linkintime.co.in/EmailReg/Email_Register.html). Such Eligible Equity Shareholders can make an Application only after the Rights Entitlements is credited to their respective demat accounts.

In accordance with Regulation 77A of the SEBI ICDR Regulations read with the SEBI Rights Issue Circulars, the credit of Rights Entitlements and Allotment of Rights Equity Shares shall be made in dematerialized form only. Prior to the Issue Opening Date, our Company shall credit the Rights Entitlements to (i) the demat accounts of the Eligible Equity Shareholders holding the Equity Shares in dematerialised form; and (ii) a demat suspense escrow account (namely, “[●]”) opened by our Company, for the Eligible Equity Shareholders which would comprise Rights Entitlements relating to (a) Equity Shares held in the account of the IEPF authority; or (b) the demat accounts of the Eligible Equity Shareholder which are frozen or the Equity Shares which are lying in the unclaimed suspense account (including those pursuant to Regulation 39 of the SEBI LODR Regulations) or details of which are unavailable with our Company or with the Registrar on the Record Date; or (c) Equity Shares held by Eligible Equity Shareholders holding Equity Shares in physical form as on Record Date where details of demat accounts are not provided by Eligible Equity Shareholders to our Company or Registrar; or (d) credit of the Rights Entitlements returned/reversed/failed; or (e) the ownership of the Equity Shares currently under dispute, including any court proceedings, if any; or (f) non-institutional equity shareholders in the United States.

Eligible Equity Shareholders are requested to provide relevant details (such as copies of self-attested PAN and client master sheet of demat account etc., details/ records confirming the legal and beneficial ownership of their respective Equity Shares) to our Company or the Registrar not later than two clear Working Days prior to the Issue Closing Date, *i.e.*, by [●] to enable the credit of their Rights Entitlements by way of transfer

from the demat suspense escrow account to their demat account at least one day before the Issue Closing Date, to enable such Eligible Equity Shareholders to make an application in the Issue, and this communication shall serve as an intimation to such Eligible Equity Shareholders in this regard. Such Eligible Equity Shareholders are also requested to ensure that their demat account, details of which have been provided to our Company or the Registrar account is active to facilitate the aforementioned transfer.

IV. RENUNCIATION AND TRADING OF RIGHTS ENTITLEMENT

Renouncees

All rights and obligations of the Eligible Equity Shareholders in relation to Applications and refunds pertaining to the Issue shall apply to the Renouncee(s) as well.

Renunciation of Rights Entitlements

The Issue includes a right exercisable by Eligible Equity Shareholders to renounce the Rights Entitlements credited to their respective demat account either in full or in part.

The renunciation from non-resident Eligible Equity Shareholder(s) to resident Indian(s) and *vice versa* shall be subject to provisions of FEMA Rules and other circular, directions, or guidelines issued by RBI or the Ministry of Finance from time to time. However, the facility of renunciation shall not be available to or operate in favour of an Eligible Equity Shareholders being an erstwhile OCB unless the same is in compliance with the FEMA Rules and other circular, directions, or guidelines issued by RBI or the Ministry of Finance from time to time.

The renunciation of Rights Entitlements credited in your demat account can be made either by sale of such Rights Entitlements, using the secondary market platform of the Stock Exchanges or through an off market transfer. In accordance with SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2020/78 dated May 6, 2020 read with SEBI circular SEBI/HO/CFD/DIL1/CIR/P/2020/136 dated July 24, 2020, the Eligible Equity Shareholders, who hold Equity Shares in physical form as on Record Date and who have not furnished the details of their demat account to the Registrar or our Company at least two Working Days prior to the Issue Closing Date, will not be able to renounce their Rights Entitlements.

Procedure for Renunciation of Rights Entitlements

The Eligible Equity Shareholders may renounce the Rights Entitlements, credited to their respective demat accounts, either in full or in part (a) by using the secondary market platform of the Stock Exchanges (the “**On Market Renunciation**”); or (b) through an off market transfer (the “**Off Market Renunciation**”), during the Renunciation Period. The Investors should have the demat Rights Entitlements credited / lying in his/her own demat account prior to the renunciation. The trades through On Market Renunciation and Off Market Renunciation will be settled by transferring the Rights Entitlements through the depository mechanism.

Investors may be subject to adverse foreign, state or local tax or legal consequences as a result of trading in the Rights Entitlements. Investors who intend to trade in the Rights Entitlements should consult their tax advisor or stock-broker regarding any cost, applicable taxes, charges and expenses (including brokerage) that may be levied for trading in Rights Entitlements.

Please note that the Rights Entitlements which are neither renounced nor subscribed by the Investors on or before the Issue Closing Date shall lapse and shall be extinguished after the Issue Closing Date.

Payment Schedule of Rights Equity Shares

₹[●] per Rights Equity Share (including premium of ₹[●] per Rights Equity Share) shall be payable on Application.

The Lead Manager and our Company accept no responsibility to bear or pay any cost, applicable taxes, charges and expenses (including brokerage), and such costs will be incurred solely by the Investors.

(a) *On Market Renunciation*

The Eligible Equity Shareholders may renounce the Rights Entitlements, credited to their respective demat accounts by trading/selling them on the secondary market platform of the Stock Exchanges through a registered stock-broker in the same manner as the existing Equity Shares of our Company.

In this regard, in terms of provisions of the SEBI ICDR Regulations and the SEBI Rights Issue Circulars, the Rights Entitlements credited to the respective demat accounts of the Eligible Equity Shareholders shall be admitted for trading on the Stock Exchanges under ISIN: [●] subject to requisite approvals. Prior to the Issue Opening Date, our Company will obtain the approval from the

Stock Exchanges for trading of Rights Entitlements. No assurance can be given regarding the active or sustained On Market Renunciation or the price at which the Rights Entitlements will trade. The details for trading in Rights Entitlements will be as specified by the Stock Exchanges from time to time.

The Rights Entitlements are tradable in dematerialized form only. The market lot for trading of Rights Entitlements is 1 (one) Rights Entitlements.

The On Market Renunciation shall take place only during the Renunciation Period for On Market Renunciation, *i.e.*, from [●] to [●] (both days inclusive).

The Investors holding the Rights Entitlements who desire to sell their Rights Entitlements will have to do so through their registered stock-brokers by quoting the ISIN: [●] and indicating the details of the Rights Entitlements they intend to trade. The Investors can place order for sale of Rights Entitlements only to the extent of Rights Entitlements available in their demat account.

The On Market Renunciation shall take place electronically on secondary market platform of BSE and NSE under automatic order matching mechanism and on 'T+2 rolling settlement basis', where 'T' refers to the date of trading. The transactions will be settled on trade-for-trade basis. Upon execution of the order, the stock-broker will issue a contract note in accordance with the requirements of the Stock Exchanges and the SEBI.

(b) *Off Market Renunciation*

The Eligible Equity Shareholders may renounce the Rights Entitlements, credited to their respective demat accounts by way of an off market transfer through a depository participant. The Rights Entitlements can be transferred in dematerialised form only.

Eligible Equity Shareholders are requested to ensure that renunciation through off market transfer is completed in such a manner that the Rights Entitlements are credited to the demat account of the Renounees on or prior to the Issue Closing Date to enable Renounees to subscribe to the Rights Equity Shares in the Issue.

The Investors holding the Rights Entitlements who desire to transfer their Rights Entitlements will have to do so through their depository participant by issuing a delivery instruction slip quoting the ISIN: INE666D01022, the details of the buyer and the details of the Rights Entitlements they intend to transfer. The buyer of the Rights Entitlements (unless already having given a standing receipt instruction) has to issue a receipt instruction slip to their depository participant. The Investors can transfer Rights Entitlements only to the extent of Rights Entitlements available in their demat account.

The instructions for transfer of Rights Entitlements can be issued during the working hours of the depository participants.

The detailed rules for transfer of Rights Entitlements through off market transfer shall be as specified by the NSDL and CDSL from time to time.

V. MODE OF PAYMENT

All payments against the Application Forms shall be made only through (i) ASBA facility; or (ii) internet banking. The Registrar will not accept any payments against the Application Forms, if such payments are not made through ASBA facility or internet banking.

In case of Application through the ASBA facility, the Investor agrees to block the entire amount payable on Application with the submission of the Application Form, by authorizing the SCSB to block an amount, equivalent to the amount payable on Application, in the Investor's ASBA Account. The SCSB may reject the application at the time of acceptance of Application Form if the ASBA Account, details of which have been provided by the Investor in the Application Form does not have sufficient funds equivalent to the amount payable on Application mentioned in the Application Form. Subsequent to the acceptance of the Application by the SCSB, our Company would have a right to reject the Application on technical grounds as set forth in this Draft Letter of Offer and the Letter of Offer.

