

BOROSIL®

BOROSIL LIMITED

Corporate Identity Number (CIN): L36100MH2010PLC292722

Registered Office: 1101, 11th Floor, Crescenzo, G-Block, Plot No C-38, Opp. MCA Club, Bandra Kurla Complex, Bandra (East), Mumbai – 400 051, Maharashtra, India

Phone: 022-6740 6300 | Fax: 022-6740 6514

Email: investor.relations@borosil.com | Website: www.borosil.com

**NOTICE CONVENING MEETING OF EQUITY SHAREHOLDERS OF
BOROSIL LIMITED PURSUANT TO ORDER DATED NOVEMBER 25, 2022 OF
THE HON'BLE NATIONAL COMPANY LAW TRIBUNAL, MUMBAI BENCH**

| MEETING | |
|-------------------------------------|---|
| Day | Monday |
| Date | February 06, 2023 |
| Time | 10:30 A.M. (IST) |
| Mode of Meeting | Through Video Conferencing ("VC") / Other Audio-Visual Means ("OAVM") |
| Cut-off date for e-Voting | Monday, January 30, 2023 |
| Remote e-Voting start date and time | Thursday, February 02, 2023 at 9:00 a.m. (IST) |
| Remote e-Voting end date and time | Sunday, February 05, 2023 at 5:00 p.m. (IST) |

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FORM NO. CAA. 2

[Pursuant to Section 230 (3) and Rule 6 and 7]

IN THE HON'BLE NATIONAL COMPANY LAW TRIBUNAL, MUMBAI BENCH

CA (CAA) No. 259/MB/2022

IN THE MATTER OF SECTIONS 230 TO 232

AND OTHER APPLICABLE PROVISIONS OF THE COMPANIES ACT, 2013

AND

IN THE MATTER OF COMPOSITE SCHEME OF ARRANGEMENT AMONGST BOROSIL LIMITED AND KASS PACK LIMITED AND BOROSIL TECHNOLOGIES LIMITED AND THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS

BOROSIL LIMITED, a company incorporated under the)
provisions of Companies Act, 1956 having Corporate Identity)
Number: L36100MH2010PLC292722 and registered office)
at 1101, 11th Floor, Crescenzo, G-Block, Plot No C-38, Opp.)
MCA Club, Bandra Kurla Complex, Bandra (East), Mumbai –)
400 051, Maharashtra, India)

... Company / Demerged Company

NOTICE CONVENING MEETING OF EQUITY SHAREHOLDERS

**To,
The Equity Shareholders of
Borosil Limited**

1. NOTICE is hereby given that, in accordance with the Order dated November 25, 2022, in the above mentioned Company Application, passed by the Hon'ble National Company Law Tribunal, Mumbai Bench ("**Tribunal**") ("**Tribunal Order**"), a Meeting of the Equity Shareholders of the Company, will be held for the purpose of their considering, and if thought fit, approving, with or without modification(s), the proposed Composite Scheme of Arrangement amongst Borosil Limited ("**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**") on **Monday, February 06, 2023 at 10:30 a.m. (IST)**.
2. Pursuant to the said Tribunal Order and as directed therein, the Meeting of the Equity Shareholders of the Company ("**Meeting**") will be held through Video Conferencing ("**VC**")/ Other Audio Visual Means ("**OAVM**"), in compliance with the applicable provisions of the Companies Act, 2013 ("**Act**") and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("**SEBI Listing Regulations**") to consider, and if thought fit, to pass, with or without modification(s), the following resolution for approval of the Scheme by requisite majority as prescribed under Section 230(1) and (6) read with Section 232(1) of the Act, as amended:

"RESOLVED THAT pursuant to the provisions of Sections 230 to 232 of the Companies Act, 2013, the rules, circulars and notifications made thereunder (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment(s) and circulars issued thereof, for the time being in force) and subject to the provisions of the Memorandum and Articles of Association of the Company and subject to the approval of Hon'ble National Company Law Tribunal, Mumbai Bench ("**Tribunal**") and subject to such other approvals, permissions and sanctions of regulatory and other authorities, as may be necessary and subject to such conditions and modifications as may be deemed appropriate by the parties to the Scheme, at any time and for any reason whatsoever, or which may otherwise be considered necessary, desirable or as may be prescribed or imposed by the Tribunal or by any regulatory or other authorities, while granting such approvals, permissions and sanctions, which may be agreed to by the Board of Directors of the Company (hereinafter referred to as the "**Board**" which term shall be deemed to mean and include one or more Committee(s) constituted/ to be constituted by the Board or any other person authorised by it to exercise its powers including the powers conferred by this Resolution), the arrangement embodied in the Composite Scheme of Arrangement amongst Borosil Limited and Klass Pack Limited and Borosil Technologies Limited and their respective shareholders and creditors ("**Scheme**"), be and is hereby approved;

RESOLVED FURTHER THAT the Board be and is hereby authorized to do all such acts, deeds, matters and things, as it may, in its absolute discretion deem requisite, desirable, appropriate or necessary to give effect to this Resolution and effectively implement the arrangement embodied in the Scheme and to make any modifications or amendments to the Scheme at any time and for any reason whatsoever, and to accept such modifications, amendments, limitations and/or conditions, if any, which may be required and/or imposed by the Tribunal while sanctioning the arrangement embodied in the Scheme or by

any authorities under law, or as may be required for the purpose of resolving any questions or doubts or difficulties that may arise including passing of such accounting entries and/or making such adjustments in the books of accounts as considered necessary in giving effect to the Scheme, as the Board may deem fit and proper.”

3. **TAKE FURTHER NOTICE** that the Equity Shareholders shall have the facility and option of voting on the resolution for approval of the Scheme by casting their votes: (a) by remote electronic voting during the period as stated below (“**remote e-Voting**”); or (b) through e-voting system available at the Meeting to be held virtually (“**e-Voting at the Meeting**”):

| REMOTE E-VOTING PERIOD | |
|------------------------|--|
| Commencement of voting | Thursday, February 02, 2023 at 9:00 a.m. (IST) |
| End of voting | Sunday, February 05, 2023 at 5:00 p.m. (IST) |

4. A person whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the RTA / Depositories as on the cut-off date, i.e., **Monday, January 30, 2023** only shall be entitled to exercise his/ her/ its voting rights on the resolution proposed in the Notice and attend the Meeting. A person who is not an Equity Shareholder as on the cut-off date, should treat the Notice for information purpose only.
5. A copy of the said Scheme, statement under Sections 230 to 232 read with Section 102 and other applicable provisions of the Act and Rule 6 of the CAA Rules along with all annexures to such statement are appended. A copy of this Notice and the accompanying documents are also placed on the website of the Company and can be accessed at www.borosil.com; the website of National Securities Depository Limited viz. (“**NSDL**”) viz. www.evoting.nsdl.com, being the agency appointed by the Company to provide the e-voting and other facilities for convening of the Meeting and the website of the Stock Exchanges i.e., BSE Limited (“**BSE**”) viz. www.bseindia.com and the National Stock Exchange of India Limited (“**NSE**”) viz. www.nseindia.com.
6. The Tribunal has appointed Mr. Kewal Handa, Independent Director of the Company and failing him Mr. Raj Kumar Jain, Independent Director of the Resulting Company, to be the Chairperson for the meeting and Mr. Nilesh Shah, Practicing Company Secretary (Membership No.: FCS-4554 – C.P. 2631) and failing him, Mr. Mahesh Darji, Practicing Company Secretary (Membership No. FCS-7175 C.P. 7809) and failing him, Ms. Hetal Shah, Practicing Company Secretary (Membership No. FCS- 8063 C.P. 8964) of M/s. Nilesh Shah & Associates, Company Secretaries, to be the Scrutinizer for the Meeting.
7. The Scheme, if approved at the aforesaid Meeting, will be subject to the subsequent sanction of the Tribunal and such other approvals, permissions and sanctions of regulatory or other authorities, as may be necessary.

Sd/-

Kewal Handa

Chairperson appointed by the Tribunal for the Meeting

Mumbai, Wednesday, January 4, 2023

Registered Office:

1101, 11th Floor, Crescenzo, G-Block, Plot No C-38, Opp. MCA Club, Bandra Kurla Complex, Bandra (East), Mumbai – 400 051, Maharashtra, India

CIN: L36100MH2010PLC292722

Website: www.borosil.com

E-mail: investor.relations@borosil.com

Tel.: 022-6740 6300

Fax: 022-6740 6514

Notes

1. Pursuant to the directions of the Hon’ble National Company Law Tribunal, Mumbai Bench (“**Tribunal**”) vide its Order dated November 25, 2022 (“**Tribunal Order**”), the Meeting of the equity shareholders of the Company is being conducted through video conferencing (“**VC**”) / other audio visual means (“**OAVM**”) facility to transact the business set out in the Notice convening this Meeting. The deemed venue for the Meeting shall be the Registered Office of the Company situated at 1101, 11th Floor, Crescenzo, G-Block, Plot No C-38, Opp. MCA Club, Bandra Kurla Complex, Bandra (East), Mumbai – 400 051, Maharashtra.
2. The Statement pursuant to Sections 230 to 232 read with Section 102 and other applicable provisions of the Companies Act, 2013 (“**Act**”) and Rule 6 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 in respect of the business set out in the Notice of the Meeting is annexed hereto.

3. Pursuant to the directions of the Tribunal given under the Tribunal Order, the Company is providing to the shareholders the facility to exercise their right to vote at the Meeting by electronic means, i.e. remote e-voting and e-voting at the Meeting (hereinafter referred to as “e-voting”). A person, whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the RTA / Depositories as on the Cut-off Date, i.e. **Monday, January 30, 2023** only shall be entitled to avail the facility of e-voting and attend the Meeting. A person who is not a shareholder as on the Cut-off Date, should treat the Notice for information purpose only.
4. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote at the Meeting.
5. Shareholders attending the Meeting through VC / OAVM shall be reckoned for the purpose of quorum. Quorum for the Meeting shall be in terms of Section 103(1) of the Act.
6. Since this Meeting is being held through VC / OAVM, physical attendance of equity shareholders has been dispensed with. Accordingly, the facility for appointment of proxies by the shareholders will not be available for the Meeting, and hence the Proxy Form, Attendance Slip and Route Map are not annexed hereto. Body Corporates are permitted to appoint authorised representative(s) to attend the Meeting through VC / OAVM and cast their votes by electronic means. The voting by the said authorized representative(s) is permitted, provided that the authorisation, duly signed, is lodged with the Company, in physical at its registered office or by electronic mode, at least 48 (Forty-Eight) hours before the Meeting.
7. The Notice of the Meeting and the accompanying documents are being sent only through electronic mail to those shareholders (as on December 23, 2022) whose email addresses are registered with the Registrar and Transfer Agent (“RTA”) / Depositories.
8. The shareholders may note that the aforesaid documents are also available on the website of the Company at: www.borosil.com and on the website of the Stock Exchanges, i.e., BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com, respectively, the website of National Securities Depository Limited “NSDL”) at www.evoting.nsdl.com, being the agency appointed by the Company to provide VC / OAVM and e-voting facility for the Meeting.

If so desired, shareholders may obtain a physical copy of these documents free of charge from the registered office of the Company on any day (except Saturday, Sunday and public holiday) up to the date of the meetings. Alternatively, a written request for obtaining physical / soft copy of these documents may be made by writing an e-mail in this regard to the Company Secretary at bl.secretarial@borosil.com. / investor.relations@borosil.com along with details such as demat account no./ Folio no., name, address, Permanent Account Number (PAN), mobile number and email address.

9. Mr. Nilesh Shah, Practicing Company Secretary (Membership No.: FCS - 4554 – C.P. 2631) and failing him, Mr. Mahesh Darji, Practicing Company Secretary (Membership No. FCS - 7175 C.P. 7809) and failing him, Ms. Hetal Shah, Practicing Company Secretary (Membership No. FCS - 8063 C.P. 8964) of M/s. Nilesh Shah & Associates, Practising Company Secretaries shall act as Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
10. The Scrutinizer will, after the conclusion of e-voting at the Meeting, scrutinize the votes cast at the Meeting and votes cast through remote e-voting, make a consolidated Scrutinizer’s Report and submit the same to the Chairperson of the Meeting. The result of e-voting will be declared within two working days of the conclusion of the Meeting and the same, along with the consolidated Scrutinizer’s Report, will be placed on the website of the Company: www.borosil.com and on the website of NSDL at www.evoting.nsdl.com. The result will simultaneously be communicated to the Stock Exchanges. The result will also be displayed at the registered office of the Company.
11. Subject to receipt of requisite majority of votes in favour, i.e., majority in number representing three fourth in value (as per Sections 230 and 232 of the Act), the Resolution proposed in the Notice shall be deemed to have been passed on the date of the Meeting.
12. Documents for inspection as referred to in the Notice will be available electronically for inspection (without any fee) by the shareholders from the date of circulation of this Notice up to the date of Meeting. Shareholders seeking to inspect such documents can access the same on the website of the Company at: www.borosil.com.
13. SEBI vide its circular dated April 20, 2018 has mandated registration of Permanent Account Number (“PAN”) and Bank Account details for shareholders holding securities in physical form. Further SEBI vide its circular dated November 03, 2021 and December 14, 2021 has mandated shareholders holding securities in physical form to furnish PAN, Nomination Details, Contact details (Address with PIN, Mobile number and Email address), Bank account details (bank name, branch name, account number and IFS code) and Specimen signature before they could avail any investor service. Folios wherein any one of the above mentioned details are not available by April 01, 2023, shall be frozen. The relevant forms prescribed by SEBI for furnishing the above details are available on the website of the Company. The concerned shareholders are requested to register / update the above mentioned details by submitting the prescribed forms duly filled and signed by the registered holders, by e-mail from their registered e-mail address to bl@unisec.in and followed

by submitting a physical copy thereof to the RTA, Universal Capital Securities Pvt Ltd (Unit: Borosil Limited) C101, 247 Park, LBS Road, Vikhroli West, Mumbai – 400 083.

14. Shareholders holding shares in dematerialised (“demat”) mode are requested to register / update their PAN, Nomination Details, Contact details (Address with PIN, Mobile number and Email address), Bank account details (bank name, branch name, account number and IFS code) and Specimen signature with the relevant Depository Participant.
15. Shareholders are requested to carefully read all the Notes set out herein and in particular, instructions for joining the Meeting and manner of casting vote through electronic means.

