



**Borosil Limited**

CIN : L36100MH2010PLC292722

Registered & Corporate Office :

1101, Crescento, G-Block, Opp. MCA Club, Bandra Kurla Complex,  
Bandra (E), Mumbai - 400 051, India.

T +91 22 6740 6300

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Date: February 8, 2022

<b>BSE Limited</b> Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400 001	<b>National Stock Exchange of India Limited</b> Exchange Plaza, C-1, Block – G, Bandra Kurla Complex, Bandra (East), Mumbai – 400 051
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Dear Sir / Madam,

**Sub: Disclosure under Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015**

**Scrip Code: 543212    Symbol: BOROLTD    Series EQ    ISIN: INE02PY01013**

In continuation of our intimation made earlier in this regard and in compliance with the provisions of Regulation 30 of the Securities and Exchange Board of India (“SEBI”) (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”) read with SEBI Circular No. CIR/CFD/CMD/4/2015 dated September 9, 2015, we wish to inform that the Board of Directors of the Company, at its meeting held on February 7, 2022, have considered and approved a draft Composite Scheme of Arrangement amongst Borosil Limited (“the Company” or “Demerged Company”) and Klass Pack Limited (“Resulting Company” or “Transferee Company”) and Borosil Technologies Limited (“Transferor Company”) and their respective shareholders and creditors (“Scheme”) *inter alia* providing for:

- a. reduction and reorganisation of share capital of the Resulting Company;
- b. demerger, transfer and vesting of the Demerged Undertaking (*as defined in the Scheme*) from the Company into the Resulting Company on a *going concern* basis and consequent issue of shares by the Resulting Company and reduction and cancellation of the existing paid-up equity share capital of the Resulting Company held by the Company; and
- c. amalgamation of the Transferor Company with the Transferee Company.

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Post effectiveness of the Scheme, the equity shares of the Resulting Company will be listed on BSE Limited and the National Stock Exchange of India Limited (collectively referred to as "Stock Exchanges").

The Appointed Date of the Scheme is April 1, 2022 or such other date as may be decided by the Board of the Parties (as defined in the Scheme).

The Scheme is subject to receipt of approvals from the SEBI through the Stock Exchanges, the Stock Exchanges, the Hon'ble National Company Law Tribunal, Mumbai Bench ("NCLT"), shareholders and creditors, inter alia, of the Company (as applicable) and approval of other regulatory or statutory authorities as may be required.

Pursuant to Regulation 30 of the Listing Regulations as amended, read with SEBI Circular No. CIR/CFD/CMD/4/2015 dated September 9, 2015, details of the Scheme are attached as Annexures I, II and III.

You are requested to take note of the same.

Thanking you.

Yours faithfully,  
For **Borosil Limited**



**Anshu Agarwal**  
**Company Secretary and Compliance Officer**  
**FCS-9921**

*Encl: As above*

**Other restructuring****a) Reduction and reorganisation of share capital of the Resulting Company**

<b>Sr. No.</b>	<b>Particulars</b>	<b>Description</b>
1.	Details and reasons for restructuring	In order to achieve an optimum equity share capital base which will commensurate with business activities of the Resulting Company subsequent to the demerger and merger, it is proposed to reduce the face value of the equity shares and reorganise the equity share capital of the Resulting Company prior to the said demerger and merger.
2.	Quantitative and/ or qualitative effect of restructuring	<p>With effect from the Effective Date (<i>as mentioned the Scheme</i>), the face value of the equity shares of the Resulting Company shall be reduced from INR 100 each to INR 10 each such that, the issued, subscribed and paid up equity share capital of the Resulting Company is reduced from the present sum of INR 16,32,94,900 divided into 16,32,949 equity shares of INR 100 each fully paid up to INR 1,63,29,490 divided into 16,32,949 equity shares of INR 10 each fully paid up.</p> <p>Immediately, upon reduction of the face value of the equity shares of the Resulting Company as stated above, every 1 equity share of the Resulting Company of face value of INR 10 each shall be further split into 10 equity of INR 1 each, such that the issued, subscribed and paid up equity share capital of the Resulting Company shall be INR 1,63,29,490 divided into 1,63,29,490 equity shares of INR 1 each fully paid up.</p>

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3.	Details of benefit, if any, to the promoter/promoter group/group companies from such proposed restructuring	There will be no consideration for the aforesaid reduction and reorganisation of the equity share capital of the Resulting Company. Thus, as a result, there will be no benefit to any promoter/ promoter group/ group companies of the Resulting Company.
4.	Brief details of change in shareholding pattern (if any) of all entities	Kindly refer Para (d) of Annexure II below.