After verifying that sufficient funds are available in the ASBA Account details of which are provided in the Application Form, the SCSB shall block an amount equivalent to the Application Money mentioned in the Application Form until the Transfer Date. On the Transfer Date, upon receipt of intimation from the Registrar, of the receipt of minimum subscription and pursuant to the finalization of the Basis of Allotment as approved by the Designated Stock Exchange, the SCSBs shall transfer such amount as per the Registrar's instruction from the ASBA Account into the Allotment Account(s) which shall be a separate bank account maintained by our Company, other than the bank account referred to in sub-section (3) of Section 40 of the Companies Act, 2013. The balance amount remaining after the finalisation

of the Basis of Allotment on the Transfer Date shall be unblocked by the SCSBs on the basis of the instructions issued in this regard by the Registrar to the respective SCSB.

In terms of RBI Circular DBOD No. FSC BC 42/24.47.00/2003- 04 dated November 5, 2003, the stock invest scheme has been withdrawn. Hence, payment through stock invest would not be accepted in the Issue.

Mode of payment for Resident Investors

All payments on the Application Forms shall be made only through ASBA facility or internet banking. Applicants are requested to strictly adhere to these instructions.

Mode of payment for Non-Resident Investors

As regards the Application by non-resident Investors, payment must be made only through ASBA facility and using permissible accounts in accordance with FEMA, FEMA Rules and requirements prescribed by RBI and subject to the following:

1. In cases where repatriation benefit is available, interest, dividend, sales proceeds derived from the investment in Rights Equity Shares can be remitted outside India, subject to tax, as applicable according to the Income Tax Act. However, please note that conditions applicable at the time of original investment in our Company by the Eligible Equity Shareholder including repatriation shall not change and remain the same for subscription in the Issue or subscription pursuant to renunciation in the Issue.
2. Subject to the above, in case Rights Equity Shares are Allotted on a non-repatriation basis, the dividend and sale proceeds of the Rights Equity Shares cannot be remitted outside India.
3. In case of an Application Form received from non-residents, Allotment, refunds and other distribution, if any, will be made in accordance with the guidelines and rules prescribed by RBI as applicable at the time of making such Allotment, remittance and subject to necessary approvals.
4. Application Forms received from non-residents/ NRIs, or persons of Indian origin residing abroad for Allotment of Rights Equity Shares shall, amongst other things, be subject to conditions, as may be imposed from time to time by RBI under FEMA, in respect of matters including Refund of Application Money and Allotment.
5. In the case of NRIs who remit their Application Money from funds held in FCNR/NRE Accounts, refunds and other disbursements, if any, shall be credited to such account.
6. Non-resident Renounees who are not Eligible Equity Shareholders must submit regulatory approval for applying for Additional Rights Equity Shares.

VI. BASIS FOR THE ISSUE AND TERMS OF THE ISSUE

The Rights Equity Shares are being offered for subscription to the Eligible Equity Shareholders whose names appear as beneficial owners as per the list to be furnished by the Depositories in respect of our Equity Shares held in dematerialised form and on the register of members of our Company in respect of our Equity Shares held in physical form at the close of business hours on the Record Date.

For principal terms of Issue such as face value, Issue Price, Rights Entitlement ratio, see “*The Issue*” beginning on page 33.

• Fractional Entitlements

The Rights Equity Shares are being offered on a rights basis to Eligible Equity Shareholders in the ratio of [●] Equity Share of face value ₹ 1 each for every [●] Equity Shares of face value ₹ 1 each held on the Record Date. For Equity Shares being offered on a rights basis under the Issue, if the shareholding of any of the Eligible Equity Shareholders is less than [●] Equity Shares of face value ₹ 1 each or not in the multiple of [●], the fractional entitlement of such Eligible Equity Shareholders shall be ignored in the computation of the Rights Entitlement. However, the Eligible Equity Shareholders whose fractional entitlements are being ignored, will be given preferential consideration for the allotment of one additional Equity Share each if they apply for additional Equity Shares if they apply for additional Rights Equity Shares over and above their

Rights Entitlements, if any, subject to availability of Rights Equity Shares in this Issue post allocation towards Rights Entitlements applied for.

Further, the Eligible Equity Shareholders holding less than [●] Equity Shares of face value ₹ 1 each shall have ‘zero’ entitlement in the Issue. Such Eligible Equity Shareholders are entitled to apply for additional Equity Shares and will be given preference in the allotment of one additional Equity Share if such Eligible Equity Shareholders apply for the

additional Equity Shares. However, they cannot renounce the same in favour of third parties and the application forms shall be non-negotiable.

- **Ranking**

The Rights Equity Shares to be issued and Allotted pursuant to the Issue shall be subject to the provisions of this Draft Letter of Offer, the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter, the Application Form, and the Memorandum of Association and the Articles of Association, the provisions of the Companies Act, 2013, FEMA, the SEBI ICDR Regulations, the SEBI LODR Regulations, and the guidelines, notifications and regulations issued by SEBI, the Government of India and other statutory and regulatory authorities from time to time, the terms of the Listing Agreements entered into by our Company with the Stock Exchanges and the terms and conditions as stipulated in the Allotment advice. The Rights Equity Shares to be issued and Allotted under the Issue shall rank *pari passu* with the existing Equity Shares, in all respects including dividends.

- **Listing and trading of the Rights Equity Shares to be issued pursuant to the Issue**

Subject to receipt of the listing and trading approvals, the Rights Equity Shares proposed to be issued on a rights basis shall be listed and admitted for trading on the Stock Exchanges. Unless otherwise permitted by the SEBI ICDR Regulations, the Rights Equity Shares Allotted pursuant to the Issue will be listed as soon as practicable and all steps for completion of necessary formalities for listing and commencement of trading in the Rights Equity Shares will be taken within such period prescribed under the SEBI ICDR Regulations. Our Company has received in-principle approval from the BSE through letter bearing reference number [●] dated [●] and from the NSE through letter bearing reference number [●] dated [●]. Our Company will apply to the Stock Exchanges for final approvals for the listing and trading of the Rights Equity Shares subsequent to their Allotment. No assurance can be given regarding the active or sustained trading in the Rights Equity Shares or the price at which the Rights Equity Shares offered under the Issue will trade after the listing thereof.

The existing Equity Shares are listed and traded on BSE (Scrip Code: 502219) and NSE (Scrip Code: BORORENEW) under the ISIN: INE666D01022. The Rights Equity Shares shall be credited to a temporary ISIN which will be frozen until the receipt of the final listing/ trading approvals from the Stock Exchanges. Upon receipt of such listing and trading approvals, the Rights Equity Shares shall be debited from such temporary ISIN and credited to the new ISIN for the Rights Equity Shares and thereafter be available for trading and the temporary ISIN shall be permanently deactivated in the depository system of CDSL and NSDL.

The listing and trading of the Rights Equity Shares issued pursuant to the Issue shall be based on the current regulatory framework then applicable. Accordingly, any change in the regulatory regime would affect the listing and trading schedule.

In case our Company fails to obtain listing or trading permission from the Stock Exchanges, our Company shall refund through verifiable means/unblock the respective ASBA Accounts, the entire monies received/blocked within fifteen days of receipt of intimation from the Stock Exchanges, rejecting the application for listing of the Rights Equity Shares, and if any such money is not refunded/ unblocked within fifteen days after our Company becomes liable to repay it, our Company and every director of our Company who is an officer-in-default shall, on and from the expiry of the fourth day, be jointly and severally liable to repay that money with interest at rates prescribed under applicable law.

- **Subscription to the Issue by our Promoters and members of the Promoter Group**

For details of the intent and extent of subscription by our Promoters and members of the Promoter Group, see “*Capital Structure – Subscription to the Issue by the Promoters and the Promoter Group*” beginning on page 39.

- **Rights of Holders of Equity Shares of our Company**

Subject to applicable laws, Equity Shareholders who have been Allotted Rights Equity Shares pursuant to the Issue shall have the following rights:

- (a) The right to receive dividend, if declared;
- (b) The right to receive surplus on liquidation;
- (c) The right to receive offers for rights shares and be allotted bonus shares, if announced;
- (d) The right to free transferability of Rights Equity Shares;
- (e) The right to attend general meetings of our Company and exercise voting powers in accordance with law, unless prohibited / restricted by law and as disclosed in this Draft Letter of Offer; and
- (f) Such other rights as may be available to a shareholder of a listed public company under the Companies Act, 2013, the Memorandum of Association and the Articles of Association.

VII. GENERAL TERMS OF THE ISSUE

- **Market Lot**

The Equity Shares of our Company shall be tradable only in dematerialized form. The market lot for Equity Shares in dematerialised mode is one Equity Share.