Remote E-voting; Meeting through VC / OAVM; E-voting at the Meeting

16. The facility of attending Meeting through VC/OAVM is being provided by National Securities Depository Limited (NSDL). The facility of casting votes by a shareholder using electronic means, i.e. (i) remote e-voting and (ii) e-voting at the Meeting, (hereinafter referred to as “e-voting”) is also being provided by NSDL. The procedure for attending the Meeting through VC / OAVM and for e-voting is given in the Notes below.
17. **A person, whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the RTA / Depositories as on the cut-off date, i.e. Monday, January 30, 2023 only shall be entitled to avail the facility of e-voting. A person who is not a shareholder as on the cut-off date, should treat the Notice for information purpose only.**
18. **Voting rights of a shareholder shall be in proportion to his/her/its shareholding in the paid-up equity share capital of the Company as on the cut-off date. Any person who becomes a shareholder of the Company after December 23, 2022 and holds shares on the cut-off date may exercise his voting rights through e-voting and attend the Meeting by following the procedure given below.**
19. The remote e-voting period will commence at **9:00 a.m. (IST) on Thursday, February 02, 2023 and end at 5:00 p.m. (IST) on Sunday, February 05, 2023.** The e-voting module shall be disabled by NSDL for remote e-voting thereafter. During the remote e-voting period, shareholders of the Company, holding shares either in physical form or demat form, as on the Cut-off date may cast their vote electronically.
20. Shareholders attending the Meeting who have not already cast their vote by remote e-voting shall be able to exercise their vote at the Meeting. The shareholders who have cast their vote by remote e-voting prior to the Meeting may also attend the Meeting but shall not be entitled to cast their vote again.
21. Only those shareholders, who are present in the Meeting through VC/OAVM and have not cast their vote through remote e-voting and are otherwise not barred from doing so, shall be eligible to vote through e-voting system available at the Meeting.
22. If any votes are cast by the shareholders through the e-voting available at the Meeting and if the same shareholders have not participated in the Meeting through VC / OAVM, then the votes cast by such shareholders shall be considered invalid as the facility of e-voting at the Meeting is available only to the shareholders attending the Meeting.
23. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently.
24. Body Corporates / Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are requested to send a certified true copy of the Board Resolution / Power of Attorney / Authority letter, etc. (PDF/ JPG Format) to Scrutinizer at nilesh@ngshah.com and / or RTA at bl@unisec.in and / or Company at investor.relations@borosil.com with a copy marked to evoting@nsdl.co.in. Alternatively, they can also upload the Board Resolution / Power of Attorney / Authority Letter, etc. by clicking on “Upload Board Resolution / Authority Letter” displayed under “e-Voting” tab in their login in NSDL e-voting system. Alternatively, they can also send a physical copy of the Board Resolution / Power of Attorney / Authority Letter, etc. at the registered office of the Company.
25. Shareholders who would like to express their views / ask questions during the Meeting may register themselves as speaker by sending their request on or before January 26, 2023, mentioning their demat account no./ Folio no., name, address, Permanent Account Number (PAN), mobile number, email address at investor.relations@borosil.com. The shareholders who do not wish to speak during the Meeting but have queries may send their queries on or before January 26, 2023 mentioning their demat account no./ Folio no., name, address, Permanent Account Number (PAN), mobile number, email address at investor.relations@borosil.com. These queries will be addressed by the Company suitably. The Company reserves the right to restrict number of questions and number of speakers, as appropriate for smooth conduct of Meeting. Shareholders are requested to restrict their questions only to matters pertaining to the business set out in the Notice convening this Meeting.
26. Those shareholders who have registered themselves as speaker will only be allowed to express their views / ask questions during the Meeting.
27. For individual shareholders holding shares in demat mode, please update your Email-ID and mobile number with your respective Depository Participant (DP), which is mandatory while e-voting and attending Meeting through Depository.

Procedure for remote e-voting

Remote e-voting on NSDL e-voting system consists of “Two Steps”:





Step 1: Access to NSDL e-voting system

Step 2: Cast your vote electronically on NSDL e-voting system

Step 1: Access to NSDL e-voting system

A) Login method for ‘individual shareholders holding securities in demat mode’

In terms of SEBI circular dated December 09, 2020 on e-voting facility provided by Listed Companies, individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email id in their demat accounts in order to access e-voting facility.

| Type of shareholders | Login Method |
|---|--|
| Individual Shareholders holding securities in demat mode with NSDL | <ol style="list-style-type: none"><li data-bbox="483 615 1471 926">1. Existing IDeAS user can visit the e-Services website of NSDL Viz. https://eservices.nsd.com either on a personal computer or on a mobile. On the e-Services home page click on the “Beneficial Owner” icon under “Login” which is available under ‘IDeAS’ section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-voting period or joining the Meeting through VC & e-voting at the Meeting. If you are not registered for IDeAS e-Services, option to register is available at https://eservices.nsd.com. Select “Register Online for IDeAS Portal” or click at https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp<li data-bbox="483 1052 1471 1398">2. Visit the e-voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsd.com/ either on a personal computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder / Member / Creditor’ section. A new screen will open. You will have to enter your User ID (i.e. your demat account number with NSDL), Password / OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining the Meeting through VC & e-voting at the Meeting.<li data-bbox="483 1419 1471 1476">3. Shareholders can also download NSDL Mobile App “NSDL Speede” facility by scanning the QR code mentioned below for seamless voting experience. <div data-bbox="555 1493 898 1696"><p>NSDL Mobile App is available on</p><p> App Store  Google Play</p></div> |

| Type of shareholders | Login Method |
|--|--|
| Individual Shareholders holding securities in demat mode with CDSL | <ol style="list-style-type: none"> Users who have opted for CDSL Easi / Easiest facility, can login through their existing User ID and Password. Option will be made available to reach e-Voting page without any further authentication. To login into Easi / Easiest, users are requested to visit https://web.cdslindia.com/myeasinew/home/login or visit CDSL website www.cdslindia.com and click on 'Login' icon and 'New System Myeasi' Tab. Users can use existing Username and Password for login. After successful login, the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the e-voting is in progress as per the information provided by company. On clicking the e-voting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting and voting during the meeting. Additionally, there are also links provided to access the system of all e-Voting service providers, so that the user can visit the e-Voting service providers' website directly. If the user is not registered for Easi / Easiest, option to register is available at CDSL website www.cdslindia.com. Click on 'Login' and 'New System Myeasi' Tab and then click on registration option. Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN from e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the e-voting is in progress and also able to directly access the system of all e-Voting service providers. |
| Individual Shareholders (holding securities in demat mode) can also login through their Depository Participants | You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL / CDSL for e-Voting facility. Upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL / CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining the Meeting through VC & e-voting at the meeting. |

Important note: Shareholders who are unable to retrieve User ID / Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

Helpdesk for 'individual shareholders holding securities in demat mode' for any technical issues related to login through Depository i.e. NSDL and CDSL

| Login type | Helpdesk details |
|---|---|
| Individual Shareholders holding securities in demat mode with NSDL | Shareholders facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30 |
| Individual Shareholders holding securities in demat mode with CDSL | Shareholders facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 22 55 33 |

B) Login Method for 'Non-individual shareholders holding securities in demat mode' and 'Shareholders holding securities in physical mode':

- Visit the e-voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a personal computer or on a mobile.
- Once the home page of e-voting system is launched, click on the icon "Login" which is available under 'Shareholder / Member / Creditor section.
- A new screen will open. You will have to enter your User ID, your Password / OTP and a Verification Code as shown on the screen.

4. Your User ID details are given below:

| Mode of holding shares i.e. Demat (NSDL or CDSL) or Physical | Your User ID is: |
|---|---|
| a. For shareholders who hold shares in demat account with NSDL. | 8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****. |
| b. For shareholders who hold shares in demat account with CDSL. | 16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****. |
| c. For shareholders holding shares in Physical mode. | EVEN Number plus Folio Number registered with the Company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001*** |

5. Password details are given below:

- a. If you are already registered for e-voting, then you can use your existing password to login and cast your vote.
 - b. If you are using NSDL e-voting system for the first time, you will need to retrieve the 'initial password'.
How to retrieve your 'initial password'?
 - i. If you have received email containing Notice of the Meeting: Trace the email from the mailbox. Open the '.pdf file' attached in the email. The password to open the '.pdf file' is your 8 digit client ID for NSDL account or last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The '.pdf file' contains the 'User ID' and 'initial password'.
 - ii. If you have not received email as above or are unable to trace the email: You are requested to refer instructions given below in point (c).
 - c. If you are unable to retrieve or have not received the 'initial password', or have forgotten your existing password:
 - i. Click on "**Forgot User Details / Password**" (if you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com
 - ii. **Physical User Reset Password**" (if you are holding shares in physical mode) option available on www.evoting.nsdl.com
 - iii. If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your name, demat account number/folio number, PAN, mobile number, email ID and registered address.
 - iv. Shareholders can also use the OTP (One Time Password) based login for casting the votes on the e-voting system of NSDL
6. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
 7. Now, you will have to click on "Login" button.
 8. After you click on the "Login" button, Home page of e-voting will open.

Step 2: Cast your vote electronically on NSDL e-voting system

1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle and the Meeting is in active status.
2. Select "EVEN" of the company (i.e. 123084) to cast your vote during the remote e-Voting period or to cast your vote during the Meeting.
3. Now you are ready for e-voting as the voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify / modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
5. Upon confirmation, the message "Vote cast successfully" will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

Procedure for E-Voting at the Meeting

1. The procedure for e-voting on the day of the Meeting is same as the instructions mentioned above for remote e-voting.

Procedure for Attending Meeting through VC / OAVM

1. Shareholders can attend the Meeting through VC / OAVM after following the steps for '**Access to NSDL e-voting system**' as outlined above in the procedure for remote e-voting.
2. After successful login, shareholders will be able to see the link of "VC/OAVM" placed under '**Join meeting**' menu against Company name. Shareholders are requested to click on the VC / OAVM link placed under '**Join meeting**' menu.
3. Facility to join the Meeting through VC/OAVM, will open 30 minutes before the scheduled time of the commencement of the Meeting. The facility of participation at the Meeting will be made available for 1000 shareholders on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the Meeting without restriction on account of first come first served basis.
4. Shareholders are encouraged to join the Meeting through Laptops for better experience. Shareholders will be required to allow the camera and use internet with good speed to avoid any disturbance during the Meeting.
5. Please note that participants connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio / Video loss due to fluctuation in their respective network. It is therefore recommended to use stable Wi-Fi or LAN connection to mitigate any kind of aforesaid glitches.

General Guidelines

1. It is strongly recommended not to share the password with any other person and take utmost care to keep it confidential.
2. Login to the NSDL e-voting system will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password" or "Physical User Reset Password" option available on www.evoting.nsdl.com/ to reset the password.
3. In case of any queries regarding attending the Meeting and e-voting (remote e-voting and e-voting at the Meeting), you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800 1020 990 / 1800 22 44 30 or send a request to Mr. Anubhav Saxena at evoting@nsdl.co.in
4. All grievances connected with the NSDL e-voting system may be addressed to Mr. Anubhav Saxena, Asst. Manager, National Securities Depository Limited, Trade World, 'A' Wing, 4th Floor, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai 400 013 or send an email to evoting@nsdl.co.in or call on the toll free no. 1800 1020 990 / 1800 22 44 30.

IN THE HON'BLE NATIONAL COMPANY LAW TRIBUNAL, MUMBAI BENCH

CA (CAA) No. 259/MB/2022

IN THE MATTER OF SECTIONS 230 TO 232

AND OTHER APPLICABLE PROVISIONS OF THE COMPANIES ACT, 2013

AND

IN THE MATTER OF COMPOSITE SCHEME OF ARRANGEMENT AMONGST BOROSIL LIMITED AND KLAS PACK LIMITED AND BOROSIL TECHNOLOGIES LIMITED AND THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS

BOROSIL LIMITED, a company incorporated under the)
provisions of Companies Act, 1956 having Corporate Identity)
Number: L36100MH2010PLC292722 and registered office)
at 1101, 11th Floor, Crescenzo, G-Block, Plot No C-38, Opp.)
MCA Club, Bandra Kurla Complex, Bandra (East), Mumbai –)
400 051, Maharashtra, India)

... **Company / Demerged Company**

STATEMENT UNDER SECTIONS 230 TO 232 READ WITH SECTION 102 AND OTHER APPLICABLE PROVISIONS OF THE COMPANIES ACT, 2013 ("ACT") AND RULE 6 OF THE COMPANIES (COMPROMISES, ARRANGEMENTS AND AMALGAMATIONS) RULES, 2016 ("CAA RULES") TO THE NOTICE OF THE MEETING OF EQUITY SHAREHOLDERS OF BOROSIL LIMITED CONVENED PURSUANT TO ORDER OF THE HON'BLE NATIONAL COMPANY LAW TRIBUNAL, MUMBAI BENCH ("TRIBUNAL") DATED NOVEMBER 25, 2022 ("TRIBUNAL ORDER")

I. **MEETING FOR THE SCHEME**

This is a statement accompanying the Notice convening the Meeting of Equity Shareholders of Borosil Limited ("**Company**"), for the purpose of their considering and if thought fit, approving, with or without modification(s), the proposed Composite Scheme of Arrangement amongst Borosil Limited ("**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**"). The Scheme provides for: (i) reduction and reorganisation of share capital of the Resulting Company; (ii) the demerger, transfer and vesting of the Demerged Undertaking (*as defined in the Scheme*) from the Demerged Company into the Resulting Company on a going concern basis; and (iii) the amalgamation of the Transferor Company with the Transferee Company. The Scheme also provides for various other matters consequent and incidental thereto.

The salient features of the Scheme are given in Paragraph V of this Statement. The detailed terms of the arrangement may be referred in the Scheme, appended as '**Annexure I**'.

Capital terms not defined herein and used in the Notice and this Statement shall have the same meaning as ascribed to them in the Scheme.

II. **DATE, TIME AND MODE OF MEETING**

Pursuant to an order dated November 25, 2022, passed by the Hon'ble Tribunal in Company Application viz. CA (CAA) No. 259/MB/2022, the Meeting of the Equity Shareholders of the Company, will be held for the purpose of their considering and, if thought fit approving, with or without modification(s), the said Scheme through Video Conferencing ("**VC**")/ Other Audio Visual Means ("**OAVM**") on **Monday, February 06, 2023 at 10:30 a.m. (IST)**. The Company is providing the facility to vote at the Meeting by electronic means, i.e. remote e-voting and e-voting at the Meeting.