**Demerger****b) Demerger, transfer and vesting of the Scientific and Industrial Products Business (Demerged Undertaking) from the Company into the Resulting Company**

Sr. No.	Particulars	Description	
a)	Brief details of the division(s) to be demerged	<p><b>Scientific and Industrial Products Business</b></p> <p>Scientific and Industrial Products Business means the business of the Company in relation to manufacturing and trading of scientific and industrial products such as laboratory glassware, instruments, disposable plastics, liquid handling systems, vials and explosion proof lighting glassware and other bench top equipment used by the pharmaceutical industry, research and development, education and healthcare segments of the market and the joint and inseparable manufacturing facility located at Bharuch which produces scientific &amp; industrial and consumer products.</p>	
b)	Turnover of the demerged division and as percentage to the total turnover of the listed entity in the immediately preceding financial year / based on financials of the last financial year	<p><b>Total revenue from Operations of the Demerged Undertaking (for the nine months ended December 31, 2021) (Rs in lakhs)</b></p>	<p><b>% of revenue from Demerged Undertaking to the total revenue of Borosil Limited (for the nine months ended December 31, 2021)</b></p>
		13,719.32	24.83%
c)	Rationale for demerger	<p>1. Given its diversified business, it has become imperative for the Company to reorient and reorganize itself in a manner that allows imparting greater focus on each of its businesses. With this repositioning, the Company is desirous of enhancing</p>	

		<p>its operational efficiency. It will continue with its consumer products business.</p> <p>2. The proposed demerger pursuant to this Scheme is expected, inter alia, to result in following benefits:</p> <ol style="list-style-type: none"> <li>i. value unlocking of scientific and industrial products business with ability to achieve valuation based on respective-risk return profile and cash flows;</li> <li>ii. attracting business specific investors and potential strategic partners and providing better flexibility in accessing capital, focused strategy and specialisation for sustained growth and thereby enable de-leveraging of the respective businesses in the longer-term;</li> <li>iii. segregation and unbundling of the scientific and industrial products business of the Company into the Resulting Company, will enable enhanced focus on the Company and the Resulting Company for exploring opportunities in their respective business domains; and</li> <li>iv. focused management approach for pursuing the growth in the respective business' verticals and de-risk the businesses from each other.</li> </ol>												
d)	Brief details of change in shareholding pattern (if any) of all entities	<p>The Pre-Scheme shareholding pattern of the Company is as follows:</p> <table border="1" data-bbox="699 1619 1507 1793"> <thead> <tr> <th>Particulars</th> <th>No. of shares</th> <th>% of shareholding</th> </tr> </thead> <tbody> <tr> <td>Promoter</td> <td>8,04,10,776</td> <td>70.44%</td> </tr> <tr> <td>Public</td> <td>3,37,43,891</td> <td>29.56%</td> </tr> <tr> <td><b>Total</b></td> <td><b>11,41,54,667</b></td> <td><b>100.00%</b></td> </tr> </tbody> </table>	Particulars	No. of shares	% of shareholding	Promoter	8,04,10,776	70.44%	Public	3,37,43,891	29.56%	<b>Total</b>	<b>11,41,54,667</b>	<b>100.00%</b>
Particulars	No. of shares	% of shareholding												
Promoter	8,04,10,776	70.44%												
Public	3,37,43,891	29.56%												
<b>Total</b>	<b>11,41,54,667</b>	<b>100.00%</b>												

There will be no change in the shareholding pattern of the Company as a result of the Scheme.

Pre-Scheme shareholding pattern of the Resulting Company is as under:

Particulars	No. of shares	% of shareholding
Borosil Limited	13,46,967	82.49
Other shareholders	2,85,982	17.51
<b>Total</b>	<b>16,32,949</b>	<b>100.00</b>

Post Scheme indicative shareholding pattern of the Resulting Company will be as under:

Particulars	No. of shares	% of shareholding
Promoter	6,03,08,082	68.16%
Public	2,81,67,738	31.84%
<b>Total</b>	<b>8,84,75,820</b>	<b>100.00%</b>

Pre-Scheme shareholding pattern of the Transferor Company is as under:

Particulars	No. of shares	% of shareholding
Borosil Limited*	95,84,043	100.00%
<b>Total</b>	<b>95,84,043</b>	<b>100.00%</b>

\* Including 6 equity shares held along with nominees of Borosil Limited.

Immediately upon effectiveness of Part III of the Scheme, the Transferor Company will become a wholly owned subsidiary of the Transferee Company and the entire paid-up share capital of the Transferor Company will be held by the Transferee Company. Accordingly, upon amalgamation of the Transferor Company with the Transferee Company, there shall be no issue of shares as consideration for the said amalgamation.