- **Joint Holders**

Where two or more persons are registered as the holders of any Equity Shares, they shall be deemed to hold the same as the joint holders with the benefit of survivorship subject to the provisions contained in our Articles of Association. In case of Equity Shares held by joint holders, the Application submitted in physical mode to the Designated Branch of the SCSBs would be required to be signed by all the joint holders (in the same order as appearing in the records of the Depository) to be considered as valid for allotment of Equity Shares offered in the Issue.

- **Nomination**

Nomination facility is available in respect of the Equity Shares in accordance with the provisions of the Section 72 of the Companies Act, 2013 read with Rule 19 of the Companies (Share Capital and Debenture) Rules, 2014.

Since the Allotment is in dematerialised form, there is no need to make a separate nomination for the Equity Shares to be Allotted in the Issue. Nominations registered with the respective DPs of the Investors would prevail. Any Investor holding Equity Shares in dematerialised form and desirous of changing the existing nomination is requested to inform its Depository Participant.

- **Arrangements for Disposal of Odd Lots**

The Equity Shares shall be traded in dematerialised form only and, therefore, the marketable lot shall be one Equity Share and hence, no arrangements for disposal of odd lots are required.

- **Restrictions on transfer and transmission of shares and on their consolidation/splitting**

There are no restrictions on transfer and transmission and on their consolidation/splitting of shares issued pursuant this Issue. However, the Investors should note that pursuant to the provisions of the SEBI LODR Regulations, with effect from April 1, 2019, except in case of transmission or transposition of securities, the request for transfer of securities shall not be affected unless the securities are held in the dematerialized form with a depository.

- **Notices**

In accordance with the SEBI ICDR Regulations and the SEBI Rights Issue Circulars, the Letter of Offer, the Abridged Letter of Offer, the Application Form, the Rights Entitlement Letter and other Issue material will be sent/ dispatched only to the Eligible Equity Shareholders who have provided Indian address. In case such Eligible Equity Shareholders have provided their valid e-mail address, the Letter of Offer, the Abridged Letter of Offer, the Application Form, the Rights Entitlement Letter and other Issue material will be sent only to their valid e-mail address and in case such Eligible Equity Shareholders have not provided their e-mail address, then the Letter of Offer, the Abridged Letter of Offer, the Application Form, the Rights Entitlement Letter and other Issue material will be physically dispatched, on a reasonable effort basis, to the Indian addresses provided by them

All notices to the Eligible Equity Shareholders required to be given by our Company shall be published in one English language national daily newspaper with wide circulation, one Hindi language national daily newspaper with wide circulation (Hindi also being the regional language in the place where our Registered and Corporate Office is located).

This Draft Letter of Offer, the Letter of Offer, the Abridged Letter of Offer and the Application Form shall also be submitted with the Stock Exchanges for making the same available on their websites.

- **Offer to Non-Resident Eligible Equity Shareholders/Investors**

As per Rule 7 of the FEMA Rules, RBI has given general permission to Indian companies to issue rights equity shares to non-resident equity shareholders including additional rights equity shares. Further, as per the Master Direction on Foreign Investment in India dated January 4, 2018 issued by RBI, non-residents may, amongst other things, (i) subscribe for additional shares over and above their rights entitlements; (ii) renounce the shares offered to them either in full or part thereof in favour of a person named by them; or (iii) apply for the shares renounced in their favour. Applications received from NRIs and non-residents for allotment of Rights Equity Shares shall be, amongst other things, subject to the conditions imposed from time to time by RBI under FEMA in the matter of Application, refund of Application Money, Allotment of Rights Equity Shares and issue of Rights Entitlement Letters/ letters of Allotment/ Allotment advice. If a non-resident or NRI Investor has specific approval from RBI or any other governmental authority, in connection with his shareholding in our Company, such person should enclose a copy of such approval

with the Application details and send it to the Registrar at www.linkintime.co.in. It will be the sole responsibility of the investors to ensure that the necessary approval from the RBI or the governmental authority is valid in order to make any investment in the Issue and the Lead Manager and our Company will not be responsible for any such allotments made by relying on such approvals.

The Letter of Offer, Abridged Letter of Offer, the Rights Entitlement Letter and Application Form shall be sent only to the Indian addresses of the non-resident Eligible Equity Shareholders on a reasonable efforts basis, who have provided an Indian address to our Company and located in jurisdictions where the offer and sale of the Rights Equity Shares may be permitted under laws of such jurisdictions, Eligible Equity Shareholders can access this Draft Letter of Offer, the Letter of Offer, the Abridged Letter of Offer and the Application Form (provided that the Eligible Equity Shareholder is eligible to subscribe for the Rights Equity Shares under applicable securities laws) from the websites of the Registrar, our Company, the Lead Manager and the Stock Exchanges. Further, Application Forms will be made available at Registered and Corporate Office of our Company for the non-resident Indian Applicants. Our Board may at its absolute discretion, agree to such terms and conditions as may be stipulated by RBI while approving the Allotment. The Rights Equity Shares purchased by non-residents shall be subject to the same conditions including restrictions in regard to the repatriation as are applicable to the original Equity Shares against which Rights Equity Shares are issued on rights basis.

In case of change of status of holders, *i.e.*, from resident to non-resident, a new demat account must be opened. Any Application from a demat account which does not reflect the accurate status of the Applicant is liable to be rejected at the sole discretion of our Company and the Lead Manager.

ALLOTMENT OF THE RIGHTS EQUITY SHARES IN DEMATERIALIZED FORM

PLEASE NOTE THAT THE RIGHTS EQUITY SHARES APPLIED FOR IN THE ISSUE CAN BE ALLOTTED ONLY IN DEMATERIALIZED FORM AND TO THE SAME DEPOSITORY ACCOUNT IN WHICH OUR EQUITY SHARES ARE HELD BY SUCH INVESTOR ON THE RECORD DATE. FOR DETAILS, SEE “ALLOTMENT ADVICE OR REFUND/ UNBLOCKING OF ASBA ACCOUNTS” BEGINNING ON PAGE 276.

VIII. ISSUE SCHEDULE

LAST DATE FOR CREDIT OF RIGHTS ENTITLEMENTS	[●]
ISSUE OPENING DATE	[●]
LAST DATE FOR ON MARKET RENUNCIATION OF RIGHTS ENTITLEMENTS[#]	[●]
ISSUE CLOSING DATE*	[●]
FINALISATION OF BASIS OF ALLOTMENT (ON OR ABOUT)	[●]
DATE OF ALLOTMENT (ON OR ABOUT)	[●]
DATE OF CREDIT (ON OR ABOUT)	[●]
DATE OF LISTING (ON OR ABOUT)	[●]

[#] *Eligible Equity Shareholders are requested to ensure that renunciation through off market transfer is completed in such a manner that the Rights Entitlements are credited to the demat account of the Renouncees on or prior to the Issue Closing Date.*

^{*} *Our Board or a duly authorized committee thereof will have the right to extend the Issue Period as it may determine from time to time but not exceeding 30 days from the Issue Opening Date (inclusive of the Issue Opening Date). Further, no withdrawal of Application shall be permitted by any Applicant after the Issue Closing Date.*

Please note that if Eligible Equity Shareholders holding Equity Shares in physical form as on Record Date, have not provided the details of their demat accounts to our Company or to the Registrar, they are required to provide their demat account details to our Company or the Registrar not later than two clear Working Days prior to the Issue Closing Date, *i.e.*, [●] to enable the credit of the Rights Entitlements by way of transfer from the demat suspense escrow account to their respective demat accounts, at least one day before the Issue Closing Date, *i.e.*, [●].

IX. BASIS OF ALLOTMENT

Subject to the provisions contained in this Draft Letter of Offer, the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter, the Application Form, the Articles of Association and the approval of the Designated Stock Exchange, our Board will proceed to Allot the Rights Equity Shares in the following order of priority:

- (a) Full Allotment to those Eligible Equity Shareholders who have applied for their Rights Entitlements of Rights Equity Shares either in full or in part and also to the Renouncee(s) who has or have applied for Rights Equity Shares renounced in their favour, in full or in part.
- (b) Eligible Equity Shareholders whose fractional entitlements are being ignored and Eligible Equity Shareholders with zero entitlement, would be given preference in allotment of one Additional Rights Equity Share each if they apply for Additional Rights Equity Shares. Allotment under this head shall be considered if there are any unsubscribed Rights Equity Shares after allotment under (a) above. If number of Rights Equity Shares required for Allotment under this head are more than the number of Rights Equity Shares available

after Allotment under (a) above, the Allotment would be made on a fair and equitable basis in consultation with the Designated Stock Exchange and will not be a preferential allotment.