III. **RATIONALE AND BENEFITS OF THE SCHEME**

The circumstances which justify and/or have necessitated the said Scheme and the benefits of the same are, *inter alia*, as follows:

1. *Given its diversified business, it has become imperative for the Demerged Company to reorient and reorganize itself in a manner that allows imparting greater focus on each of its businesses. With this repositioning, the Demerged Company is desirous of enhancing its operational efficiency while it continues with its consumer products business.*

2. *The proposed demerger pursuant to this Scheme is expected, inter alia, to result in following benefits:*
 - (i) *value unlocking of scientific and industrial products business with ability to achieve valuation based on respective-risk return profile and cash flows;*
 - (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;*
 - (iii) *segregation and unbundling of the scientific and industrial products business of the Demerged Company into the Resulting Company, will enable enhanced focus on the Demerged Company and the Resulting Company for exploring opportunities in their respective business domains; and*
 - (iv) *focused management approach for pursuing the growth in the respective business' verticals and de-risk the businesses from each other.*
3. *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:*
 - (i) *Streamline the corporate structure and consolidation of resources within the Transferee Company leading to greater synergies and operational synergy;*
 - (ii) *Opportunities for employees of the Transferor Company to grow in a wider field of business;*
 - (iii) *Optimal utilisation of resources and better management and administration; and*
 - (iv) *Reduction of administrative responsibilities, multiplicity of records and legal and regulatory compliances.*
4. *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 as stated above, 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.*
5. *The proposed restructuring is in the interest of the shareholders, creditors, employees, and other stakeholders of the Parties."*

IV. BACKGROUND OF THE COMPANIES:

A. Particulars of the Demerged Company / Company (Borosil Limited)

- (i) Borosil Limited is a public company incorporated under the provisions of the Companies Act, 1956. The registered office of the Company is situated at 1101, 11th Floor, Crescenzo, G-Block, Plot No C-38, Opp. MCA Club, Bandra Kurla Complex, Bandra (East), Mumbai – 400 051, Maharashtra, India. The Company is accordingly registered with the Registrar of Companies, Mumbai, having Corporate Identity Number (CIN) L36100MH2010PLC292722. Its Permanent Account Number with the Income Tax Department is AACCH5367G. The email address of the Company is investor.relations@borosil.com and the website is www.borosil.com. The Company was incorporated on November 25, 2010, under the provisions of the Companies Act, 1956 under the name 'Hopewell Tableware Private Limited' pursuant to certificate of incorporation issued by the Registrar of Companies, Jaipur. This name 'Hopewell Tableware Private Limited' was changed to 'Hopewell Tableware Limited' pursuant to conversion of the Company from private limited to public limited on July 19, 2018. A certificate of incorporation consequent upon conversion from private company to public company was issued by the Registrar of Companies, Mumbai. The name of the Company 'Hopewell Tableware Limited' was subsequently changed to 'Borosil Limited' on November 20, 2018. A certificate of incorporation consequent upon change of name was issued by the Registrar of Companies, Mumbai. Originally the registered office of the Company was situated at A-17, Manish Marg, Gandhi Path, Nemi Nagar, Jaipur, Rajasthan – 302 021 and thereafter it was shifted to D-10/50, Opposite Chitrakoot Stadium, Chitrakoot, Vaishali Nagar, Jaipur, Rajasthan – 302 021 on March 4, 2013 and thereafter it was shifted to Village Balekhan, PS Anaptura, Near Govindgarh, NH 52, Sikar Road, Chomu, Jaipur, Rajasthan – 303 807 with effect from July 1, 2016 and the same was again shifted to 1101, Crescenzo, G-Block, Opp. MCA Club, Bandra Kurla Complex, Bandra (East), Mumbai – 400 051 with effect from February 16, 2017. The equity shares of the Company are listed on the BSE Limited ("**BSE**") and the National Stock Exchange of India Limited ("**NSE**") ("**Stock Exchanges**").
- (ii) The main objects clause of the Company was substituted pursuant to the Composite Scheme of Amalgamation and Arrangement amongst Vyline Glass Works Limited and Fennel Investment and Finance Private Limited and Gujarat Borosil Limited and Borosil Glass Works Limited and Borosil Limited, approved by shareholders of the Company at their meeting held on May 15, 2019 and sanctioned by the Hon'ble National Company Law Tribunal, Mumbai Bench *vide* its Order dated January 15, 2020. The amendment

to main object clause of the Company was registered by the Registrar of Companies, Mumbai vide its certificate dated February 25, 2020. The main objects of the Company have been reproduced below:

- 1) *To do business as manufacturers and importers of, and wholesale dealers in, and retailers or dealers of, scientific and laboratory glasswares, pharmaceutical glassware, industrial glassware, pressed glassware, Oven glasswares, HPLC vials, Liquid Handling Systems, Bench Top Equipment of all varieties and description, and any material or product which can or may be used as a substitute for glass and of all varieties and descriptions of products, materials, instruments, apparatuses made from borosilicate glasses and / or other varieties of glass or any material and product which can or may be used as a substitute for glass, and all products of which glass forms a part.*
 - 2) *To carry on in India or elsewhere the business to manufacture, buy, sell, repair, alter, improve, exchange, let out on hire, import, export and deal in all microwavable and flameproof kitchenware, glass tumblers, storage, tableware and kitchen appliances, earthenware, terracotta, bottles, flasks, utensils, other appliances, non-stick cookware with teflon coating, hard anodized and die cast, pressure cookers both aluminium and stainless steel, and stainless steel pots and pans, articles and things capable of being used in household, opal glass tableware, stainless steel server, ceramic tableware, brass & wooden accessories, ceramic refractory, sanitary wares, garden wares, kitchen wares, crockeries, potteries, insulators, terracotta, porcelainware, bathroom, accessories, pipes, wall tiles, floor tiles, roofing tiles, porcelain tiles.*
- (iii) Except as stated above, during the last five years, there has been no change in the main object clause of the Company.
- (iv) The Company is engaged in the business of manufacturing and trading of scientific and industrial products and consumer products.
- (v) The share capital of the Company as on December 31, 2022 was as follows:

| Particulars | Amount in INR |
|---|---------------------|
| Authorised Share Capital | |
| 27,00,00,000 equity shares of INR 1 each | 27,00,00,000 |
| 2,80,00,000 preference shares of INR 10 each | 28,00,00,000 |
| Total | 55,00,00,000 |
| Issued, Subscribed and Paid-up Share Capital | |
| 11,43,79,297 Equity shares of INR 1 each, fully paid up | 11,43,79,297 |
| Total | 11,43,79,297 |

- (vi) The latest annual financial statements of the Company have been audited for the financial year ended on March 31, 2022. The unaudited standalone and consolidated financial results (limited reviewed) of the Company for the quarter and half year ended September 30, 2022 are appended as 'Annexure II'.
- (vii) The details of Promoters and Directors of the Company as on December 31, 2022 along with their addresses are mentioned herein below:

| Promoter / promoter group details | | |
|-----------------------------------|----------------|--|
| Name | Category | Address |
| Mr. P. K. Kheruka | Promoter | 410, Samudra Mahal, Dr. Annie Besant Road, Worli, Mumbai – 400 018 |
| Mr. Shreevar Kheruka | Promoter | 410, Samudra Mahal, Dr. Annie Besant Road, Worli, Mumbai – 400 018 |
| Mrs. Kiran Kheruka | Promoter Group | 410, Samudra Mahal, Dr. Annie Besant Road, Worli, Mumbai – 400 018 |
| Mrs. Rekha Kheruka | Promoter Group | 410, Samudra Mahal, Dr. Annie Besant Road, Worli, Mumbai – 400 018 |
| Croton Trading Private Limited | Promoter Group | B-3 / 3 Gillander House, 8, Netaji Subhas Road, Kolkata – 700 001 |
| Gujarat Fusion Glass LLP | Promoter Group | 1101, Crescenzo, G-Block, Plot No C-38, Opp. MCA Club, Bandra Kurla Complex, Bandra (East), Mumbai – 400 051 |

| Promoter / promoter group details | | |
|-----------------------------------|----------------|---|
| Name | Category | Address |
| Sonargaon Properties LLP | Promoter Group | B-3 / 3 Gillander House, 8, Netaji Subhas Road, Kolkata - 700 001 |
| Borosil Holdings LLP | Promoter Group | B-3 / 3 Gillander House, 8, Netaji Subhas Road, Kolkata - 700 001 |
| Spartan Trade Holdings LLP | Promoter Group | B-3 / 3 Gillander House, 8, Netaji Subhas Road, Kolkata - 700 001 |
| Associated Fabricators LLP | Promoter Group | B-3 / 3 Gillander House, 8, Netaji Subhas Road, Kolkata - 700 001 |

| Details of Directors | | |
|----------------------------|-------------------------|---|
| Name | Category / Designation | Address |
| Mr. P. K. Kheruka | Chairman | 410, Samudra Mahal, Dr. Annie Besant Road, Worli, Mumbai – 400 018 |
| Mr. Shreevar Kheruka | Managing Director & CEO | 410, Samudra Mahal, Dr. Annie Besant Road, Worli, Mumbai – 400 018 |
| Mr. Rajesh Kumar Chaudhary | Whole-time Director | C/1001, Ekta Meadows, BHD Siddharth Nagar, Borivali (East), Mumbai - 400 066 |
| Mr. Naveen Kumar Kshatriya | Independent Director | 1101, B-Wing, 11 th Floor, Lodha Bellissimo, Apollo Mills Compound, N.M. Joshi Road, Mahalaxmi, Mumbai - 400 011 |
| Mrs. Anupa Sahney | Independent Director | 6, Manavi Apartment, 36, Ridge Road, Malabar Hill, Mumbai - 400 006 |
| Mr. Kewal Handa | Independent Director | Flat no. 901, Nair House, 9th floor, 14 th B. Road, Behind Mahavir Hospital, Khar (West), Mumbai - 400 052 |
| Mr. Kanwar Bir Singh Anand | Independent Director | 3601, 36 th Floor, Island City Center One, G.D. Ambekar Marg, Dadar East, Mumbai - 400 014 |

B. Particulars of the Resulting Company/ Transferee Company (Klass Pack Limited)

- (i) Klass Pack Limited is a public company incorporated under the provisions of the Companies Act, 1956. The registered office of the Resulting Company is situated at 1101, 11th Floor, Crescenzo, G-Block, Plot No C-38, Opp. MCA Club, Bandra Kurla Complex, Bandra (East), Mumbai – 400 051, Maharashtra, India. The Resulting Company is accordingly registered with the Registrar of Companies, Mumbai, having Corporate Identity Number (CIN) U74999MH1991PLC061851. Its Permanent Account Number with the Income Tax Department is AAACK1797R. The email address of the Resulting Company is kpl.secretarial@borosil.com. The Resulting Company was incorporated on May 29, 1991 under the provisions of the Companies Act, 1956 under the name of 'Klass Pack Private Limited'. A certificate of incorporation was issued by the Registrar of Companies, Mumbai. The name of 'Klass Pack Private Limited' was changed to 'Klass Pack Limited' upon conversion of the company from private limited to public limited on June 19, 2018. A certificate of incorporation upon conversion from private company to public company was issued by the Registrar of Companies, Mumbai. The registered office of the Resulting Company was shifted from H- 27, MIDC Area Ambad, Nasik, Maharashtra- 422 010 to 1101, 11th Floor, Crescenzo, G-Block, Plot No C-38, Opp. MCA Club, Bandra Kurla Complex, Bandra (East), Mumbai – 400 051, Maharashtra with effect from February 07, 2022. The equity shares of the Resulting Company are not listed on any Stock Exchanges.
- (ii) The main objects of the Resulting Company was substituted pursuant to the Special Resolution passed by the shareholders of the Resulting Company at their Extraordinary General Meeting held on February 07, 2022. The said amendment to main object clause was registered by the Registrar of Companies, Mumbai vide its certificate dated March 09, 2022. The main objects of the Resulting Company have been reproduced below :
- To do business as manufacturers and importers of, and wholesale dealers in, and retailers or dealers of, scientific and laboratory glasswares, pharmaceutical glassware, industrial glassware, pressed glassware, Oven glasswares, HPLC vials, Liquid Handling Systems, Bench Top Equipment, pre-filled syringes, weighing balance, filter paper, plasticware, molded glassware of all varieties and description, and any material or product which can or may be used as a substitute for glass and of all varieties and descriptions of*

products, materials, instruments, laboratory Instruments, apparatuses, laboratory furniture, equipment solar collectors and other products made from borosilicate glasses and / or other varieties of glass used in laboratories, industries, households, educational, research and healthcare institutes or any material and product which can or may be used as a substitute for glass, and all products of which glass forms a part.

2. To carry on the business of manufacturing, processing, pressing, moulding, melting, assembling, coating, printing, filling, exporting, importing, buying, selling, dealing as agents, distributors, dealers of pharmaceutical primary tubular glass packaging ampoules and vials, injection vial seals, seals, droppers, laboratory testing tubes, closures, cans, containers, packaging materials, pilfer proof caps, screw caps, twist caps, crown caps, caps, plastic moulded items, rubber stoppers, rubber moulded items, glass tubes, glass bottles, glass items, and every kind of sealing, closing, capping, packaging made of any material such as glass, aluminium sheets, foils, tin coated sheets, metals, plastics, rubber, PVC sheets, synthetic materials, chemicals, cork sheets, paper, board, gum, fiber, films, closures whether made from plastic or Teflon or rubber or PTFE or any other material, wood and filling & packaging of pharmaceutical products.
- (iii) Except as stated above, during the last five years, there has been no change in the main object clause of the Resulting Company.
 - (iv) The Resulting 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.
 - (v) The share capital of the Resulting Company as on December 31, 2022 was as follows:

| Particulars | Amount in INR |
|--|---------------------|
| Authorised Share Capital | |
| 20,00,000 equity shares of INR 100 each | 20,00,00,000 |
| Total | 20,00,00,000 |
| Issued, Subscribed and Paid-up Share Capital | |
| 16,32,949 equity shares of INR 100 each, fully paid up | 16,32,94,900 |
| Total | 16,32,94,900 |

- (vi) The latest annual financial statements of the Resulting Company have been audited for the financial year ended on March 31, 2022. The Audited Condensed Financial Statements of the Resulting Company for the half year ended September 30, 2022 is appended as 'Annexure III'.
- (vii) The details of Promoters and Directors of the Resulting Company as on December 31, 2022 along with their addresses are mentioned herein below:

| Promoter details | | |
|-------------------------------------|----------|--|
| Name | Category | Address |
| Borosil Limited | Promoter | 1101, Crescenzo, G-Block, Plot No C-38, Opp. MCA Club, Bandra Kurla Complex, Bandra (East), Mumbai – 400 051 |
| Mr. Prashant Amin | Promoter | Durgaprasad Bunglow No. 6, Pumping Station Road, Gangapur Road, Nashik – 422 013 |
| Mr. Gangadhar Amin | Promoter | Durgaprasad Bunglow No. 6, Pumping Station Road, Gangapur Road, Nashik – 422 013 |
| Mrs. Pramila Amin | Promoter | Durgaprasad Bunglow No. 6, Pumping Station Road, Gangapur Road, Nashik – 422 013 |
| Mrs. Shweta Amin | Promoter | Durgaprasad Bunglow No. 6, Pumping Station Road, Gangapur Road, Nashik – 422 013 |
| Mr. Pravesh Amin | Promoter | Durgaprasad Bunglow No. 6, Pumping Station Road, Gangapur Road, Nashik – 422 013 |
| Shiv Ganga Caterers Private Limited | Promoter | Hotel Shivsagar, Shree Mangal Apt, Nr. Grand Ashwin Hotel, Agra road, Ashwin Nagar, Nashik – 422 009 |

| Details of Directors | | |
|----------------------|------------------------|---|
| Name | Category / Designation | Address |
| Mr. Shreevar Kheruka | Chairman | 410, Samudra Mahal, Dr. Annie Besant Road, Worli, Mumbai – 400 018 |
| Mr. P. K. Kheruka | Director | 410, Samudra Mahal, Dr. Annie Besant Road, Worli, Mumbai – 400 018 |
| Mr. Vinayak Patankar | Director | C-1/403, Vedant Complex, Pokharan Road No. 1, Vartaknagar, Jakegram, Thane – 400 606 |
| Mr. Prashant Amin | Managing Director | Durgaprasad Bunglow No. 6, Pumping Station Road, Gangapur Road, Nashik – 422 013 |
| Mrs. Shweta Amin | Whole Time Director | Durgaprasad Bunglow No. 6, Pumping Station Road, Gangapur Road, Nashik – 422 013 |
| Mr. Raj Kumar Jain | Independent Director | Abrol Vastu Park, Flat No. 1601, A-Wing, Off. Linking Road, Uma Nagar, Malad (West), Mumbai – 400 064 |
| Mr. Rahul Dev | Independent Director | F/702, Alder Wing B, Forest Castle, 81/1 Mundhawa Road, Opp. Marriott Suites Mundhawa, Pune – 411 036 |