		Immediately upon effectiveness of Part IV of the Scheme, all equity shares of the Transferor Company held by the Transferee Company along with its nominees, shall stand cancelled without any further application, act, or deed.
e)	In case of cash consideration – amount or otherwise share exchange ratio	<p>Upon the Scheme coming into effect and in consideration for the demerger of the Demerged Undertaking into the Resulting Company pursuant to the Scheme, the Resulting Company shall issue shares, on a proportionate basis to the eligible shareholders of the Company whose name is recorded in the register of members and records of the depository as members of the Company as on the Record Date (<i>as defined in the Scheme</i>) as under:</p> <p>3 (Three) equity shares of INR 1/- each of the Resulting Company credited as fully paid up (post proposed re-organisation of share capital), for every 4 (Four) equity shares of INR 1/- each fully paid up of the Demerged Company.</p>
f)	Whether listing would be sought for the resulting entity	Yes. The equity shares of the Resulting Company will be listed on the National Stock Exchange of India Limited and BSE Limited.



**Merger****c) Amalgamation of the Transferor Company with the Transferee Company**

Sr. No.	Particulars	Description									
a)	Name of the entity(ies) forming part of the amalgamation/merger, details in brief such as, size, turnover etc.	<p>1. Klass Pack Limited ("KPL" or "Resulting Company" or "Transferee Company")</p> <p>2. Borosil Technologies Limited ("BTL" or "Transferor Company")</p> <p>The details of the assets and turnover of KPL and BTL are as under:</p> <p style="text-align: right;">(Rs. in lakhs)</p> <table border="1" data-bbox="792 974 1414 1360"> <thead> <tr> <th data-bbox="792 974 922 1249">Entity</th> <th data-bbox="922 974 1149 1249">Total Assets as on 31 December 2021</th> <th data-bbox="1149 974 1414 1249">Total Turnover for the nine months ended 31 December 2021</th> </tr> </thead> <tbody> <tr> <td data-bbox="792 1249 922 1304">KPL</td> <td data-bbox="922 1249 1149 1304">11,914.54</td> <td data-bbox="1149 1249 1414 1304">7,914.70</td> </tr> <tr> <td data-bbox="792 1304 922 1360">BTL</td> <td data-bbox="922 1304 1149 1360">946.56</td> <td data-bbox="1149 1304 1414 1360">918.33</td> </tr> </tbody> </table>	Entity	Total Assets as on 31 December 2021	Total Turnover for the nine months ended 31 December 2021	KPL	11,914.54	7,914.70	BTL	946.56	918.33
Entity	Total Assets as on 31 December 2021	Total Turnover for the nine months ended 31 December 2021									
KPL	11,914.54	7,914.70									
BTL	946.56	918.33									
b)	Whether the transaction would fall within related party transactions? If yes, whether the same is done at "arms length"	In terms of General Circular No. 30/2014 dated July 17, 2014 issued by Ministry of Corporate Affairs ("MCA Circular"), the transactions arising out of compromises, arrangements and amalgamations under the Companies Act, 2013 ("Act"), will not attract the requirements of Section 188 of the Act.									

		<p>However, the transaction shall be considered a 'related party transaction' under the Listing Regulations.</p> <p>Immediately upon effectiveness of Part III of the Scheme, the Transferor Company will become a wholly owned subsidiary of the Transferee Company and the entire paid-up share capital of the Transferor Company will be held by the Transferee Company. Accordingly, upon amalgamation of the Transferor Company with the Transferee Company, there shall be no issue of shares as consideration for the said amalgamation.</p> <p>As no consideration is proposed to be issued for amalgamation of the Transferor Company with the Transferee Company, requirement of arm's length criteria is not applicable in this case.</p>
c)	Area of business of the entity(ies)	<p>Transferee Company is engaged in the manufacture and supply of pharmaceutical vials and ampoules to the pharmaceutical industry for over 15 years and has its manufacturing facilities at Nashik, Maharashtra.</p> <p>Transferor Company is engaged in the business of manufacturing of scientific instruments.</p>
d)	Rationale for amalgamation/merger	<p>As part of the restructuring exercise, it is proposed to consolidate the resources of the Transferor Company with the Transferee Company. The said amalgamation will result in the following benefits:</p>

		<ol style="list-style-type: none"><li>i. Streamline the corporate structure and consolidation of resources within the Transferee Company leading to greater synergies and operational synergy;</li><li>ii. Opportunities for employees of the Transferor Company to grow in a wider field of business;</li><li>iii. Optimal utilisation of resources and better management and administration; and</li><li>iv. Reduction of administrative responsibilities, multiplicity of records and legal and regulatory compliances.</li></ol>
e)	In case of cash consideration – amount or otherwise share exchange ratio	Immediately upon effectiveness of Part III of the Scheme, the Transferor Company will become a wholly owned subsidiary of the Transferee Company and the entire paid-up share capital of the Transferor Company will be held by the Transferee Company and will get cancelled. Accordingly, upon amalgamation of the Transferor Company with the Transferee Company, there shall be no issue of shares as consideration for the said amalgamation.
f)	Brief details of change in shareholding pattern (if any) of listed entity	Both, the Transferor Company and the Transferee Company are at present unlisted entities.