- (c) Allotment to the Eligible Equity Shareholders who having applied for all the Rights Equity Shares offered to them as part of the Issue, have also applied for Additional Rights Equity Shares. The Allotment of such Additional Rights Equity Shares will be made as far as possible on an equitable basis having due regard to the number of Equity Shares held by them on the Record Date, provided there are any unsubscribed Rights Equity Shares after making full Allotment in (a) and (b) above. The Allotment of such Rights Equity Shares will be at the sole discretion of our Board in consultation with the Designated Stock Exchange, as a part of the Issue and will not be a preferential allotment.
- (d) Allotment to Renouncees who having applied for all the Rights Equity Shares renounced in their favour, have applied for Additional Rights Equity Shares provided there is surplus available after making full Allotment under (a), (b) and (c) above. The Allotment of such Rights Equity Shares will be made on a proportionate basis in consultation with the Designated Stock Exchange, as a part of the Issue and will not be a preferential allotment.
- (e) Allotment to any other person, subject to applicable laws, that our Board may deem fit, provided there is surplus available after making Allotment under (a), (b), (c) and (d) above, and the decision of our Board in this regard shall be final and binding.

After taking into account Allotment to be made under (a) to (d) above, if there is any unsubscribed portion, the same shall be deemed to be 'unsubscribed'.

Upon approval of the Basis of Allotment by the Designated Stock Exchange, the Registrar shall send to the Controlling Branches, a list of the Investors who have been allocated Rights Equity Shares in the Issue, along with:

1. The amount to be transferred from the ASBA Account to the separate bank account opened by our Company for the Issue, for each successful Application;
2. The date by which the funds referred to above, shall be transferred to the aforesaid bank account; and
3. The details of rejected ASBA applications, if any, to enable the SCSBs to unblock the respective ASBA Accounts.

Further, the list of Applicants eligible for refund with corresponding amount will also be shared with Escrow Collection Bank(s) to refund such Applicants.

X. ALLOTMENT ADVICE OR REFUND/ UNBLOCKING OF ASBA ACCOUNTS

Our Company will send/ dispatch Allotment advice, refund intimations, if applicable or demat credit of securities and/or letters of regret, only to the Eligible Equity Shareholders who have provided Indian address; along with crediting the Allotted Rights Equity Shares to the respective beneficiary accounts (only in dematerialised mode) or in a demat suspense account (in respect of Eligible Equity Shareholders holding Equity Shares in physical form on the Allotment Date) or issue instructions for unblocking the funds in the respective ASBA Accounts, if any, within a period of fifteen days from the Issue Closing Date. In case of failure to do so, our Company and our Directors who are "officers in default" shall pay interest at such rate as specified under applicable law from the expiry of such 15 days' period.

The Rights Entitlements will be credited in the dematerialized form using electronic credit under the depository system and the Allotment advice shall be sent, through a mail, to the Indian mail address provided to our Company or at the address recorded with the Depository.

In the case of non-resident Investors who remit their Application Money from funds held in the NRE or the FCNR Accounts, unblocking refunds and/or payment of interest or dividend and other disbursements, if any, shall be credited to such accounts.

Where an Applicant has applied for Additional Rights Equity Shares in the Issue and is Allotted a lesser number of Rights Equity Shares than applied for, the excess Application Money paid/blocked shall be refunded/unblocked. The unblocking of ASBA funds / refund of monies shall be completed be within such period as prescribed under the SEBI ICDR Regulations. In the event that there is a delay in making refunds beyond such period as prescribed under applicable law, our Company shall pay the requisite interest at such rate as prescribed under applicable law.

XI. PAYMENT OF REFUND

Mode of making refunds

The payment of refund, if any, including in the event of oversubscription or failure to list or otherwise would

be done through any of the following modes.

- (a) Unblocking amounts blocked using ASBA facility.
- (b) **NACH** – National Automated Clearing House is a consolidated system of electronic clearing service. Payment of refund would be done through NACH for Applicants having an account at one of the centres specified by RBI, where such facility has been made available. This would be subject to availability of complete bank account details including a Magnetic Ink Character Recognition (“MICR”) code wherever applicable from the depository. The payment of refund through NACH is mandatory for Applicants having a bank account at any of the centres where NACH facility has been made available by RBI (subject to availability of all information for crediting the refund through NACH including the MICR code as appearing on a cheque leaf, from the depositories), except where Applicant is otherwise disclosed as eligible to get refunds through NEFT or Direct Credit or RTGS.
- (c) **National Electronic Fund Transfer (“NEFT”)** – Payment of refund shall be undertaken through NEFT wherever the Investors’ bank has been assigned the Indian Financial System Code (“**IFSC Code**”), which can be linked to a MICR, allotted to that particular bank branch. IFSC Code will be obtained from the website of RBI as on a date immediately prior to the date of payment of refund, duly mapped with MICR numbers. Wherever the Investors have registered their nine digit MICR number and their bank account number with the Registrar to our Company or with the Depository Participant while opening and operating the demat account, the same will be duly mapped with the IFSC Code of that particular bank branch and the payment of refund will be made to the Investors through this method.
- (d) **Direct Credit** – Investors having bank accounts with the Bankers to the Issue shall be eligible to receive refunds through direct credit. Charges, if any, levied by the relevant bank(s) for the same would be borne by our Company.
- (e) **RTGS** – If the refund amount exceeds ₹200,000, the Investors have the option to receive refund through RTGS. Such eligible Investors who indicate their preference to receive refund through RTGS are required to provide the IFSC Code in the Application Form. In the event the same is not provided, refund shall be made through NACH or any other eligible mode. Charges, if any, levied by the Refund Bank(s) for the same would be borne by our Company. Charges, if any, levied by the Investor’s bank receiving the credit would be borne by the Investor.
- (f) For all other Investors, the refund orders will be dispatched through speed post or registered post subject to applicable laws. Such refunds will be made by cheques, pay orders or demand drafts drawn in favour of the sole/first Investor and payable at par.
- (g) Credit of refunds to Investors in any other electronic manner, permissible by SEBI from time to time.

Refund payment to non-residents

The Application Money will be unblocked in the ASBA Account of the non-resident Applicants, details of which were provided in the Application Form.

XII. ALLOTMENT ADVICE OR DEMAT CREDIT OF SECURITIES

The demat credit of securities to the respective beneficiary accounts will be credited within 15 days from the Issue Closing Date or such other timeline in accordance with applicable laws.

Receipt of the Rights Equity Shares in Dematerialized Form

PLEASE NOTE THAT THE RIGHTS EQUITY SHARES APPLIED FOR UNDER THE ISSUE CAN BE ALLOTTED ONLY IN DEMATERIALIZED FORM AND TO (A) THE SAME DEPOSITORY ACCOUNT/ CORRESPONDING PAN IN WHICH THE EQUITY SHARES ARE HELD BY SUCH INVESTOR ON THE RECORD DATE, OR (B) THE DEPOSITORY ACCOUNT, DETAILS OF WHICH HAVE BEEN PROVIDED TO OUR COMPANY OR THE REGISTRAR AT LEAST TWO CLEAR WORKING DAYS PRIOR TO THE ISSUE CLOSING DATE BY THE ELIGIBLE EQUITY SHAREHOLDER HOLDING EQUITY SHARES IN PHYSICAL FORM AS ON THE RECORD DATE.

Investors shall be Allotted the Rights Equity Shares in dematerialized (electronic) form. Our Company has signed two agreements with the respective Depositories and the Registrar to the Issue, which enables the Investors to hold and trade in the securities issued by our Company in a dematerialized form, instead of holding the Equity Shares in the form of physical certificates:

- a) Tripartite agreement dated June 14, 2001 amongst our Company, NSDL and the Registrar to the Issue; and
- b) Tripartite agreement dated May 25, 2001 amongst our Company, CDSL and the Registrar to the Issue.

INVESTORS MAY PLEASE NOTE THAT THE RIGHTS EQUITY SHARES CAN BE TRADED ON THE STOCK EXCHANGES ONLY IN DEMATERIALIZED FORM.