C. Particulars of the Transferor Company (Borosil Technologies Limited)

- (i) Borosil Technologies Limited is a public company incorporated under the provisions of the Companies Act, 1956. The registered office of the Transferor Company is situated at 1101, 11th Floor, Crescenzo, G-Block, Plot No C-38, Opp. MCA Club, Bandra Kurla Complex, Bandra (East), Mumbai – 400 051, Maharashtra, India. The Transferor Company is accordingly registered with the Registrar of Companies, Mumbai, having Corporate Identity Number (CIN) U36999MH2009PLC197226. Its Permanent Account Number with the Income Tax Department is AADCB9364L. The email address of the Transferor Company is bt.secretarial@borosil.com. The Transferor Company was incorporated on November 23, 2009, under the provisions of the Companies Act, 1956 under the name 'Borosil Glass Limited'. A certificate of incorporation was issued by the Registrar of Companies, Mumbai. This name 'Borosil Glass Limited' was subsequently changed to 'Borosil Technologies Limited' on March 15, 2018. A certificate of incorporation consequent upon change of name was issued by the Registrar of Companies, Mumbai. The registered office of the Transferor Company was shifted from Khanna Construction House 44, Dr. R.G. Thadani Marg, Worli, Mumbai - 400018, Maharashtra to 1101, 11th Floor, Crescenzo, G-Block, Plot No C-38, Opp. MCA Club, Bandra Kurla Complex, Bandra (East), Mumbai – 400 051, Maharashtra with effect from April 30, 2018. The equity shares of the Transferor Company are not listed on any Stock Exchanges.
- (ii) During the last five years, there has been no change in the object clause of the Transferor Company. The main objects of the Transferor Company are reproduced below:
- To carry on business of manufacturers, producers, exporters, importers, traders, distributors, buyers, sellers, agents, merchants, retailers and dealers of all types of glass and glassware, apparatus, equipment, instruments, solar collectors, ware and other products used in the laboratories, industries, households, educational, research and healthcare institutes.*
- (iii) The Transferor Company is engaged in the business of manufacturing of scientific instruments.
- (iv) The share capital of the Transferor Company as on December 31, 2022 was as follows:

| Particulars | Amount in INR |
|---|---------------------|
| Authorised Share Capital | |
| 1,00,00,000 equity shares of INR 10 each | 10,00,00,000 |
| Total | 10,00,00,000 |
| Issued, subscribed and paid up capital | |
| 95,84,043 equity shares of INR 10 each, fully paid up | 9,58,40,430 |
| Total | 9,58,40,430 |

- (v) The latest annual financial statements of the Transferor Company have been audited for the financial year ended on March 31, 2022. The Audited Condensed Financial Statements of the Transferor Company for the half year ended September 30, 2022 is appended as '**Annexure IV**'.

- (vi) The details of Promoters and Directors of the Transferor Company as on December 31, 2022 along with their addresses are mentioned herein below:

| Promoter details | | |
|------------------|----------|---|
| Name | Category | Address |
| Borosil Limited | Promoter | 1101, Crescenzo, G-Block, Plot No C-38, Opp. MCA Club, Bandra Kurla Complex, Bandra (East), Mumbai - 400051 |

| Details of Directors | | |
|--|------------------------|--|
| Name | Category / Designation | Address |
| Mr. Sreejith Kumar Palekudy Sukumaran | Whole Time Director | Palekudy House, Ambalanada Chengal, Kaladi. PO, Ernakulam, Kalady, Kalady, Ernakulam, Aluva, Kerala, 683 574 |
| Mr. Rajesh Kumar Chaudhary | Director | C/1001, Ekta Meadows, BHD Siddharth Nagar, Borivali (East), Mumbai - 400 066 |
| Mr. Vinayak Patankar | Director | C-1/403, Vedant Complex, Pokharan Road No. 1, Vartaknagar, Jagegram, Thane – 400 606 |

V. SALIENT FEATURES OF THE SCHEME

The salient features of the Scheme are, *inter-alia*, as stated below. The capitalized terms used herein shall have the same meaning as ascribed to them in Clause B(1) of the Scheme:

- A. The Scheme provides for
- reduction and reorganisation of share capital of the Resulting Company;
 - the 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, the consequent issue of shares by the Resulting Company and reduction and cancellation of the existing paid-up share capital of the Resulting Company held by the Company; and
 - the amalgamation of the Transferor Company with the Transferee Company.
- B. The 'Appointed Date' of the Scheme shall be April 1, 2022 or such other date as may be agreed by the Board of the Parties and 'Effective Date' is the date on which last of the conditions specified in Clause 28 (Conditions Precedent) of the Scheme are complied with or waived, as applicable; and
- C. The Scheme, as may be approved or imposed or directed by the Tribunal shall become effective from the Appointed Date but shall be operative from the Effective Date.
- D. Consideration/ share entitlement ratio for demerger, transfer and vesting of the Demerged Undertaking (*as defined in the Scheme*) from the Company into the Resulting Company:
The Resulting Company shall, issue and allot, on a proportionate basis to the 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, as under:
"3 (Three) fully paid up equity share of INR 1/- each of the Resulting Company (post proposed re-organisation of share capital) credited as fully paid up, for every 4 (Four) fully paid up equity share of INR 1/- each of the Demerged Company.
- E. Consideration/ share entitlement ratio for amalgamation of the Transferor Company with the Transferee Company:
Upon the demerger, transfer and vesting of the Demerged Undertaking (*as defined in the Scheme*) from the Company into the Resulting Company, 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 and all equity shares of the Transferor Company held by the Transferee Company along with its nominees, shall stand cancelled.
- F. Listing of Equity Shares of Resulting Company pursuant to the Scheme
Upon the Scheme becoming effective, pursuant to the Scheme and subject to the applicable laws and receipt of requisite approvals, the equity shares of the Resulting Company will be listed on BSE Limited and the National Stock Exchange of India Limited.

G. Dissolution of the Transferor Company pursuant to the Scheme

Upon amalgamation of the Transferor Company with the Transferee Company, the Transferor Company shall stand dissolved without winding up. On and from the Effective Date (as defined in the Scheme), the name of the Transferor Company shall be struck off from the records of the concerned Registrar of Companies.

Note: The above details are the salient features of the Scheme. The shareholders are requested to read the entire text of the Scheme annexed hereto to get fully acquainted with the provisions thereof.

VI. RELATIONSHIP SUBSISTING BETWEEN PARTIES TO THE SCHEME

The Company holds 82.49% of the issued, subscribed and paid up equity share capital of the Resulting Company. The Transferor Company is a wholly owned subsidiary of the Company.

VII. BOARD APPROVALS

A. The Board of Directors of the Company at its Board Meeting held on February 07, 2022, by resolution passed unanimously approved the Scheme, as detailed below:

| Name of Director | Voted in favour/ against/ did not participate or vote |
|----------------------------|--|
| Mr. P. K. Kheruka | In favour |
| Mr. Shreevar Kheruka | In favour |
| Mr. Rajesh Kumar Chaudhary | In favour |
| Mrs. Anupa Sahney | In favour |
| Mr. Kanwar Bir Singh Anand | In favour |
| Mr. Kewal Handa | In favour |
| Mr. Naveen Kumar Kshatriya | In favour |

B. The Board of Directors of the Resulting Company at its Board Meeting held on February 07, 2022 by resolution passed unanimously approved the Scheme, as detailed below:

| Name of Director | Voted in favour/ against/ did not participate or vote |
|-------------------------|--|
| Mr. P. K. Kheruka | In favour |
| Mr. Shreevar Kheruka | In favour |
| Mr. Vinayak Patankar | In favour |
| Mr. Prashant Amin | In favour |
| Ms. Shweta Amin | In favour |
| Mr. Raj Kumar Jain | In favour |

Leave of absence was granted to Mr. Rahul Dev for the above Board Meeting.

C. The Board of Directors of the Transferor Company at its Board Meeting held on February 07, 2022 by resolution passed unanimously approved the Scheme, as detailed below:

| Name of Director | Voted in favour/ against/ did not participate or vote |
|---------------------------------------|--|
| Mr. Sreejith Kumar Palekudy Sukumaran | In favour |
| Mr. Rajesh Kumar Chaudhary | In favour |
| Mr. Vinayak Patankar | In favour |

VIII. INTEREST OF DIRECTORS, KEY MANAGERIAL PERSONNEL (KMPs) AND THEIR RELATIVES

A. None of the Directors, KMPs of the Company and their respective relatives (as defined under the Act and rules framed thereunder) has any interest in the Scheme except to the extent of their shareholding in the Company, if any. Save as aforesaid, none of the said Directors or the KMPs or their respective relatives has any material interest in the Scheme. The Company has not issued any debentures and hence, does not have Debenture Trustee.

B. None of the Directors, KMPs of the Resulting Company and their respective relatives (as defined under the Act and rules framed thereunder) has any interest in the Scheme except to the extent of their shareholding in the Company and / or Resulting Company, if any. Save as aforesaid, none of the said Directors or the KMPs or their respective relatives has any material interest in the Scheme. The Resulting Company has not issued any debentures and hence, does not have Debenture Trustee.

- C. None of the Directors, KMPs of the Transferor Company and their respective relatives (as defined under the Act and rules framed thereunder) has any interest in the Scheme except to the extent of their shareholding in the Company, if any. Save as aforesaid, none of the said Directors or the KMPs or their respective relatives has any material interest in the Scheme. The Transferor Company has not issued any debentures and hence, does not have Debenture Trustee.

IX. EFFECT OF SCHEME ON STAKEHOLDERS.

The effect of the Scheme on various stakeholders is summarised below:

A. Shareholders, Key Managerial Personnel, Promoter and Non-Promoter Shareholders

The effect of the Scheme on the shareholders, key managerial personnel, promoter and non-promoter shareholders of the Company, Resulting Company and the Transferor Company are appended in the attached reports i.e. '**Annexure V, Annexure VI and Annexure VII**', respectively, adopted by the respective Board of Directors of the Company, Resulting Company and the Transferor Company, respectively, at their meeting held on February 07, 2022, pursuant to the provisions of Section 232(2)(c) of the Act.

B. Directors

- (i) No change in the Board of Directors of the Company and the Resulting Company is envisaged pursuant to the Scheme. Pursuant to the Scheme, the Transferor Company will be dissolved without winding up. Therefore, the office of the existing non-executive directors will cease on dissolution of the Transferor Company and the existing executive director of the Transferor Company will become employee of the Transferee Company.
- (ii) It is clarified that the composition of the Board of Directors of the companies may change by appointments, retirements or resignations or to ensure compliance of the provisions of the Act, SEBI Listing Regulations and Memorandum and Articles of Association of such companies but the Scheme itself does not affect the office of Directors of such companies.

C. Employees

Pursuant to the Scheme, the Resulting Company will engage, without any interruption in service, all employees engaged in or in relation to the Demerged Undertaking of the Company, on the terms and conditions not less favourable than those on which they are engaged by the Company. Apart from the above, employees engaged in the Company and the Resulting Company will continue to be employees of the Company and the Resulting Company, respectively, on the same terms and conditions, as before. Further, all employees of the Transferor Company shall become employees of the Transferee Company, without any interruption in service, on terms and conditions no less favourable than those on which they are engaged by the Transferor Company.

D. Creditors

Pursuant to the Scheme, creditors of the Company forming part of the Demerged Undertaking will become creditors of the Resulting Company. The Resulting Company undertakes to meet, discharge and satisfy the same in terms of their respective terms and conditions, if any. Apart from the above, the creditors of the Company and the Resulting Company will continue to be creditors of the Company and the Resulting Company, respectively.

Further, pursuant to the Scheme, all creditors of the Transferor Company will become creditors of the Transferee Company.

The rights of the respective creditors of the Company, Resulting Company and Transferor Company shall not be impacted pursuant to the Scheme and there will be no reduction in their claims on account of the Scheme. The creditors of the Company, Resulting Company and Transferor Company would not be prejudiced in any manner as a result of the Scheme being sanctioned.

E. Debenture holders and Debenture Trustees

The Company, Resulting Company and the Transferor Company have not issued any debentures and accordingly have not appointed any debenture trustee(s).

F. Depositors and Deposit Trustees

The Company, Resulting Company and the Transferor Company have not taken any deposits within the meaning of the Act and Rules framed thereunder and accordingly have not appointed any deposit trustee(s).

X. NO INVESTIGATION PROCEEDINGS

There are no proceedings pending under Sections 210 to 227 of the Act against the Company, Resulting Company and the Transferor Company.

XI. AMOUNTS DUE TO UNSECURED CREDITORS

The amount due to unsecured creditors by the respective companies, as on November 30, 2022 is as follows:

| Sl. No. | Particulars | Amount in INR |
|---------|------------------------------|---------------|
| 1. | Borosil Limited | 60,49,22,918 |
| 2. | Klass Pack Limited | 12,39,11,218 |
| 3. | Borosil Technologies Limited | 6,33,23,500 |

XII. DETAILS OF CAPITAL OR DEBT RESTRUCTURING, IF ANY

- A. With effect from the Effective Date, 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 to INR 1,63,29,490 divided into 16,32,949 equity shares of INR 10 each fully paid up.
- B. Immediately, upon reduction of the face value of the equity shares of the Resulting Company as above, every 1 equity share of the Resulting Company of face value of INR 10 each shall be further split into 10 equity shares 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.
- C. Upon the demerger, transfer and vesting of the Demerged Undertaking from the Company into the Resulting Company, the Resulting Company shall, issue and allot, on a proportionate basis to the 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, as under:
"3 (Three) fully paid up equity share of INR 1/- each of the Resulting Company (post proposed re-organisation of share capital) credited as fully paid up, for every 4 (Four) fully paid up equity share of INR 1/- each of the Demerged Company".
- D. Upon demerger of the Demerged Undertaking and allotment of New Equity Shares by the Resulting Company, the entire paid-up equity share capital of the Resulting Company held by the Company shall stand cancelled and the issued, subscribed and paid up equity capital of the Resulting Company to that effect shall stand cancelled and reduced.
- E. Upon the demerger, transfer and vesting of the Demerged Undertaking from the Company into the Resulting Company, 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 and all equity shares of the Transferor Company held by the Transferee Company along with its nominees, shall stand cancelled.
- F. The Scheme does not involve any debt restructuring and therefore the requirement to disclose details of debt restructuring is not applicable.

