November 25, 2016

The DCS – CRD
BSE Limited
Corporate Relationship Department
1st Floor, New Trading Ring,
Rotunda Building,
P. J. Towers, Dalal Street
Fort, Mumbai - 400 001

Dear Sir,

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

Scrip code: 502219

Attached please find a copy of Media Release the Company is going to release.

Yours faithfully,
For Borosil Glass Works Limited

Gita Yadav
Company Secretary

Encl.: as above
Borosil Glass Works Limited (BGWL) achieved standalone revenue of INR 119.6 cr recording a growth of 27.3% during H1FY17 over the same period in the previous year. This performance was led by a very robust growth of 39.5% in the Consumer Products Division (CPD) and a strong growth of 16.3% in the Scientific & Industrial Products Division (SIP). Earnings Before Depreciation, Interest, Tax & Amortization (EBDTA) grew by 44.4% during the period compared to H1FY16. The Company recorded improved margins as it benefitted from a higher scale of operations. Operational growth was accompanied by growth in investment income. Net Profit After Tax grew from INR 10.6 cr in H1FY16 to INR 20.6 cr in H1FY17, a growth of 94.5%.

On January 29, 2016, the Company acquired 100% equity share in Hopewell Tableware Pvt Ltd (Hopewell), marketing its products under the brand ‘Larah’. With Larah, the Company has gained participation in the fast growing opal glass market. During H1FY17, Larah recorded INR 44.6 cr sales as against sales of INR 48.0 cr during the full year FY16. The Company’s strong pan-India distribution network, sales presence and channel loyalty has lent scale to Larah. The Company has also commenced a mass media marketing campaign and the initial response has been very encouraging.

On July 29, 2016, the Company acquired 60.3% equity share of Klasspack Private Limited (Klasspack), a Nasik based manufacturer of Glass Ampoules and Tubular Glass Vials. Hitherto Borosil was marketing lab glassware to pharmaceutical companies for their research lab and quality control lab needs. With the addition of the Klasspack range to its portfolio, the Company can now service the product manufacturing glass packaging needs of its existing customers. During the two months up to September 30, 2016 Klasspack achieved revenue of INR 6.5 cr as against revenue of INR 28.8 cr during the full year in FY16.

The Company’s revenue inclusive of Hopewell and Klasspack during the period H1FY17 was INR 170.7 cr compared to INR 93.9 cr during the same period in the previous year. These figures are not comparable as the H1FY17 figure includes revenues of companies acquired post H1FY16. The Company has used acquisition of synergistic businesses as a means to supplement organic growth.

Organic growth in both the business divisions has been achieved by improved sales in the existing range of products as well as the introduction of new products, thus selling more to the same set of customers. In CPD the new product range includes lunch boxes, storage products and kitchen appliances. These are expected to leverage the lifestyle changes towards convenience and improved presentation that the modern Indian homemaker is looking for. The Company sells its products through different channels including modern retail and traditional trade with the target segment being the aspirational middle class customer.

In SIP, the Company introduced the brand ‘Labquest’, with a range of bench top instruments. In this division, the Company’s diversified and large product range, international quality benchmarks and nationwide ‘Just In Time’ supply abilities ensure strong brand loyalty and high customer retention. In addition to the domestic market, where the Company is the undisputed leader for glass consumables, the Company has also forayed into exporting its SIP range of products to the Middle Eastern, African and South East Asian markets.

Business Consolidation:

The Board of Directors of BGWL, Hopewell Tableware Private Limited, Vyline Glass Works Limited and Fennel Investment And Finance Private Limited at their respective meetings held on November 25, 2016, approved a
Scheme of Amalgamation of three related companies with BGWL in order to derive synergies by bringing these entities under a single entity and pursue growth opportunities for the future. This move would also reduce the extent of related party transactions and eliminate cross holdings to simplify the group structure. The Scheme envisages the amalgamation of the following entities with BGWL: (1) Hopewell Tableware Private Limited, a 100% subsidiary of BGWL, (2) Vyline Glass Works Limited (Vyline), a promoter held company and (3) Fennel Investment And Finance Private Limited, an associate company. This will help to reduce operational cost and increase operational efficiency.

The Boards have approved the following exchange ratios based on the recommendations of the independent valuers (mentioned below):

- In the case of Vyline the swap ratio determined is 10 shares of BGWL against 143 equity shares of Vyline.
- In Fennel the swap ratio is 10 shares of BGWL for 206 equity shares of Fennel. Consequent to the implementation of the scheme, the promoter’s shareholding in BGWL will increase from 72.26% to 74.58%.

The transaction is subject to necessary statutory and regulatory approvals including the approvals of the respective High Courts, the Stock Exchanges, SEBI, the respective Shareholders and lenders/ creditors of each of the companies involved in the scheme.

PWC are advisors to the proposed scheme of amalgamation and the valuation of the companies was carried out by SSPA & Co. and the fairness report on the valuation has been issued by Keynote Corporate Services Limited.

BGWL and Fennel are shareholders of Gujarat Borosil Limited (GBL) and the Company’s effective equity holding in GBL will now be 58.38%, making GBL a subsidiary of BGWL. GBL is India’s only solar glass manufacturer and marketer. During FY16 it achieved revenue of INR 183 cr and a Profit After Tax of 12 cr. During H1FY17, GBL achieved revenues of INR 89.4 cr. and a PAT of INR 4.7 cr. GBL has a separate management team from BGWL and will continue its growth path in the exciting sector of renewable energy.

Outlook:

The Company will focus on growing its core business by investing in its leadership brand, Borosil. In the CPD division, the Company will continue to increase investments in brand building for both Borosil and Larah and to expand the market and gain market share. New product introductions under the storage and kitchen appliances range are also expected to drive business growth. In the SIP division, it would strengthen relationships with SIP customers and address a larger set of their needs through new product introductions under ‘Labquest’ instrumentation and the Klassepack range of pharmaceutical packaging. While exports currently form a small percentage of the revenues of the SIP division, there is a good scope of growth here as well. As per Mr. Shreevar Kheruka, Managing Director of the Company, “Our vision is to be the most customer centric Company in India. The Company’s strategy of leveraging its strong brand and distribution channel by organic as well as inorganic expansion into new product categories has started resulting in attractive growth numbers. With a more simplified corporate structure, the implementation of GST around the corner and further operational improvements from growing scale expected in the next couple of years, both the divisions of the Company are likely to benefit in the future with CPD and SIP expected to grow at over 15% and 12% respectively in the medium term.”