The procedure for availing the facility for Allotment of Rights Equity Shares in the Issue in the dematerialised form is as under:

1. Open a beneficiary account with any depository participant (care should be taken that the beneficiary account should carry the name of the holder in the same manner as is registered in the records of our Company. In the case of joint holding, the beneficiary account should be opened carrying the names of the holders in the same order as registered in the records of our Company). In case of Investors having various folios in our Company with different joint holders, the Investors will have to open separate accounts for such holdings. Those Investors who have already opened such beneficiary account(s) need not adhere to this step.
2. It should be ensured that the depository account is in the name(s) of the Investors and the names are in the same order as in the records of our Company or the Depositories.
3. The responsibility for correctness of information filled in the Application Form *vis-a-vis* such information with the Investor's depository participant, would rest with the Investor. Investors should ensure that the names of the Investors and the order in which they appear in Application Form should be the same as registered with the Investor's depository participant.
4. If incomplete or incorrect beneficiary account details are given in the Application Form, the Investor will not get any Rights Equity Shares and the Application Form will be rejected.
5. The Rights Equity Shares will be allotted to Applicants only in dematerialized form and would be directly credited to the beneficiary account as given in the Application Form after verification or demat suspense account (pending receipt of demat account details for resident Eligible Equity Shareholders holding Equity Shares in physical form/ with Investor Education and Protection Fund (IEPF) authority/ in suspense, *etc.*). Allotment advice, refund order (if any) would be sent through physical dispatch, by the Registrar but the Applicant's depository participant will provide to him the confirmation of the credit of such Rights Equity Shares to the Applicant's depository account.
6. Non-transferable Allotment advice will be directly sent to the Investors by the Registrar, through physical dispatch.
7. Renounees will also have to provide the necessary details about their beneficiary account for Allotment of Rights Equity Shares in the Issue. In case these details are incomplete or incorrect, the Application is liable to be rejected.

XIII. IMPERSONATION

Attention of the Investors is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, 2013 which is reproduced below:

“Any person who –

- a) makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or*
- b) makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or*
- c) otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name, shall be liable for action under Section 447.”*

The liability prescribed under Section 447 of the Companies Act, 2013 for fraud involving an amount of at least ₹1 million or 1% of the turnover of the company, whichever is lower, includes imprisonment for a term which shall not be less than six months extending up to 10 years and fine of an amount not less than the amount involved in the fraud, extending up to three times such amount (provided that where the fraud involves public interest, such term shall not be less than three years.) Further, where the fraud involves an amount less than ₹1.00 million or one per cent of the turnover of the company, whichever is lower, and does not involve public interest, any person guilty of such fraud

shall be punishable with imprisonment for a term which may extend to five years or with fine which may extend to ₹5.00 million or with both.

XIV. UTILISATION OF ISSUE PROCEEDS

Our Board declares that:

- A. All monies received out of the Issue shall be transferred to a separate bank account;
- B. Details of all monies utilized out of the Issue referred to under (A) above shall be disclosed, and continue to be disclosed till the time any part of the Issue Proceeds remains unutilized, under an appropriate separate head in the balance sheet of our Company indicating the purpose for which such monies have been utilised; and
- C. Details of all unutilized monies out of the Issue referred to under (A) above, if any, shall be disclosed under an appropriate separate head in the balance sheet of our Company indicating the form in which such unutilized monies have been invested.

XV. UNDERTAKINGS BY OUR COMPANY

Our Company undertakes the following:

- 1) The complaints received in respect of the Issue shall be attended to by our Company expeditiously and satisfactorily.
- 2) All steps for completion of the necessary formalities for listing and commencement of trading at all Stock Exchanges where the Equity Shares are to be listed will be taken by our Board within the time limit specified by SEBI.
- 3) The funds required for making refunds / unblocking to unsuccessful Applicants as per the mode(s) disclosed shall be made available to the Registrar by our Company.
- 4) Where refunds are made through electronic transfer of funds, a suitable communication shall be sent to the Investor within 15 days of the Issue Closing Date, giving details of the banks where refunds shall be credited along with amount and expected date of electronic credit of refund.
- 5) In case of refund / unblocking of the Application Money for unsuccessful Applicants or part of the Application Money in case of proportionate Allotment, a suitable communication shall be sent to the Applicants.
- 6) Adequate arrangements shall be made to collect all ASBA Applications.
- 7) As on date our Company does not have any convertible debt instruments.
- 8) Our Company shall comply with such disclosure and accounting norms specified by SEBI from time to time.

XVI. INVESTOR GRIEVANCES, COMMUNICATION AND IMPORTANT LINKS

1. Please read the Letter of Offer carefully before taking any action. The instructions contained in the Application Form, Abridged Letter of Offer and the Rights Entitlement Letter are an integral part of the conditions of this Draft Letter of Offer and must be carefully followed; otherwise the Application is liable to be rejected.
2. All enquiries in connection with this Draft Letter of Offer must be addressed (quoting the registered folio number in case of Eligible Equity Shareholders who hold Equity Shares in physical form as on Record Date or the DP ID and Client ID number, the Application Form number and the name of the first Eligible Equity Shareholder as mentioned on the Application Form and superscribed "Borosil Renewables Limited – Rights Issue" on the envelope and postmarked in India) to the Registrar at the following address:

Link Intime India Private Limited

C-101, 1st floor, 247 Park

L.B.S. Marg, Vikhroli (West)

Mumbai 400 083

Maharashtra, India

Tel: +91 81081 14949

E-mail: borosil.rights2024@linkintime.co.in

Investor Grievance ID: borosil.rights2024@linkintime.co.in

Website: www.linkintime.co.in

Contact person: Ms. Shanti Gopalakrishnan

SEBI Registration No.: INR000004058

3. In accordance with SEBI Rights Issue Circulars, frequently asked questions and online/ electronic dedicated investor helpdesk for guidance on the Application process and resolution of difficulties faced by the Investors will be available on the website of the Registrar (www.linkintime.co.in). Further, helpline number provided by the Registrar for guidance on the Application process and resolution of difficulties is +91(22) 4918 6200.
4. The Investors can visit following links for the below-mentioned purposes:
 - a) Frequently asked questions and online/ electronic dedicated investor helpdesk for guidance on the Application process and resolution of difficulties faced by the Investors: www.linkintime.co.in;
 - b) Updation of Indian address/ e-mail address/ phone or mobile number in the records maintained by the Registrar or our Company: www.linkintime.co.in;
 - c) Updation of demat account details by Eligible Equity Shareholders holding shares in physical form: www.linkintime.co.in; and
 - d) Submission of self-attested PAN, client master sheet and demat account details by non-resident Eligible Equity Shareholders: borosil.rights2024@linkintime.co.in

The Issue will remain open for a minimum 7 days. However, our Board will have the right to extend the Issue Period as it may determine from time to time but not exceeding 30 days from the Issue Opening Date (inclusive of the Issue Closing Date).

RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES

Foreign investment in Indian securities is regulated through the Industrial Policy, 1991, of the Government of India and FEMA. While the Industrial Policy, 1991, of the Government of India, prescribes the limits and the conditions subject to which foreign investment can be made in different sectors of the Indian economy, FEMA regulates the precise manner in which such investment may be made. The Union Cabinet, as provided in the Cabinet Press Release dated May 24, 2017, has given its approval for phasing out the Foreign Investment Promotion Board. Under the Industrial Policy, 1991, unless specifically restricted, foreign investment is freely permitted in all sectors of the Indian economy up to any extent and without any prior approvals, but the foreign investor is required to follow certain prescribed procedures for making such investment. Accordingly, the process for foreign direct investment (“**FDI**”) and approval from the Government of India will now be handled by the concerned ministries or departments, in consultation with the Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry, Government of India (formerly known as the Department of Industrial Policy and Promotion) (“**DPIIT**”), Ministry of Finance, Department of Economic Affairs through the FDI Policy (defined below).

The Government has, from time to time, made policy pronouncements on FDI through press notes and press releases. The DPIIT issued the Consolidated FDI Policy Circular of 2020 (“**FDI Policy**”), which, with effect from October 15, 2020, consolidated and superseded all previous press notes, press releases and clarifications on FDI issued by the DPIIT that were in force and effect as on October 15, 2020. The Government proposes to update the consolidated circular on FDI policy once every year and therefore, FDI Policy will be valid until the DPIIT issues an updated circular. Further, the sectoral cap applicable to the sector in which our Company operates is 100% which is permitted under the automatic route.

The Government has from time to time made policy pronouncements on FDI through press notes and press releases which are notified by RBI as amendments to FEMA. In case of any conflict, the relevant notification under Foreign Exchange Management (Non-Debt Instruments) Rules, 2019 will prevail. The payment of inward remittance and reporting requirements are stipulated under the Foreign Exchange Management (Mode of Payment and Reporting of Non-Debt Instruments) Regulations, 2019 issued by RBI. The FDI Policy, issued by the DPIIT, consolidates the policy framework in place as on October 15, 2020, and supersedes all previous press notes, press releases and clarifications on FDI issued by the DPIIT that were in force and effect as on October 15, 2020.

The transfer of shares between an Indian resident and a non-resident does not require the prior approval of RBI, provided that (i) the activities of the investee company falls under the automatic route as provided in the FDI Policy and FEMA and transfer does not attract the provisions of the SEBI Takeover Regulations; (ii) the non-resident shareholding is within the sectoral limits under the FDI Policy; and (iii) the pricing is in accordance with the guidelines prescribed by SEBI and RBI.