XIII. VALUATION REPORT AND FAIRNESS OPINION

- A. A copy of the share entitlement ratio report dated February 07, 2022 issued by M/s. SSPA & Co., Chartered Accountants (ICAI Firm Registration No. 128851W) (Registration No. IBBI/RV-E/06/2020/126), Registered Valuer ("**Share Entitlement Ratio Report**"), in connection with the Scheme is appended as '**Annexure VIII**'.
- B. A copy of the fairness opinion report dated February 07, 2022 issued by M/s. Keynote Financial Services Limited, an Independent SEBI Registered Merchant Banker, confirming that the Share Entitlement Ratio is fair and proper is appended as '**Annexure IX**'.

XIV. INFORMATION PERTAINING TO UNLISTED COMPANIES INVOLVED IN THE SCHEME IN THE FORMAT SPECIFIED FOR ABRIDGED PROSPECTUS

Information pertaining to the unlisted companies involved in the Scheme, i.e. the Resulting Company and the Transferor Company in the format specified for abridged prospectus as provided in SEBI Circular No. SEBI/HO/CFD/SSEP/CIR/P/2022/14 dated February 04, 2022 read with Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 along with certificates issued by M/s. Keynote Financial Services Limited, an Independent SEBI Registered Merchant Banker certifying the adequacy of disclosures are appended as **Annexure X** and **Annexure XI** respectively.

XV. SHAREHOLDING PATTERN

A. The pre / post-scheme shareholding pattern of the parties to the Scheme:

(i) Company

The pre & post scheme shareholding pattern of the Company is as follows (based on shareholding data as on December 31, 2022):

| Category | Pre | | Post (Indicative)* | |
|---------------------------|---|----------------------|---|----------------------|
| | No. of shares (Face value - INR 1 each) | % of shareholding | No. of shares (Face value - INR 1 each) | % of shareholding |
| Promoter / promoter group | 8,04,10,776 | 70.30 | 8,04,10,776 | 70.30 |
| Public | 3,39,68,521 | 29.70 | 3,39,68,521 | 29.70 |
| Custodian | - | - | - | - |
| Total | 11,43,79,297 | 100.00 | 11,43,79,297 | 100.00 |

*There will be no change in the post scheme shareholding pattern, pursuant to the Scheme.

(ii) Resulting Company/ Transferee Company

The pre & post scheme shareholding pattern of the Resulting Company is as follows (based on shareholding data of the Company and Resulting Company as on December 31, 2022):

| Category | Pre | | Post (Indicative) | |
|---------------------------|---|----------------------|---|----------------------|
| | No. of shares (Face value - INR 100 each) | % of shareholding | No. of shares (Face value - INR 1 each) | % of shareholding |
| Promoter / promoter group | 16,32,949 | 100.00 | 6,03,08,078 | 68.03 |
| Public | - | - | 2,83,36,215 | 31.97 |
| Custodian | - | - | - | - |
| Total | 16,32,949 | 100.00 | 8,86,44,293 | 100.00 |

(iii) Transferor Company

The pre & post scheme shareholding pattern of the Transferor Company is as follows (based on shareholding data as on December 31, 2022):

| Category | Pre | | Post | |
|--------------|--|----------------------|--|----------------------|
| | No. of shares (Face value - INR 10 each) | % of shareholding | No. of shares | % of shareholding |
| Promoter | 95,84,043* | 100.00* | Not applicable Post Scheme, Transferor Company will be dissolved without winding up. | |
| Public | - | - | | |
| Custodian | - | - | | |
| Total | 95,84,043 | 100.00 | | |

*Includes 6 nominee individual shareholders holding 1 equity share each on behalf of Borosil Limited.

B. Pre/ post Scheme capital structure of the Company, Resulting Company / Transferee Company and the Transferor Company

(i) Company

The pre-scheme capital structure of the Company is given in Paragraph IV.A(v) above. The post scheme indicative capital structure of the Company will be as follows:

| Particulars | Amount in ₹ |
|---|---------------------|
| (Based on shareholding data as on December 31, 2022) | |
| Authorised Share Capital | |
| 27,00,00,000 equity shares of INR 1 each | 27,00,00,000 |
| 2,80,00,000 preference shares of INR 10 each | 28,00,00,000 |
| Total | 55,00,00,000 |
| Issued, Subscribed and Paid-up Share Capital | |
| 11,43,79,297 equity shares of INR 1 each, fully paid up | 11,43,79,297 |
| Total | 11,43,79,297 |

Note - There will be no change in the post scheme capital structure, pursuant to the Scheme

(ii) Resulting Company/ Transferee Company

The pre-scheme capital structure of the Resulting Company is given in Paragraph IV.B(v) above. The post scheme indicative capital structure of the Resulting Company/ Transferee Company will be as follows:

| Particulars | Amount in ₹ |
|---|---------------------|
| Based on shareholding data as on December 31, 2022 of the Company, the Resulting Company and the Transferor Company | |
| Authorised Share Capital | |
| 30,00,00,000 equity shares of INR 1 each | 30,00,00,000 |
| Total | 30,00,00,000 |
| Issued, Subscribed and Paid-up Share Capital | |
| 8,86,44,293 equity shares of INR 1 each, fully paid up | 8,86,44,293 |
| Total | 8,86,44,293 |

(iii) Transferor Company

The pre-scheme capital structure of the Transferor Company is given in Paragraph IV.C.(iv) above. Post-scheme capital structure of the Transferor Company is not applicable as the Transferor Company will be dissolved without winding up pursuant to the Scheme.

XVI. AUDITORS CERTIFICATE ON CONFORMITY OF ACCOUNTING TREATMENT IN THE SCHEME WITH ACCOUNTING STANDARDS

The respective Statutory Auditors of the Company and Resulting Company have confirmed that the accounting treatment in the Scheme is in conformity with the accounting standards prescribed under Section 133 of the Companies Act, 2013 and other Generally Accepted Accounting Principles in India.

XVII. APPROVALS AND INTIMATIONS IN RELATION TO THE SCHEME

- A. In terms of Regulation 37 of the SEBI Listing Regulations read with SEBI Master Circular No. SEBI/HO/CFD/DIL1/CIR/P/2021/0000000665 dated November 23, 2021 ("**SEBI Master Circular**"), BSE and NSE, by their respective Observation Letters dated August 01, 2022, have conveyed "no adverse observations/ no-objection" on the Scheme. Copies of the said letters issued by BSE and NSE are appended hereto as **Annexure XII and XIII** respectively. Further, in terms of the said SEBI Master Circular, the Company has not received any complaint relating to the Scheme and "NIL" complaints reports were filed by the Company with BSE and NSE, copies of which are appended hereto as '**Annexure XIV and Annexure XV**'. As per the requirements of above Observation Letters, details of ongoing adjudication & recovery proceedings, prosecution initiated, and all other enforcement action taken against the Company, its promoters and directors are appended hereto as **Annexure XVI**.

- B. A copy of the Scheme has been filed by the Company, Resulting Company and the Transferor Company with the Registrar of Companies, Mumbai.
- C. The notice of the Meeting along with the copy of the Scheme in the prescribed form, will be served on all concerned authorities in terms of the Tribunal Order.
- D. All approvals as stated in Clause 28 (Conditions Precedent) of the Scheme, in order to give effect to the Scheme will be obtained. Additionally, the Company, the Resulting Company and the Transferor Company will obtain such approvals / sanctions / no objection(s) from the regulatory or other governmental authorities in respect of the Scheme in accordance with law, as may be required.

XVIII.INSPECTION OF DOCUMENTS

In addition to the documents appended hereto, the electronic copy of following documents will be available for inspection in the investors section of the website of the Company at www.borosil.com:

- A. Copy of the Tribunal Order
- B. Memorandum and Articles of Association of the Company, Resulting Company and the Transferor Company
- C. Audited Standalone and Consolidated financial statements of the Company for the year ended March 31, 2022
- D. Standalone and Consolidated unaudited financial results (limited reviewed) of the Company for the quarter and half year ended September 30, 2022
- E. Audited financial statements of the Resulting Company and the Transferor Company for the year ended March 31, 2022
- F. Audited Condensed Financial Statements of the Resulting Company and the Transferor Company for the half year ended September 30, 2022
- G. Copy of the Scheme
- H. Certificate of the Statutory Auditor of the Company and Resulting Company, confirming that the accounting treatment prescribed under the Scheme is in compliance with Section 133 of the Act and other Generally Accepted Accounting Principles in India
- I. All other documents displayed on the Company's website i.e., www.borosil.com in terms of the SEBI Master Circular.

Based on the above and considering the rationale and benefits, in the opinion of the Board, the Scheme will be of advantage to, beneficial and in the interest of the Company, its shareholders, creditors and other stakeholders and the terms thereof are fair and reasonable. The Board of Directors of the Company recommend the Scheme for approval of the Equity Shareholders.

Sd/-

Kewal Handa

Chairperson appointed by the Tribunal for the Meeting

Mumbai, Wednesday, January 4, 2023

Registered Office:

1101, 11th Floor, Crescenzo, G-Block, Plot No C-38, Opp. MCA Club,
Bandra Kurla Complex, Bandra (East), Mumbai – 400 051, Maharashtra, India

CIN: L36100MH2010PLC292722

Website: www.borosil.com

E-mail: investor.relations@borosil.com

Tel.: 022-6740 6300

Fax: 022-6740 6514

COMPOSITE SCHEME OF ARRANGEMENT

AMONGST

BOROSIL LIMITED

AND

KLASS PACK LIMITED

AND

BOROSIL TECHNOLOGIES LIMITED

AND

THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS

UNDER SECTIONS 230 TO 232 AND OTHER APPLICABLE PROVISIONS OF

THE COMPANIES ACT, 2013

A. BACKGROUND OF THE COMPANIES

- (i) **Borosil Limited (“Demerged Company”)** is a public company incorporated under the provisions of the Companies Act, 1956. The Demerged Company is engaged in the business of manufacturing and trading of scientific and industrial products and consumer products. The equity shares of the Demerged Company are listed on BSE Limited and the National Stock Exchange of India Limited.
- (ii) **Klass Pack Limited (“Resulting Company” or “Transferee Company”)** is a public company incorporated under the provisions of the Companies Act, 1956. The Resulting 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. The Demerged Company holds 82.49% of the issued, subscribed and paid up equity share capital of the Resulting Company.
- (iii) **Borosil Technologies Limited (“Transferor Company”)** is a public company incorporated under the provisions of the Companies Act, 1956. The Transferor Company is engaged in the business of manufacturing of scientific instruments. The Transferor Company is a wholly owned subsidiary of the Demerged Company.

B. PREMABLE

1. This Scheme (*as defined hereinafter*) is presented under Sections 230 to 232 and other applicable provisions of the Act (*as defined hereinafter*) read with Section 2(1B), Section 2(19AA) and other applicable provisions of the Income Tax Act (*as defined hereinafter*) and provides for the following:
 - (i) reduction and reorganisation of share capital of the Resulting Company;
 - (ii) the demerger, transfer and vesting of the Demerged Undertaking (*as defined hereinafter*) from the Demerged Company (*as defined hereinafter*) into the Resulting Company (*as defined hereinafter*) on a *going concern* basis, the consequent issue of shares by the Resulting Company and reduction and cancellation of the existing paid-up share capital of the Resulting Company held by the Demerged Company; and
 - (iii) the amalgamation of the Transferor Company (*as defined hereinafter*) with the Transferee Company (*as defined hereinafter*).
2. This Scheme also provides for various other matters consequent and incidental thereto.

C. RATIONALE FOR THIS SCHEME

1. Given its diversified business, it has become imperative for the Demerged Company to reorient and reorganize itself in a manner that allows imparting greater focus on each of its businesses. With this repositioning, the Demerged Company is desirous of enhancing its operational efficiency while it continues with its consumer products business.
2. The proposed demerger pursuant to this Scheme is expected, *inter alia*, to result in following benefits:
 - (i) value unlocking of scientific and industrial products business with ability to achieve valuation based on respective-risk return profile and cash flows;

- (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;
 - (iii) segregation and unbundling of the scientific and industrial products business of the Demerged Company into the Resulting Company, will enable enhanced focus on the Demerged Company and the Resulting Company for exploring opportunities in their respective business domains; and
 - (iv) focused management approach for pursuing the growth in the respective business' verticals and de-risk the businesses from each other.
3. 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:
- (i) Streamline the corporate structure and consolidation of resources within the Transferee Company leading to greater synergies and operational synergy;
 - (ii) Opportunities for employees of the Transferor Company to grow in a wider field of business;
 - (iii) Optimal utilisation of resources and better management and administration; and
 - (iv) Reduction of administrative responsibilities, multiplicity of records and legal and regulatory compliances.
4. 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 as stated above, 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.
5. The proposed restructuring is in the interest of the shareholders, creditors, employees, and other stakeholders of the Parties.

D. PARTS OF THIS SCHEME

This Scheme is divided into the following parts:

- (i) **PART I** deals with the definitions, share capital and date of taking effect and implementation of this Scheme;
- (ii) **Part II** deals with reduction and reorganisation of the equity share capital of the Resulting Company;
- (iii) **PART III** deals with the demerger, transfer and vesting of the Demerged Undertaking (*as defined hereinafter*) from the Demerged Company into the Resulting Company on a *going concern* basis, the 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 Demerged Company;
- (iv) **PART IV** deals with the amalgamation of the Transferor Company with the Transferee

Company; and

- (v) **PART V** deals with the general terms and conditions that would be applicable to this Scheme.