Further, in accordance with Press Note No. 3 (2020 Series), dated April 17, 2020 issued by the DPIIT and the Foreign Exchange Management (Non-debt Instruments) Amendment Rules, 2020 which came into effect from April 22, 2020, any investment, subscription, purchase or sale of equity instruments by entities of a country which shares land border with India or where the beneficial owner of an investment into India is situated in or is a citizen of any such country (“**Restricted Investors**”), will require prior approval of the Government, as prescribed in the FDI Policy and the FEMA Rules. Further, in the event of transfer of ownership of any existing or future foreign direct investment in an entity in India, directly or indirectly, resulting in the beneficial ownership falling within the aforesaid restriction/ purview, such subsequent change in the beneficial ownership will also require approval of the Government. Furthermore, on April 22, 2020, the Ministry of Finance, Government of India has also made a similar amendment to the FEMA Rules. Pursuant to the Foreign Exchange Management (Non-debt Instruments) (Fourth Amendment) Rules, 2020, a multilateral bank or fund, of which India is a member, shall not be treated as an entity of a particular country nor shall any country be treated as the beneficial owner of the investments of such bank or fund in India.

Please also note that pursuant to Circular no. 14 dated September 16, 2003 issued by RBI, Overseas Corporate Bodies (“**OCBs**”) have been derecognized as an eligible class of investors and RBI has subsequently issued the Foreign Exchange Management (Withdrawal of General Permission to Overseas Corporate Bodies (OCBs)) Regulations, 2003. Any Investor being an OCB is required not to be under the adverse notice of RBI and in order to apply for the issue as an incorporated non-resident must do so in accordance with the FDI Policy and Foreign Exchange Management (Non-Debt Instrument) Rules, 2019. Further, while investing in the Issue, the Investors are deemed to have obtained the necessary approvals, as required, under applicable laws and the obligation to obtain such approvals shall be upon the Investors. Our Company shall not be under an obligation to obtain any approval under any of the applicable laws on behalf of the Investors and shall not be liable in case of failure on part of the Investors to obtain such approvals.

The above information is given for the benefit of the Applicants / Investors. Our Company and the Lead Manager are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Draft Letter of Offer. Investors are advised to make their independent investigations and ensure that the number of Rights Equity Shares applied for do not exceed the applicable limits under laws or regulations.

RESTRICTIONS ON PURCHASES AND REALES

Eligibility and Restrictions

General

No action has been taken or will be taken to permit an offering of the Rights Entitlements or the Rights Equity Shares to occur in any jurisdiction, or the possession, circulation, or distribution of this Draft Letter of Offer or any other Issue Material in any jurisdiction where action for such purpose is required, except that this Draft Letter of Offer will be filed with SEBI and the Stock Exchanges.

The Rights Entitlement and the Rights Equity Shares may not be offered or sold, directly or indirectly, and this Draft Letter of Offer and any other Issue Materials may not be distributed, in whole or in part, in or into in (i) the United States or (ii) any jurisdiction other than India except in accordance with legal requirements applicable in such jurisdiction. Receipt of this Draft Letter of Offer or any other Issue Materials (including by way of electronic means) will not constitute an offer, invitation to or solicitation by anyone (i) in the United States or (ii) any jurisdiction in any circumstances in which such an offer, invitation or solicitation is unlawful or not authorized or to any person to whom it is unlawful to make such an offer, invitation or solicitation. In those circumstances, this Draft Letter of Offer and any other Issue Materials must be treated as sent for information only and should not be acted upon for subscription to Rights Equity Shares and should not be copied or re-distributed. Accordingly, persons receiving a copy of this Draft Letter of Offer and any other Issue Materials should not distribute or send this Draft Letter of Offer or any such documents in or into any jurisdiction where to do so, would or might contravene local securities laws or regulations, or would subject our Company or its affiliates or the Lead Manager or its affiliates to any filing or registration requirement (other than in India. If this Draft Letter of Offer or any other Issue Material is received by any person in any such jurisdiction or the United States, they must not seek to subscribe to the Rights Equity Shares.

Investors are advised to consult their legal counsel prior to accepting any provisional allotment of Rights Equity Shares, applying for excess Rights Equity Shares or making any offer, sale, resale, pledge or other transfer of the Rights Entitlements or the Rights Equity Shares.

This Draft Letter of Offer and its accompanying documents are supplied to you solely for your information and may not be reproduced, redistributed or passed on, directly or indirectly, to any other person or published, in whole or in part, for any purpose.

Each person who exercises the Rights Entitlements and subscribes for the Rights Equity Shares, or who purchases the Rights Entitlements or the Rights Equity Shares shall do so in accordance with the restrictions set out above and below.

No offer in the United States

The Rights Entitlements and the Rights 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 state securities laws. Accordingly, the Rights Entitlements (including their credit) and the Rights Equity Shares are only being offered and sold outside the United States in “offshore transactions” as defined in and in reliance on Regulation S under the U.S. Securities Act to Eligible Equity Shareholders located in jurisdictions where such offer and sale is permitted under the laws of such jurisdictions. The offering to which this Draft Letter of Offer relates is not, and under no circumstances is to be construed as, an offering of any Rights Entitlements or Rights Equity Shares for sale in the United States or as a solicitation therein of an offer to buy any of the said securities. Accordingly, you should not forward or transmit this Draft Letter of Offer into the United States at any time.

Representations, Warranties and Agreements by Purchasers

The Rights Entitlements and the Rights Equity Shares offered outside the United States are being offered in offshore transactions in reliance on Regulation S.

In addition to the applicable representations, warranties and agreements set forth above, each purchaser outside the United States by accepting the delivery of this Draft Letter of Offer and its accompanying documents, submitting an Application Form for the exercise of any Rights Entitlements and subscription for any Rights Equity Shares and accepting delivery of any Rights Entitlements or any Rights Equity Shares, will be deemed to have represented, warranted and agreed as follows on behalf of itself and, if it is acquiring the Rights Entitlements or the Rights Equity Shares as a fiduciary or agent for one or more investor accounts, on behalf of each owner of such account (such person being the “purchaser”, which term shall include the owners of the investor accounts on whose behalf the person acts as fiduciary or agent):

1. The purchaser (i) is aware that the Rights Entitlements and the Rights Equity Shares have not been and will not be registered under the U.S. Securities Act and are being distributed and offered outside the United States in reliance on Regulation S, (ii) is, and the persons, if any, for whose account it is acquiring such Rights Entitlements and/or the Rights Equity Shares are, outside the United States and eligible to subscribe for Rights Entitlements and Rights Equity Shares in compliance with applicable securities laws, and (iii) is acquiring the Rights Entitlements and/or the Rights Equity Shares

in an offshore transaction meeting the requirements of Regulation S.