PART I

DEFINITIONS AND SHARE CAPITAL

1. DEFINITIONS

- 1.1 In this Scheme, unless inconsistent with the subject or context thereof: (i) capitalised terms defined by inclusion in quotations and/ or parenthesis have the meanings so ascribed; (ii) all terms and words not defined in this Scheme shall have the meaning ascribed to them under the relevant Applicable Law (as defined hereinafter); and (iii) the following expressions shall have the meanings ascribed hereunder:

“Act” means the Companies Act, 2013 and rules framed thereunder;

“Appointed Date” means the 1 April 2022 or such other date as may be decided by the Board of the Parties;

“Applicable Law” means any applicable central, provincial, local or other law including all applicable provisions of all: (a) constitutions, decrees, treaties, statutes, laws (including the common law), codes, notifications, rules, regulations, policies, guidelines, circulars, directions, directives, ordinances or orders of any Appropriate Authority, statutory authority, court, tribunal having jurisdiction over the Parties; (b) Permits; and (c) orders, decisions, injunctions, judgments, awards and decrees of or agreements with any Appropriate Authority having jurisdiction over the Parties as may be in force from time to time;

“Appropriate Authority” means:

- (i) the government of any jurisdiction (including any central, State, municipal or local government or any political or administrative subdivision thereof) and any department, ministry, agency, instrumentality, court, central bank, commission or other authority thereof;
- (ii) any public international organisation or supranational body and its institutions, departments, agencies and instrumentalities;
- (iii) any governmental, quasi-governmental or private body or agency lawfully exercising, or entitled to exercise, any administrative, executive, judicial, legislative, regulatory, licensing, competition, tax, importing or other governmental or quasi-governmental authority including (without limitation), SEBI, the Tribunal; and
- (iv) Stock Exchanges.

“BL ESOP” means (i) Borosil Limited – Special Purpose Employee Stock Option Plan 2020; and (ii) Borosil Limited Employee Stock Option Scheme 2020, framed by the Demerged Company under the SEBI (Share Based Employee Benefits) Regulations, 2014 and as amended from time to time;

“Board” in relation to each of the Parties, means the board of directors of such Party, and shall include a committee of directors or any person authorized by the board of directors or such committee of directors duly constituted and authorized for the purposes of matters pertaining to this Scheme or any other matter relating thereto;

“Demerged Company” means Borosil Limited, a public company incorporated under the provisions of the Companies Act, 1956 and having its Corporate Identity Number L36100MH2010PLC292722 and registered office at 1101, 11th Floor, Crescenzo, G-Block, Plot No C-38, Opp. MCA Club, Bandra Kurla Complex, Bandra (East), Mumbai – 400 051, Maharashtra;

“Demerged Undertaking” shall mean entire activities, business, operations and undertakings of the Demerged Company forming part of the Scientific and Industrial Products Business (including investments in the Resulting Company and the Transferor Company), as on the Appointed Date, and shall include (without limitation):

- (i) all the properties (whether movable or immovable) of the Scientific and Industrial Products Business, wherever situated, including all computers and accessories, software and related data, plant and machinery, capital work in progress, vehicles, furniture, fixtures, office equipment, electricals, appliances, accessories, pertaining to or relatable to the Scientific and Industrial Products Business;
- (ii) all brands, trademarks, logos, trade and corporate name and intellectual property rights exclusive to the Scientific and Industrial Products Business;
- (iii) all rights (including management rights towards funds and carry rights) and licenses, all assignments and grants thereof, all Permits, clearances and registrations whether under central, state or other laws, rights (including rights/ obligations under agreement(s) entered into with various persons including independent consultants, subsidiaries/ associate companies and other shareholders of such subsidiary/ associate/ joint venture companies, contracts, applications, letters of intent, memorandum of understandings or any other contracts), rights of commercial nature including attached goodwill, non-disposal undertakings, certifications and approvals, regulatory approvals, entitlements, other licenses, consents, investments (including investments in the Resulting Company and the Transferor Company) and/ or interest (whether vested, contingent or otherwise), taxes, share of tax deducted at source and minimum alternate tax credits (including but not limited to credits in respect of sales tax, value added tax, service tax, goods and services tax, and other indirect taxes), deferred tax benefits and other benefits in respect of the Scientific and Industrial Products Business, tax losses, if any, cash balances, bank accounts and bank balances, deposits, advances, recoverables, receivables, easements, advantages, financial assets, treasury investments, hire purchase and lease arrangement, funds belonging to or proposed to be utilised for the Scientific and Industrial Products Business, privileges, all other claims, rights and benefits, powers and facilities of every kind, nature and description whatsoever, utilities, provisions, funds, benefits of all agreements, contracts and arrangements and all other interests relating to the Scientific and Industrial Products Business;
- (iv) all books, records, files, papers, governance templates and process information, records of standard operating procedures, computer programmes along with their licenses, manuals and backup copies, advertising materials, and other data and records whether in physical or electronic form, directly or indirectly in connection

with or relating to the Scientific and Industrial Products Business;

- (v) all contracts, deeds, bonds, agreements, schemes, arrangements, distributor agreements, sub advisory arrangements and other instruments, permits, rights, entitlements, leases/ licenses, operation and maintenance contracts, memorandum of understanding, memorandum of agreements, memorandum of agreed points, letters of intent, hire and purchase agreements, tenancy rights, equipment purchase agreement, POA (power of attorney) and other agreement and/or arrangement, as amended and restated from time to time, whether executed with customers, suppliers, contractors, lessors, licensors, consultants, advisors or otherwise, which pertains to the Scientific and Industrial Products Business;
- (vi) any and all earnest monies and/ or security deposits, or other entitlements in connection with or relating to the Scientific and Industrial Products Business;
- (vii) all employees of the Demerged Company that are determined by the Board of the Demerged Company to be substantially engaged in, or in relation to, the Scientific and Industrial Products Business, on the date immediately preceding the Effective Date;
- (viii) all liabilities present and future, corporate guarantees issued and the contingent liabilities pertaining or relatable to the Scientific and Industrial Products Business, namely:
 - (a) the debts of the Demerged Company which arises out of the activities or operations of the Scientific and Industrial Products Business;
 - (b) specific loans and borrowings raised, incurred and utilised by the Demerged Company for the activities or operations of or pertaining to the Scientific and Industrial Products Business; and
 - (c) general or multipurpose borrowings, if any, of the Demerged Company will be apportioned basis the proportion of the value of the assets transferred as part of Scientific and Industrial Products Business to the total value of the assets of the Demerged Company immediately prior to the Appointed Date.
- (ix) funds required to incur capital expenditure in respect of tubing furnace as approved by the Board of the Demerged Company;
- (x) entire experience, credentials, past record and market share of the Demerged Company pertaining to the Scientific and Industrial Products Business;
- (xi) All reserves relating to the Scientific and Industrial Products Business as identified by the Board of the Demerged Company; and
- (xii) all legal or other proceedings of whatsoever nature, by or against the Demerged Company pending as on the Effective Date and relating to the Scientific and Industrial Products Business.

It is clarified that the question of whether a specified asset (including investments or surplus funds) or liability pertains to or does not pertain to the Demerged Undertaking shall be decided mutually by the Board of the Demerged Company and the Resulting Company.

“Effective Date” means the date on which last of the conditions specified in Clause 28 (Conditions Precedent) of this Scheme are complied with or waived, as applicable;

“Encumbrance” means (i) any charge, lien (statutory or other), or mortgage, any easement, encroachment, right of way, right of first refusal or other encumbrance or security interest securing any obligation of any Person; (ii) pre-emption right, option, right to acquire, right to set off or other third party right or claim of any kind, including any restriction on use, voting, selling, assigning, pledging, hypothecating, or creating a security interest in, place in trust (voting or otherwise), receipt of income or exercise; or (iii) any equity, assignments hypothecation, title retention, restriction, power of sale or other type of preferential arrangements; or (iv) any agreement to create any of the above; the term **“Encumber”** shall be construed accordingly;

“INR” means Indian Rupee, the lawful currency of the Republic of India;

“Income Tax Act” means the Income-tax Act, 1961 as may be amended or supplemented from time to time and shall include any statutory replacement or re-enactment thereof, read together with all applicable bye-laws, rules, regulations, orders, ordinances, policies, directions, supplements issued thereunder;

“Parties” shall mean collectively the Demerged Company, Resulting Company/ Transferee Company and Transferor Company and **“Party”** shall mean each of them, individually;

“Permits” means all consents, licences, permits, certificates, permissions, authorisations, rights, clarifications, approvals, clearances, confirmations, declarations, waivers, exemptions, registrations, filings, whether governmental, statutory, regulatory or otherwise as required under Applicable Law;

“Person” means an individual, a partnership, a corporation, a limited liability partnership, a limited liability company, an association, a joint stock company, a trust, a joint venture, an unincorporated organization or an Appropriate Authority;

“Record Date” means the date to be fixed by the Board of the Demerged Company, in consultation with the Resulting Company for the purpose of determining the shareholders of the Demerged Company for issue of the Resulting Company New Equity Shares, pursuant to this Scheme;

“Remaining Business” means all of the businesses, units, divisions, undertakings, and assets and liabilities of the Demerged Company, other than the Demerged Undertaking;

“Resulting Company” or **“Transferee Company”** means Klass Pack Limited, a public company incorporated under the provisions of the Companies Act, 1956 and having its corporate identity number U74999MH1991PLC061851 and registered office at 1101, 11th Floor, Crescenzo, G-Block, Plot No C-38, Opp. MCA Club, Bandra Kurla Complex, Bandra (East), Mumbai – 400 051, Maharashtra;

“RoC” means the Registrar of Companies having jurisdiction over the Parties;

“Scheme” means this composite scheme of arrangement, with or without any modification(s);

“Scientific and Industrial Products Business” means the business of the Demerged 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 & industrial and consumer products;

“**SEBI**” means the Securities and Exchange Board of India;

“**SEBI Circular**” means the circular issued by the SEBI, being SEBI Master Circular No. SEBI/HO /CFD/DIL1/CIR/P/2021/0000000665 dated November 23, 2021, and any amendments thereof, modifications issued pursuant to regulations 11, 37 and 94 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015;

“**SEBI LODR Regulations**” means SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and any amendments thereof;

“**Stock Exchanges**” means BSE Limited and National Stock Exchange of India Limited, collectively;

“**Taxation**” or “**Tax**” or “**Taxes**” includes all forms of taxes and statutory, governmental, state, provincial, local governmental or municipal impositions, duties, contributions, taxes under the Income Tax Act and levies and whether levied by reference to income, profits, book profits, gains, net wealth, asset values, turnover, added value or otherwise and shall further include payments in respect of or on account of tax, whether by way of deduction or collection at source, advance tax, minimum alternate tax or otherwise or attributable directly or primarily to the Parties or any other Person and all penalties, charges, costs and interest relating thereto;

“**Tax Laws**” means all Applicable Laws, acts, rules and regulations dealing with Taxes including but not limited to the income-tax, wealth tax, sales tax / value added tax, service tax, goods and services tax, excise duty, customs duty or any other levy of similar nature;

“**Transferor Company**” means Borosil Technologies Limited a public company incorporated under the provisions of the Companies Act, 1956 and having its corporate identification number U36999MH2009PLC197226 and registered office at 1101, 11th Floor, Crescenzo, G-block, Plot No C-38, Opp. MCA Club, Bandra-Kurla Complex, Bandra (East), Mumbai – 400 051, Maharashtra; and

“**Tribunal**” means the Mumbai bench of the Hon’ble National Company Law Tribunal having jurisdiction over the Parties.

1.2 In this Scheme, unless the context otherwise requires:

1.2.1 words denoting the singular shall include the plural and vice versa;

1.2.2 headings, sub-headings, titles, sub-titles to clauses, sub-clauses and paragraphs are for information and convenience only and shall be ignored in construing the same; and

1.2.3 the words “include” and “including” are to be construed without limitation.

2. **SHARE CAPITAL**

2.1 The share capital of the Demerged Company as on 31 January 2022 is as follows:

| Particulars | INR |
|---|---------------------|
| Authorised share capital | |
| 27,00,00,000 equity shares of INR 1 each | 27,00,00,000 |
| 2,80,00,000 preference shares of INR 10 each | 28,00,00,000 |
| Total | 55,00,00,000 |
| Issued, subscribed and paid up capital | |
| 11,41,54,667 equity shares of INR 1 each, fully paid up | 11,41,54,667 |
| Total | 11,41,54,667 |

Subsequent to the above date, there has been no change in the authorised, issued, subscribed and paid up share capital of the Demerged Company till the date of approval of the Scheme by the Board of the Demerged Company.

The Demerged Company has outstanding employee stock options under its BL ESOP, the exercise of which may result in an increase in the issued, subscribed and paid-up share capital of the Demerged Company.

2.2 The share capital of the Resulting Company as on 31 January 2022 is as follows:

| Particulars | INR |
|--|---------------------|
| Authorised share capital | |
| 20,00,000 equity shares of INR 100 each | 20,00,00,000 |
| Total | 20,00,00,000 |
| Issued, subscribed and paid up capital | |
| 16,32,949 equity shares of INR 100 each, fully paid up | 16,32,94,900 |
| Total | 16,32,94,900 |

Subsequent to the above date, there has been no change in the authorised, issued, subscribed and paid up share capital of the Resulting Company till the date of approval of the Scheme by the Board of the Resulting Company. The Demerged Company holds 82.49% of the issued, subscribed and paid up equity share capital of the Resulting Company.

2.3 The share capital of the Transferor Company as on 31 January 2022 is as follows:

| Particulars | INR |
|---|---------------------|
| Authorised Share Capital | |
| 1,00,00,000 equity shares of INR 10 each | 10,00,00,000 |
| Total | 10,00,00,000 |
| Issued, subscribed and paid up capital | |
| 95,84,043 equity shares of INR 10 each, fully paid up | 9,58,40,430 |
| Total | 9,58,40,430 |

Subsequent to the above date, there has been no change in the authorised, issued, subscribed and paid up share capital of the Transferor Company till the date of approval of the Scheme by the Board of the Transferor Company. The Transferor Company is a wholly owned subsidiary of the Demerged Company.

3. DATE OF TAKING EFFECT AND IMPLEMENTATION OF THIS SCHEME

- 3.1 This Scheme set out herein in its present form or with any modification(s) made under Clause 27 of this Scheme, shall become operative from the Effective Date and effective from the Appointed Date.

PART II

REDUCTION AND REORGANIZATION OF EQUITY SHARE CAPITAL OF THE RESULTING COMPANY

4. REDUCTION AND REORGANIZATION OF EQUITY SHARE OF THE RESULTING COMPANY

- 4.1 With effect from the Effective Date, 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 to INR 1,63,29,490 divided into 16,32,949 equity shares of INR 10 each fully paid up.
- 4.2 Immediately, upon reduction of the face value of the equity shares of the Resulting Company under Clause 4.1 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.
- 4.3 The reduction and reorganisation of the share capital of the Resulting Company under Sections 230 to 232 of the Act shall be effected as an integral part of this Scheme itself.
- 4.4 The reduction and reorganisation of the equity shares of the Resulting Company as stated in Clause 4.1 and Clause 4.2 above, does not involve any diminution of liability in respect of any unpaid share capital or payment to any shareholder of any paid-up share capital or payment in any other form.
- 4.5 Notwithstanding the reduction in the equity share capital of the Resulting Company, the Resulting Company shall not be required to add 'And Reduced' as suffix to its name.
- 4.6 It is clarified that the approval of the members of the Resulting Company to the Scheme shall be deemed to be their consent/ approval also to the alteration of the memorandum and articles of association of the Resulting Company as may be required under the Act.