2. No offer or sale of the Rights Entitlements or the Rights Equity Shares to the purchaser is the result of any “directed selling efforts” in the United States (as such term is defined in Regulation S under the U.S. Securities Act).
3. The purchaser is, and the persons, if any, for whose account it is acquiring the Rights Entitlements and the Rights Equity Shares are, entitled to subscribe for the Rights Equity Shares, and the sale of the Rights Equity Shares to it will not require any filing or registration by, or qualification of, our Company with any court or administrative, governmental or regulatory agency or body, under the laws of any jurisdiction which apply to the purchaser or such persons.
4. The purchaser, and each account for which it is acting, satisfies (i) all suitability standards for investors in investments in the Rights Entitlements and the Rights Equity Shares imposed by the jurisdiction of its residence, and (ii) is eligible to subscribe and is subscribing for the Rights Equity Shares and Rights Entitlements in compliance with applicable securities and other laws of our jurisdiction of residence.
5. The purchaser has the full power and authority to make the acknowledgements, representations, warranties and agreements contained herein and to exercise the Rights Entitlements and subscribe for the Rights Equity Shares, and, if the purchaser is exercising the Rights Entitlements and acquiring the Rights Equity Shares as a fiduciary or agent for one or more investor accounts, the purchaser has the full power and authority to make the acknowledgements, representations, warranties and agreements contained herein and to exercise the Rights Entitlements and subscribe for the Rights Equity Shares on behalf of each owner of such account.
6. If any Rights Entitlements were bought by the purchaser or otherwise transferred to the purchaser by a third party (other than our Company), the purchaser was in India at the time of such purchase or transfer;
7. The purchaser is aware and understands (and each account for which it is acting has been advised and understands) that an investment in the Rights Entitlements and the Rights Equity Shares involves a considerable degree of risk and that the Rights Entitlements and the Rights Equity Shares are a speculative investment.
8. The purchaser understands (and each account for which it is acting has been advised and understands) that no action has been or will be taken to permit an offering of the Rights Entitlements or the Rights Equity Shares in any jurisdiction (other than the filing of this Draft Letter of Offer with SEBI and the Stock Exchanges); and it will not offer, resell, pledge or otherwise transfer any of the Rights Entitlements except in India or the Rights Equity Shares which it may acquire, or any beneficial interests therein, in any jurisdiction or in any circumstances in which such offer or sale is not authorised or to any person to whom it is unlawful to make such offer, sale, solicitation or invitation except under circumstances that will result in compliance with any applicable laws and/or regulations.
9. The purchaser (or any account for which it is acting) is an Eligible Equity Shareholder and has received an invitation from our Company, addressed to it and inviting it to participate in this Issue.
10. None of the purchaser, any of its affiliates or any person acting on its or their behalf has taken or will take, directly or indirectly, any action designed to, or which might be expected to, cause or result in the stabilization or manipulation of the price of any security of our Company to facilitate the sale or resale of the Rights Entitlements or the Rights Equity Shares pursuant to the Issue.
11. Prior to making any investment decision to exercise the Rights Entitlements and subscribe for the Rights Equity Shares, the purchaser (i) will have consulted with its own legal, regulatory, tax, business, investment, financial and accounting advisers in each jurisdiction in connection herewith to the extent it has deemed necessary; (ii) will have carefully read and reviewed a copy of this Draft Letter of Offer and its accompanying documents; (iii) will have possessed and carefully read and reviewed all information relating to our Company and our Group and the Rights Entitlements and the Rights Equity Shares which it believes is necessary or appropriate for the purpose of making its investment decision, including, without limitation, the Exchange Information (as defined below); (iv) will have conducted its own due diligence on our Company and this Issue, and will have made its own investment decisions based upon its own judgement, due diligence and advice from such advisers as it has deemed necessary and will not have relied upon any recommendation, promise, representation or warranty of or view expressed by or on behalf of our Company, the Lead Manager or its affiliates (including any research reports) (other than, with respect to our Company and any information contained in this Draft Letter of Offer); and (vi) will have made its own determination that any investment decision to exercise the Rights Entitlements and subscribe for the Rights Equity Shares is suitable and appropriate, both in the nature and number of Rights Equity Shares being subscribed.
12. Without limiting the generality of the foregoing, (i) the purchaser acknowledges that the Equity Shares are listed on BSE Limited and National Stock Exchange of India Limited and our Company is therefore required to publish certain business, financial and other information in accordance with the rules and practices of BSE Limited and National Stock Exchange of India Limited (which includes, but is not limited to, a description of the nature of our Company’s business and our Company’s most recent balance sheet and profit and loss account, and similar statements for

preceding years together with the information on its website and its press releases, announcements, investor education presentations, annual reports, collectively constitutes “**Exchange Information**”), and that it has had access to such information without undue difficulty and has reviewed such Exchange Information as it has deemed necessary; and (ii) none of our Company, any of its affiliates, the Lead Manager or any of its affiliates has made any representations or recommendations to it, express or implied, with respect to our Company, the Rights Entitlements, the Rights Equity Shares or the accuracy, completeness or adequacy of the Exchange Information.

13. The purchaser acknowledges that (i) any information that it has received or will receive relating to or in connection with this Issue, and the Rights Entitlements or the Rights Equity Shares, including this Draft Letter of Offer and the Exchange Information (collectively, the “**Information**”), has been prepared solely by our Company; and (ii) neither the Lead Manager nor any of its affiliates has verified such Information, and no recommendation, promise, representation or warranty (express or implied) is or has been made or given by the Lead Manager or its affiliates as to the accuracy, completeness or sufficiency of the Information, and nothing contained in the Information is, or shall be relied upon as, a promise, representation or warranty by the Lead Manager or any of its affiliates.
14. The purchaser will not hold our Company, the Lead Manager or its affiliates responsible for any misstatements in or omissions to the Information or in any other written or oral information provided by our Company to it. It acknowledges that no written or oral information relating to this Issue, and the Rights Entitlements or the Rights Equity Shares has been or will be provided by the Lead Manager or its affiliates to it.
15. The purchaser understands and acknowledges that the Lead Manager is assisting our Company in respect of this Issue and that the Lead Manager is acting solely for our Company and no one else in connection with this Issue and, in particular, are not providing any service to it, making any recommendations to it, advising it regarding the suitability of any transactions it may enter into to subscribe or purchase any Rights Entitlements or Rights Equity Shares nor providing advice to it in relation to our Company, this Issue or the Rights Entitlements or the Rights Equity Shares. Further, to the extent permitted by law, it waives any and all claims, actions, liabilities, damages or demands it may have against the Lead Manager arising from their engagement with our Company and in connection with this Issue.
16. The purchaser understands that its receipt of the Rights Entitlements and any subscription it may make for the Rights Equity Shares will be subject to and based upon all the terms, conditions, representations, warranties, acknowledgements, agreements and undertakings and other information contained in this Draft Letter of Offer and the Application Form. The purchaser understands that none of our Company, the Registrar, the Lead Manager or any other person acting on behalf of us will accept subscriptions from any person, or the agent of any person, who appears to be, or who we, the Registrar, the Lead Manager or any other person acting on behalf of us have reason to believe is in the United States, or is ineligible to participate in this Issue under applicable securities laws.
17. The purchaser subscribed to the Rights Equity Shares for investment purposes and not with a view to the distribution or resale thereof. If in the future the purchaser decides to offer, sell, pledge or otherwise transfer any of the Rights Equity Shares, the purchaser shall only offer, sell, pledge or otherwise transfer such Rights Equity Shares (i) outside the United States in a transaction complying with Rule 903 or Rule 904 of Regulation S and in accordance with all applicable laws of any other jurisdiction, including India or (ii) in the United States pursuant to an exemption from the registration requirements of the Securities Act and applicable state securities laws.
18. The purchaser is, and the persons, if any, for whose account it is acquiring the Rights Entitlements and the Rights Equity Shares are, entitled to subscribe for the Rights Equity Shares.
19. If the purchaser is outside India, the sale of the Rights Equity Shares to it will not require any filing or registration by, or qualification of, our Company or the Lead Manager with any court or administrative, governmental or regulatory agency or body, under the laws of any jurisdiction which apply to the purchaser or such persons.
20. If the purchaser is outside India, the purchaser, and each account for which it is acting, satisfies (i) all suitability standards for investors in investments in the Rights Entitlements and the Rights Equity Shares imposed by all jurisdictions applicable to it, and (ii) is eligible to subscribe and is subscribing for the Rights Equity Shares and Rights Entitlements in compliance with applicable securities and other laws of all jurisdictions of residence.
21. The purchaser is authorized to consummate the purchase of the Rights Equity Shares sold pursuant to this Issue in compliance with all applicable laws and regulations.
22. Except for the sale of Rights Equity Shares on one or more of the Stock Exchanges, the purchaser agrees, upon a proposed transfer of the Rights Equity Shares, to notify any purchaser of such Equity Shares or the executing broker, as applicable, of any transfer restrictions that are applicable to the Rights Equity Shares being sold.
23. The purchaser shall hold our Company and the Lead Manager 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 its representations, warranties or agreements set forth above and elsewhere in this Draft Letter of Offer. The indemnity set forth in this paragraph shall survive the resale of the Rights Equity Shares.

24. The purchaser acknowledges that our Company, the Lead Manager, their affiliates and others will rely upon the truth and accuracy of the foregoing acknowledgements, representations and agreements.

SECTION VIII: OTHER INFORMATION

MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The copies of the following contracts which have been entered or are to be entered into by our Company (not being contracts entered into in the ordinary course of business carried on by our Company or contracts entered into more than two years before the date of this Draft Letter of Offer) which are or may be deemed material have been entered or are to be entered into by our Company. Copies of the abovementioned contracts and also the documents for inspection referred to hereunder, may be inspected at the Registered and Corporate Office between 10 a.m. and 5 p.m. on all working days and will also be available at the website of our Company from the date of the Letter of Offer until the Issue Closing Date.

A. Material Contracts for the Issue

1. Issue Agreement dated June 10, 2024 between our Company and the Lead Manager.
2. Registrar Agreement dated June 10, 2024 between our Company and the Registrar to the Issue.
3. Banker to the Issue Agreement dated [●], 2024 between our Company, the Lead Manager, Registrar and the Bankers to the Issue.
4. Monitoring Agency Agreement dated [●], 2024 between our Company and the Monitoring Agency.