PART III

DEMERGER AND VESTING OF THE DEMERGED UNDERTAKING

5. DEMERGER AND VESTING OF THE DEMERGED UNDERTAKING

- 5.1 Immediately upon effectiveness of Part II of this Scheme and with effect from the Appointed Date and in accordance with the provisions of this Scheme and pursuant to Sections 230 to

232 and other applicable provisions of the Act and Section 2(19AA) of the Income Tax Act, the Demerged Undertaking shall, without any further act, instrument or deed, stand transferred to and vested in or be deemed to have been transferred to and vested in the Resulting Company on a *going concern* basis, so as to become as an from the Appointed Date, the assets, Permits, contracts, liabilities, loan, debentures, duties and obligations of the Resulting Company by virtue of operation of law, and in the manner provided in this Scheme.

This Scheme complies with the definition of “demerger” as per Section 2(19AA) and other applicable provisions of the Income Tax Act. Subject to approval by the Board of the Parties, if any terms of this Scheme are found to be or interpreted to be inconsistent with provisions of the Income Tax Act, then this Scheme shall stand modified to be in accordance with aforesaid provisions of the Income Tax Act.

5.2 Without prejudice to the generality of the provisions of Clause 5.1 above, the manner of transfer and vesting of assets and liabilities forming part of the Demerged Undertaking under this Scheme, is as follows:

5.2.1 In respect of such of the assets and properties forming part of the Demerged Undertaking which are movable in nature (including but not limited to all intangible assets, brands, trademarks of the Demerged Undertaking, whether registered or unregistered trademarks along with all rights of commercial nature including attached goodwill, title, interest, labels and brand registrations, domain names, copyrights, trademarks and all such other industrial and intellectual property rights of whatsoever nature) or are otherwise capable of transfer by delivery or possession or by endorsement, shall stand transferred upon the Part III of the Scheme coming into effect and shall, *ipso facto* and without any other order to this effect, become the assets and properties of the Resulting Company without requiring any deed or instrument of conveyance for transfer of the same. The vesting pursuant to this sub-clause shall be deemed to have occurred by physical or constructive delivery or by endorsement and delivery or by vesting and recordal, pursuant to this Scheme, as appropriate to the property being vested, and title to the property shall be deemed to have been transferred accordingly;

5.2.2 Subject to Clause 5.2.3 below, with respect to the assets forming part of the Demerged Undertaking other than those referred to in Clause 5.2.1 above, including all rights, title and interests in the agreements (including agreements for lease or license of the properties), investments in shares, mutual funds, bonds and any other securities, sundry debtors, claims from customers or otherwise, outstanding loans and advances, if any, recoverable in cash or in kind or for value to be received, bank balances and deposits, if any, with any Appropriate Authority, customers and other Persons, whether or not the same is held in the name of the Demerged Company, the same shall, without any further act, instrument or deed, be transferred to and vested in and/ or be deemed to be transferred to and vested in the Resulting Company, with effect from the Appointed Date by operation of law as transmission in favour of Resulting Company. With regard to the licenses of the properties, the Resulting Company will enter into novation agreements, if it is so required;

5.2.3 In respect of such of the assets and properties forming part of the Demerged Undertaking which are immovable in nature, whether or not included in the books of the Demerged Company, including rights, interest and easements in relation thereto, the same shall stand transferred to the Resulting Company with effect from the

Appointed Date, without any act or deed or conveyance being required to be done or executed by the Demerged Company and/ or the Resulting Company;

- 5.2.4 For the avoidance of doubt and without prejudice to the generality of Clause 5.2.3 above and Clause 5.2.5 below, it is clarified that, with respect to the immovable properties forming part of the Demerged Undertaking in the nature of land and buildings, the Demerged Company and/ or the Resulting Company shall register the true copy of the orders of the Tribunal approving the Scheme with the offices of the relevant Sub-registrar of Assurances or similar registering authority having jurisdiction over the location of such immovable property and shall also execute and register, as required, such other documents as may be necessary in this regard. For the avoidance of doubt, it is clarified that any document executed pursuant to this Clause 5.2.4 or Clause 5.2.5 below will be for the limited purpose of meeting regulatory requirements and shall not be deemed to be a document under which the transfer of any property of the Demerged Company takes place and the assets and liabilities forming part of the Demerged Undertaking shall be transferred solely pursuant to and in terms of this Scheme and the order of the Tribunal sanctioning this Scheme;
- 5.2.5 Notwithstanding anything contained in this Scheme, with respect to the immovable properties forming part of the Demerged Undertaking in the nature of land and buildings situated in states other than the state of Maharashtra, whether owned or leased, for the purpose of, *inter alia*, payment of stamp duty and vesting in the Resulting Company, if the Resulting Company so decides, the Demerged Company and/ or the Resulting Company, whether before or after the Effective Date, may execute and register or cause to be executed and registered, separate deeds of conveyance or deeds of assignment of lease, as the case may be, in favour of the Resulting Company in respect of such immovable properties. Each of the immovable properties, only for the purposes of the payment of stamp duty (if required under Applicable Law), shall be deemed to be conveyed at a value determined by the relevant authorities in accordance with the applicable circle rates. The transfer of such immovable properties shall form an integral part of the Demerged Undertaking vested in the Resulting Company pursuant to this Scheme;
- 5.2.6 Upon effectiveness of Part III of the Scheme and with effect from the Appointed Date, all debts, liabilities, contingent liabilities, present or future, duties and obligations, secured or unsecured, whether known or unknown, including contingent/ potential Tax liabilities of the Demerged Undertaking shall pursuant to the applicable provisions of the Act and the provisions of Part III of this Scheme and without any further act or deed become the debts, liabilities, contingent liabilities, duties and obligations of the Resulting Company and the Resulting Company shall undertake to meet, discharge and satisfy the same in terms of their respective terms and conditions, if any. For the avoidance of doubt, it is clarified that it shall not be necessary to obtain the consent of any third party or other person who is a party to any contract or arrangement by virtue of which such debts, liabilities, duties and obligations have arisen in order to give effect to the provisions of this Clause. The amounts of general or multipurpose borrowings, if any, of the Demerged Company will be apportioned basis the proportion of the value of the assets transferred as part of the Demerged Undertaking to the total value of the assets of the Demerged Company immediately before Appointed Date;
- 5.2.7 The Demerged Company may, at its sole discretion but without being obliged to, give notice in such form as it may deem fit and proper, to such Persons, as the case may

be, that any debt, receivable, bill, credit, loan, advance, debenture or deposit, contracts or policies relating to the Demerged Undertaking stands transferred to and vested in the Resulting Company and that appropriate modification should be made in their respective books/ records to reflect the aforesaid changes;

- 5.2.8 Unless otherwise agreed to between the Board of the Demerged Company and the Resulting Company, the vesting of all the assets of the Demerged Company forming part of the Demerged Undertaking, as aforesaid, shall be subject to the Encumbrances, if any, over or in respect of any of the assets or any part thereof, provided however that such Encumbrances shall be confined only to the relevant assets forming part of the Demerged Undertaking of the Demerged Company or part thereof on or over which they are subsisting on and vesting of such assets in the Resulting Company and no such Encumbrances shall extend over or apply to any other asset(s) of Resulting Company. Any reference in any security documents or arrangements (to which Demerged Company is a party) related to any assets of Demerged Company shall be so construed to the end and intent that such security shall not extend, nor be deemed to extend, to any of the other asset(s) of Resulting Company. Similarly, Resulting Company shall not be required to create any additional security over assets vested under this Scheme for any loans, deposits or other financial assistance already availed of /to be availed of by it, and the Encumbrances in respect of such indebtedness of the Demerged Company shall not extend or be deemed to extend or apply to the assets so vested;
- 5.2.9 In so far as any Encumbrance in respect of liabilities pertaining to the Demerged Undertaking is concerned, such Encumbrance shall without any further act, instrument or deed being required to be modified and, if so agreed, shall be extended to and shall operate over the assets of the Resulting Company. For the avoidance of doubt, it is hereby clarified that in so far as the assets comprising the Remaining Business are concerned, the Encumbrance, if any, over such assets relating to the liabilities pertaining to the Demerged Undertaking is concerned, without any further act, instrument or deed being required, be released and discharged from the obligations and Encumbrances relating to the same. Further, in so far as the assets comprised in the Demerged Undertaking are concerned, the Encumbrance over such assets relating to any loans, borrowings or other debts which are not transferred to the Resulting Company pursuant to this Scheme and which shall continue with the Demerged Company, shall without any further act or deed be released from such Encumbrance and shall no longer be available as security in relation to such liabilities;
- 5.2.10 Taxes, if any, paid or payable by the Demerged Company after the Appointed Date and specifically pertaining to Demerged Undertaking shall be treated as paid or payable by the Resulting Company and the Resulting Company shall be entitled to claim the credit, refund or adjustment for the same as may be applicable;
- 5.2.11 Upon the Scheme becoming effective, the Demerged Company and/ or the Resulting Company shall have the right to revise their respective financial statements, income tax returns, tax deducted at source (TDS) returns and other statutory returns along with prescribed forms, filings and annexures under the Tax Laws and to claim refunds, credit of tax deducted at source, credit of minimum alternate tax, credit of foreign taxes paid / withheld, carry forward of tax losses, credits in respect of sales tax, value added tax, service tax, goods and services tax (GST) and other indirect taxes etc., and for matters incidental thereto, if required, to give effect to the provisions of the Scheme. It is further clarified that the Resulting Company shall be entitled to claim

deduction under Section 43B of the Income Tax Act in respect of unpaid liabilities transferred to it as part of the Demerged Undertaking to the extent not claimed by the Demerged Company;

- 5.2.12 Subject to Clause 5 and any other provisions of the Scheme, in respect of any refund, benefit, incentive, grant or subsidy in relation to or in connection with the Demerged Undertaking, the Demerged Company shall, if so required by the Resulting Company, issue notices in such form as the Resulting Company may deem fit and proper, stating that pursuant to the Tribunal having sanctioned this Scheme, the relevant refund, benefit, incentive, grant or subsidy be paid or made good to or held on account of the Resulting Company, as the Person entitled thereto, to the end and intent that the right of the Demerged Company to recover or realise the same stands transferred to the Resulting Company and that appropriate entries should be passed in their respective books to record the aforesaid changes;
- 5.2.13 On and from the Effective Date, all cheques and other negotiable instruments and payment orders received or presented for encashment which are in the name of the Demerged Company and are in relation to or in connection with the Demerged Undertaking, shall be accepted by the bankers of the Resulting Company and credited to the account of Resulting Company, if presented by Resulting Company;
- 5.2.14 Permits, including the benefits attached thereto of the Demerged Company, in relation to the Demerged Undertaking, shall subject to Applicable Law be transferred to the Resulting Company from the Appointed Date, without any further act, instrument or deed and shall be appropriately mutated or endorsed by the Appropriate Authorities concerned therewith in favour of the Resulting Company as if the same were originally given by, issued to or executed in favour of Resulting Company and the Resulting Company shall be bound by the terms, obligations and duties thereunder, and the rights and benefits under the same shall be available to the Resulting Company to carry on the operations of the Demerged Undertaking without any hindrance, whatsoever; and
- 5.2.15 Contracts in relation to the Demerged Undertaking, where the Demerged Company is a party, shall stand transferred to and vested in the Resulting Company pursuant to the Scheme becoming effective. The absence of any formal amendment which may be required by a third party to effect such transfer and vesting shall not affect the operation of the foregoing sentence. The Demerged Company and the Resulting Company shall, wherever necessary, enter into and/ or execute deeds, writings, confirmations or novations to all such contracts, if necessary, in order to give formal effect to the provisions of this Clause.
- 5.3 Without prejudice to the provisions of the foregoing sub-clauses of this Clause, the Demerged Company and the Resulting Company may execute any and all instruments or documents and do all the acts, deeds and things as may be required, including executing necessary confirmatory deeds for filing with the trademark registry and Appropriate Authorities, filing of necessary particulars and/ or modification(s) of charge, necessary applications, notices, intimations or letters with any Appropriate Authority or Person to give effect to the Scheme. The Resulting Company shall take such actions as may be necessary and permissible to get the assets, Permits and contracts forming part of the Demerged Undertaking transferred and/ or registered in its name.

6. EMPLOYEES

- 6.1 With effect from the Effective Date, the Resulting Company undertakes to engage, without any interruption in service, all employees of the Demerged Company, engaged in or in relation to the Demerged Undertaking, on the terms and conditions not less favourable than those on which they are engaged by the Demerged Company. The Resulting Company undertakes to continue to abide by any agreement/ settlement or arrangement, if any, entered into or deemed to have been entered into by the Demerged Company with any of the aforesaid employees or union representing them. The Resulting Company agrees that the services of all such employees with the Demerged Company prior to the demerger shall be taken into account for the purposes of all existing benefits to which the said employees may be eligible, including for the purpose of payment of any retrenchment compensation, leave balance, gratuity, superannuation and other retiral/ terminal benefits. The decision on whether or not an employee is part of the Demerged Undertaking, be decided by the Demerged Company, and shall be final and binding on all concerned.
- 6.2 Upon the Scheme coming into effect and with effect from the Appointed Date, employment information, including personnel files (including hiring documents, existing employment contracts, and documents reflecting changes in an employee's position, compensation, or benefits), payroll records, medical documents (including documents relating to past or on-going leaves of absence, on the job injuries or illness, or fitness for work examinations), disciplinary records, supervisory files relating to the employees of the Demerged Undertaking and all forms, notifications, orders and contribution / identity cards issued by the concerned authorities relating to benefits shall be deemed to have been transferred to the Resulting Company.
- 6.3 The accumulated balances, if any, standing to the credit of the aforesaid employees in the existing provident fund, gratuity fund and superannuation fund of which they are members, as the case may be, will be transferred respectively to such provident fund, gratuity fund and superannuation funds nominated by the Resulting Company and/or such new provident fund, gratuity fund and superannuation fund to be established in accordance with Applicable Law and caused to be recognized by the Appropriate Authorities, by the Resulting Company. Pending the transfer as aforesaid, the provident fund, gratuity fund and superannuation fund dues of the said employees would be continued to be deposited in the existing provident fund, gratuity fund and superannuation fund respectively of the Demerged Company.
- 6.4 **Employee stock options:**
- 6.4.1 Upon the coming into effect of Part III of the Scheme, the Resulting Company shall formulate new employee stock option scheme(s) by adopting the BL ESOP of the Demerged Company, as modified in accordance with the variations mentioned in this Clause 6.4;
- 6.4.2 With respect to the stock options granted by the Demerged Company to the employees of the Demerged Company or its subsidiaries (irrespective of whether they continue to be employees of the Demerged Company or its subsidiaries or become employees of the Resulting Company or its subsidiaries pursuant to this Scheme) under the BL ESOP and upon the Scheme becoming effective, the said employees shall be granted 3 (Three) stock options by the Resulting Company under the new scheme(s) for every 4 (Four) stock options held in the Demerged Company, whether the same are vested or not on terms and conditions similar to the BL ESOP;

- 6.4.3 The employee stock options granted by the Demerged Company under the BL ESOP, would continue to be held by the employees concerned (irrespective of whether they continue to be employees of the Demerged Company or its subsidiaries or become employees of the Resulting Company or its subsidiaries). Upon coming into effect of the Scheme, the Demerged Company shall take necessary steps to modify the BL ESOP in a manner considered appropriate and in accordance with the Applicable Laws, in order to enable the continuance of the same in the hands of the employees who become employees of the Resulting Company or its subsidiaries, subject to the approval of the Stock Exchanges and the relevant regulatory authorities, if any, under Applicable Law;
- 6.4.4 The existing exercise price of the stock options granted by the Demerged Company under the BL ESOP, shall be modified and the Board of the Demerged Company shall determine the exercise price consequent to the demerger. The Board of the Demerged Company and Resulting Company shall take such actions and execute such further documents as may be necessary or desirable for the purpose of giving effect to the provisions of Clause 6.4. Approval granted to the Scheme by the shareholders of the Demerged Company and the Resulting Company shall also be deemed to be the approval granted to any modifications made to the BL ESOP of the Demerged Company and approval granted to the new employee stock option scheme to be adopted by the Resulting Company, respectively;
- 6.4.5 While granting stock options, the Resulting Company shall take into account the period during which the employees held stock options granted by the Demerged Company prior to the issuance of the stock options by the Resulting Company, for determining of minimum vesting period required for stock options granted by the Resulting Company, subject to Applicable Laws;
- 6.4.6 The Demerged Company and the Resulting Company shall reimburse each other for cost debited to the profit & loss account or any suspense / subsidy account, subsequent to the Appointed Date, in relation to stock options issued to employees of the other company or its subsidiaries, if necessary and required; and
- 6.4.7 The Boards of the Demerged Company and the Resulting Company or any of the committee(s) thereof, if any, shall take such actions and execute such further documents as may be necessary or desirable for the purpose of giving effect to the provisions of this Clause 6.4 of the Scheme.