B. Material Documents

1. Certified copies of the updated Memorandum of Association and Articles of Association of our Company, as amended.
2. Certificate of incorporation dated December 14, 1962 upon incorporation.
3. Certificate of commencement of business dated February 13, 1963.
4. Certificate of incorporation dated February 11, 2020 upon change in name of the Company.
5. Consents of the Directors, Company Secretary and Compliance Officer, Lead Manager, Bankers to the Issue, Legal Counsel to the Issue, the Registrar to the Issue, and the Monitoring Agency for inclusion of their names in this Draft Letter of Offer to act in their respective capacities.
6. Consent letter dated June 10, 2024 from our Statutory Auditors, Chaturvedi & Shah LLP, Chartered Accountants to include their name in this Draft Letter of Offer, as an “expert” as defined under Section 2(38) of the Companies Act, 2013, in respect of the Audited Consolidated Financial Statements and the reports issued by them, and the statement of special tax benefits dated June 4, 2024 included in this Draft Letter of Offer.
7. Consent letter dated June 7, 2024 from our Independent Chartered Accountant, R K Malpani & Co., Chartered Accountants to include their name in this Draft Letter of Offer, as an “expert” as defined under Section 2(38) of the Companies Act, 2013, in respect of the certificates dated June 7, 2024 and June 10, 2024, as applicable, issued by them and the details derived from the certificates and to be included in this Draft Letter of Offer, and such consent has not been withdrawn as on the date of this Draft Letter of Offer.
8. Consent letter dated June 7, 2024 from our Independent Chartered Engineer, Prakash Lokhandwala, to include his name in this Draft Letter of Offer, as an “expert” as defined under Section 2(38) of the Companies Act, 2013, in respect of the certificate dated June 7, 2024 issued by him and the details derived from the certificates and to be included in this Draft Letter of Offer, and such consent has not been withdrawn as on the date of this Draft Letter of Offer.
9. Statement of special tax benefits dated June 10, 2024 from the Statutory Auditors included in this Draft Letter of Offer.
10. The Audited Consolidated Financial Statements and the review report thereon.
11. Resolutions of our Board of Directors dated February 7, 2024 in relation to the Issue and other related matters.
12. Resolution of Securities Issue Committee dated March 1, 2024 approving the Issue.
13. Resolution of the Board of Directors dated June 7, 2024 approving and adopting this Draft Letter of Offer.
14. Resolution of the Securities Issue Committee dated June 10, 2024 approving and adopting this Draft Letter of Offer.
15. Resolution of the Securities Issue Committee dated [●] in relation to the terms of the Issue including the Record Date, Issue Price and Rights Entitlement Ratio.
16. Annual Reports of our Company for the Financial Years 2023, 2022, 2021, 2020 and 2019.

17. Report entitled “*Industry Report on Solar Glass Market*” dated June 6, 2024 prepared by Frost & Sullivan (India) Private Limited and consent letter dated June 7, 2024 issued by Frost & Sullivan (India) Private Limited in respect of such report.
18. Engagement letter dated March 22, 2024 entered into between the Company and Frost & Sullivan (India) Private Limited for appointment of Frost & Sullivan (India) Private Limited.
19. Due diligence certificate dated June 10, 2024 addressed to SEBI from the Lead Manager.
20. In-principle listing approvals dated [●] and [●] issued by BSE and NSE, respectively.
21. Tripartite agreement dated June 14, 2001 amongst our Company, NSDL and the Registrar to the Issue.
22. Tripartite agreement dated May 25, 2001 amongst our Company, CDSL and the Registrar to the Issue.
23. SEBI observation letter number [●] dated [●].

Any of the contracts or documents mentioned in this Draft Letter of Offer may be amended or modified at any time if so required in the interest of our Company or if required by the other parties, without reference to the Eligible Equity Shareholders, subject to compliance with applicable law.

DECLARATION

I hereby certify that no statement made in this Draft Letter of Offer contravenes any of the provisions of the Companies Act, the SEBI Act, or the rules made thereunder or regulations issued thereunder, as the case may be. I further certify that all the legal requirements connected with the Issue as also the regulations, guidelines, instructions, etc., issued by SEBI, Government of India and any other competent authority in this behalf, have been duly complied with.

I further certify that all disclosures made in this Draft Letter of Offer are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

Pradeep Kumar Kheruka

Whole-time Director and Executive Chairman

Date: June 10, 2024

Place: Amsterdam, Netherlands

DECLARATION

I hereby certify that no statement made in this Draft Letter of Offer contravenes any of the provisions of the Companies Act, the SEBI Act, or the rules made thereunder or regulations issued thereunder, as the case may be. I further certify that all the legal requirements connected with the Issue as also the regulations, guidelines, instructions, etc., issued by SEBI, Government of India and any other competent authority in this behalf, have been duly complied with.

I further certify that all disclosures made in this Draft Letter of Offer are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

Shreevar Kheruka

Non-Executive Director and Vice Chairman

Date: June 10, 2024

Place: Naples, Italy

DECLARATION

I hereby certify that no statement made in this Draft Letter of Offer contravenes any of the provisions of the Companies Act, the SEBI Act, or the rules made thereunder or regulations issued thereunder, as the case may be. I further certify that all the legal requirements connected with the Issue as also the regulations, guidelines, instructions, etc., issued by SEBI, Government of India and any other competent authority in this behalf, have been duly complied with.

I further certify that all disclosures made in this Draft Letter of Offer are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

Ashok Kumar Jain

Whole-time Director

Date: June 10, 2024

Place: Mumbai, India

DECLARATION

I hereby certify that no statement made in this Draft Letter of Offer contravenes any of the provisions of the Companies Act, the SEBI Act, or the rules made thereunder or regulations issued thereunder, as the case may be. I further certify that all the legal requirements connected with the Issue as also the regulations, guidelines, instructions, etc., issued by SEBI, Government of India and any other competent authority in this behalf, have been duly complied with.

I further certify that all disclosures made in this Draft Letter of Offer are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

Sunil Kishanlal Roongta

Additional Director (designated as Whole-time Director) and Chief Financial Officer

Date: June 10, 2024

Place: Bhuj, India

DECLARATION

I hereby certify that no statement made in this Draft Letter of Offer contravenes any of the provisions of the Companies Act, the SEBI Act, or the rules made thereunder or regulations issued thereunder, as the case may be. I further certify that all the legal requirements connected with the Issue as also the regulations, guidelines, instructions, etc., issued by SEBI, Government of India and any other competent authority in this behalf, have been duly complied with.

I further certify that all disclosures made in this Draft Letter of Offer are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

Shalini Kalsi Kamath

Independent Director

Date: June 10, 2024

Place: Mumbai, India

DECLARATION

I hereby certify that no statement made in this Draft Letter of Offer contravenes any of the provisions of the Companies Act, the SEBI Act, or the rules made thereunder or regulations issued thereunder, as the case may be. I further certify that all the legal requirements connected with the Issue as also the regulations, guidelines, instructions, etc., issued by SEBI, Government of India and any other competent authority in this behalf, have been duly complied with.

I further certify that all disclosures made in this Draft Letter of Offer are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

Pradeep Vasudeo Bhide

Independent Director

Date: June 10, 2024

Place: Chennai, India

DECLARATION

I hereby certify that no statement made in this Draft Letter of Offer contravenes any of the provisions of the Companies Act, the SEBI Act, or the rules made thereunder or regulations issued thereunder, as the case may be. I further certify that all the legal requirements connected with the Issue as also the regulations, guidelines, instructions, etc., issued by SEBI, Government of India and any other competent authority in this behalf, have been duly complied with.

I further certify that all disclosures made in this Draft Letter of Offer are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

Syed Asif Ibrahim

Independent Director

Date: June 10, 2024

Place: Noida, India

DECLARATION

I hereby certify that no statement made in this Draft Letter of Offer contravenes any of the provisions of the Companies Act, the SEBI Act, or the rules made thereunder or regulations issued thereunder, as the case may be. I further certify that all the legal requirements connected with the Issue as also the regulations, guidelines, instructions, etc., issued by SEBI, Government of India and any other competent authority in this behalf, have been duly complied with.

I further certify that all disclosures made in this Draft Letter of Offer are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

Raj Kumar Jain

Independent Director

Date: June 10, 2024

Place: Mumbai, India

DECLARATION

I hereby certify that no statement made in this Draft Letter of Offer contravenes any of the provisions of the Companies Act, the SEBI Act, or the rules made thereunder or regulations issued thereunder, as the case may be. I further certify that all the legal requirements connected with the Issue as also the regulations, guidelines, instructions, etc., issued by SEBI, Government of India and any other competent authority in this behalf, have been duly complied with.

I further certify that all disclosures made in this Draft Letter of Offer are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

Haigreve Khaitan

Independent Director

Date: June 10, 2024

Place: Mumbai, India