7. LEGAL PROCEEDINGS

- 7.1 With effect from the Effective Date, all suits, actions, administrative proceedings, tribunals proceedings, show cause notices, demands and legal proceedings of whatsoever nature (except proceedings under Tax laws) by or against the Demerged Company pending and/ or arising on or before the Appointed Date or which may be instituted any time thereafter and in each case relating to the Demerged Undertaking shall not abate or be discontinued or be in any way prejudicially affected by reason of this Scheme or by anything contained in this Scheme but shall be continued and be enforced by or against the Resulting Company with effect from the Appointed Date in the same manner and to the same extent as would or might have been continued and enforced by or against the Demerged Company. Except as otherwise provided herein, the Demerged Company shall in no event be responsible or liable in relation to any such legal or other proceedings that stand transferred to the Resulting Company. The Resulting Company shall be substituted in place of the Demerged Company or added as party

to such proceedings and shall prosecute or defend such proceedings at its own cost, in cooperation with the Demerged Company and the liability of the Demerged Company shall consequently stand nullified. The Demerged Company shall in no event be responsible or liable in relation to any such legal or other proceedings in relation to the Demerged Undertaking.

- 7.2 The Resulting Company undertakes to have all legal and other proceedings (except proceedings under Tax laws) initiated by or against the Demerged Company referred to in Clause 7.1 above transferred to its name as soon as is reasonably practicable after the Effective Date and to have the same continued, prosecuted and enforced by or against the Resulting Company to the exclusion of the Demerged Company on priority. Both the Demerged Company and/ or the Resulting Company shall make relevant applications and take all steps as may be required in this regard. It is clarified that all Tax proceedings in relation to the Demerged Undertaking for a period prior to the Appointed Date shall be enforced against the Demerged Company and pertaining to the period after the Appointed Date shall be enforced against the Resulting Company.
- 7.3 Notwithstanding anything contained hereinabove, if at any time after the Effective Date, the Demerged Company is in receipt of any demand, claim, notice and/ or is impleaded as a party in any proceedings before any Appropriate Authority (except proceedings under Tax laws), in each case in relation to the Demerged Undertaking, the Demerged Company shall, in view of the transfer and vesting of the Demerged Undertaking pursuant to this Scheme, take all such steps in the proceedings before the Appropriate Authority to replace the Demerged Company with the Resulting Company. However, if the Demerged Company is unable to get the Resulting Company replaced in such proceedings, the Demerged Company shall defend the same or deal with such demand in accordance with the advice of the Resulting Company and at the cost of the Resulting Company and the latter shall reimburse to the Demerged Company all liabilities and obligations incurred by the Demerged Company in respect thereof.

8. **CONSIDERATION**

- 8.1 Immediately upon effectiveness of Part II of this Scheme and upon Part III of the Scheme coming into effect and in consideration of and subject to the provisions of this Scheme, the Resulting Company shall, without any further application, act, deed, consent, acts, instrument or deed, issue and allot, on a proportionate basis to the shareholders of the Demerged Company whose name is recorded in the register of members and records of the depository as members of the Demerged Company as on the Record Date, as under:

3 (Three) fully paid up equity share of INR 1/- each of the Resulting Company (post proposed re-organisation of share capital) credited as fully paid up, for every 4 (Four) fully paid up equity share of INR 1/- each of the Demerged Company

The equity shares of the Resulting Company to be issued pursuant to Clause 8.1 shall be referred to as “**Resulting Company New Equity Shares**”.

- 8.2 The Resulting Company New Equity Shares shall be subject to the provisions of the memorandum of association and articles of association of the Resulting Company, as the case may be, and shall rank *pari passu* in all respects with any existing equity shares of Resulting Company, as the case may be, after the Effective Date including with respect to dividend, bonus, right shares, voting rights and other corporate benefits attached to the equity shares of the Resulting Company.

- 8.3 The issue and allotment of Resulting Company New Equity Shares, is an integral part hereof and shall be deemed to have been carried out under the orders passed by the Tribunal without requiring any further act on the part of the Resulting Company or the Demerged Company or their shareholders and as if the procedure laid down under the Act and such other Applicable Laws as may be applicable were duly complied with. It is clarified that the approval of the members and creditors of the Resulting Company and/ or the Demerged Company to this Scheme, shall be deemed to be their consent/ approval for the issue and allotment of Resulting Company New Equity Shares.
- 8.4 Subject to Applicable Laws, the Resulting Company New Equity Shares that are to be issued in terms of this Scheme shall be issued in dematerialised form. The register of members maintained by the Resulting Company and/ or, other relevant records, whether in physical or electronic form, maintained by the Resulting Company, the relevant depository and registrar and transfer agent in terms of Applicable Laws shall (as deemed necessary by the Board of the Resulting Company) be updated to reflect the issue of Resulting Company New Equity Shares in terms of this Scheme. The shareholders of the Demerged Company who hold shares in physical form, should provide the requisite details relating to his/ her/ its account with a depository participant or other confirmations as may be required, to the Resulting Company, prior to the Record Date to enable it to issue the Resulting Company New Equity Shares.
- 8.5 However, if no such details have been provided to the Resulting Company by the shareholders of the Demerged Company holding shares in physical form on or before the Record Date, the Resulting Company shall deal with the relevant shares in such manner as may be permissible under the Applicable Law, including by way of issuing the corresponding shares in dematerialised form to a trustee nominated by the Board of Resulting Company ("**Trustee of Resulting Company**") who shall hold these shares in trust for the benefit of such shareholders. The shares of Resulting Company held by the Trustee of Resulting Company for the benefit of the shareholders shall be transferred to the respective shareholder once such shareholder provides details of his/ her/ its demat account to the Trustee of Resulting Company, along with such other documents as may be required by the Trustee of Resulting Company. The respective shareholders shall have all the rights of the shareholders of the Resulting Company, including the right to receive dividend, voting rights and other corporate benefits, pending the transfer of shares from the Trustee of Resulting Company. All costs and expenses incurred in this respect shall be borne by Resulting Company.
- 8.6 For the purpose of the allotment of the Resulting Company New Equity Shares pursuant to this Scheme, in case any shareholder's holding in any of the Demerged Company is such that the shareholder becomes entitled to a fraction of a share of the Resulting Company, the Resulting Company shall not issue fractional shares to such shareholder but shall consolidate all such fractions and round up the aggregate of such fractions to the next whole number and issue consolidated shares to a trustee (nominated by the Resulting Company in that behalf), who shall hold such shares, with all additions or accretions thereto, in trust for the benefit of the respective shareholders to whom they belong for the specific purpose of selling such shares in the market at such price or prices at any time within a period of 90 days from the date of allotment of Resulting Company New Equity Shares, as the trustee may, in its sole discretion, decide and distribute the net sale proceeds (after deduction of the expenses incurred and applicable income tax) to the respective shareholders in the same proportion of their fractional entitlements. Any fractional entitlements from such net proceeds shall be rounded off to the next Rupee. It is clarified that any such distribution shall take place only on the sale of all the shares of the Resulting Company pertaining to the fractional entitlements.

- 8.7 In the event of there being any pending share transfers, whether lodged or outstanding, of any shareholder of the Demerged Company, the Board of the Demerged Company shall be empowered in appropriate cases, prior to or even subsequent to the Record Date, to effectuate such a transfer as if such changes in the registered holder were operative as on the Record Date, in order to remove any difficulties arising to the transferor or transferee of shares in the Demerged Company, after effectiveness of Part III of this Scheme.
- 8.8 The Resulting Company New Equity Shares to be issued pursuant to this Scheme in respect of any shares of the Demerged Company which are held in abeyance under the provisions of Section 126 of the Act or otherwise shall pending allotment or settlement of dispute by order of Court or otherwise, be held in abeyance by the Resulting Company.
- 8.9 The shares to be issued by the Resulting Company *in lieu* of the shares of the Demerged Company held in the unclaimed suspense account shall be issued to a new unclaimed suspense account created for shareholders of the Resulting Company.
- 8.10 In the event, the Demerged Company and/ or the Resulting Company restructure their share capital by way of share split / consolidation / issue of bonus shares during the pendency of the Scheme, the share entitlement ratio, as per Clause 8.1 above shall be adjusted accordingly, to consider the effect of any such corporate actions.
- 8.11 The Resulting Company shall apply for listing of its equity shares on the Stock Exchanges in terms of and in compliance of SEBI Circular and other relevant provisions as may be applicable. The equity shares of the Resulting Company shall remain frozen in the depository system till listing/ trading permission is given by the Stock Exchanges. Further, there shall be no change in the shareholding pattern of the Resulting Company between the Record Date and the listing of its shares which may affect the status of approval of the Stock Exchanges.
- 8.12 Upon listing of equity shares of the Resulting Company pursuant to this Scheme, the shareholders of the Resulting Company, except the Demerged Company, shall be categorised as 'public' shareholders and the term 'public' shall carry the same meaning as defined under Rule 2 of Securities Contracts (Regulation) Rules, 1957.
- 8.13 The Resulting Company shall enter into such arrangements and give such confirmations and/ or undertakings as may be necessary in accordance with Applicable Law for complying with the formalities of the Stock Exchanges.

9. ACCOUNTING TREATMENT

9.1 Accounting treatment in the books of the Demerged Company:

9.1.1 Upon coming into effect of this Scheme and with effect from the Appointed Date, the Demerged Company shall reduce the book value of all assets (including goodwill), liabilities pertaining to the Demerged Undertaking and reserves related to the Demerged Undertaking, as identified by the Board of the Demerged Company, transferred to the Resulting Company from its books of accounts.

9.1.2 The difference between the book value of all assets (including goodwill), liabilities pertaining to the Demerged Undertaking and reserves related to the Demerged Undertaking, as identified by the Board of Demerged Company, transferred to the Resulting Company shall be adjusted in retained earnings of the Demerged Company.

9.2 Accounting treatment in the books of the Resulting Company:

- 9.2.1 Upon coming into effect of this Scheme and with effect from the Appointed Date, the Resulting Company shall account for the Demerged Undertaking in its books as per the applicable accounting principles as laid down in Appendix C of the Indian Accounting Standard 103 (Ind AS 103) (Business Combination of entities under common control), notified under the Act and/ or any other applicable Indian Accounting Standard as the case may be.
- 9.2.2 With respect to reduction of the equity share capital of the Resulting Company as specified in Clause 4.1 above, the Resulting Company shall reduce its equity share capital account in its books of account with corresponding increase in capital reserve for an aggregate of INR 90 multiplied by the equity shares held by the members of the Resulting Company.
- 9.2.3 The Resulting Company shall record the assets (including goodwill), liabilities and reserves comprised in the Demerged Undertaking transferred to and vested in it pursuant to this Scheme, at the same value as appearing in the books of the Demerged Company.
- 9.2.4 The reserves related to the Demerged Undertaking and being transferred to the Resulting Company as determined by the Board of the Demerged Company shall be preserved and shall appear in the financial statements of the Resulting Company in the same form and manner, in which they appeared in the financial statements of the Demerged Company.
- 9.2.5 The shareholding of the Demerged Company in the Resulting Company as on the Appointed Date will stand cancelled and the difference between the above and share capital of Resulting Company shall be adjusted in capital reserve.
- 9.2.6 The Resulting Company shall credit its share capital account in its books of account with the aggregate face value of the equity shares issued to shareholders of the Demerged Company pursuant to Clause 8 of this Scheme.
- 9.2.7 The difference, being the excess of book value of the assets over the liabilities pertaining to the Demerged Undertaking and reserves relating to Demerged Undertaking transferred from the Demerged Company and recorded by the Resulting Company in accordance with Clause 9.2.3 above, over the amount credited as share capital as per Clause 9.2.6 above, and after giving effect to Clause 9.2.5 above, shall be adjusted in capital reserve.
- 9.2.8 Loans, advances, deposits, balances and other dues outstanding as on the Appointed Date between the Demerged Company pertaining to the Demerged Undertaking and the Resulting Company will stand cancelled and there shall be no further obligation/ outstanding in that behalf and there would be no accrual of interest or any other charges in respect of such inter-company loans, deposits or balances, with effect from the Appointed Date.
- 9.2.9 In case of any differences in accounting policy between the Demerged Company and the Resulting Company, the accounting policies followed by the Resulting Company will prevail and the difference till the Appointed Date shall be adjusted in capital reserves of the Resulting Company, to ensure that the financial statements of the Resulting Company reflect the financial position on the basis of consistent accounting policy.

10. REDUCTION AND CANCELLATION OF EXISTING EQUITY SHARES OF THE RESULTING COMPANY HELD BY DEMERGED COMPANY

- 10.1 With effect from Part III of this Scheme becoming effective and upon allotment of Resulting Company New Equity Shares by the Resulting Company, the entire paid-up equity share capital, as on Effective Date, of the Resulting Company held by the Demerged Company (“**Resulting Company Cancelled Shares**”) shall stand cancelled, extinguished and annulled on and from the Effective Date and the issued, subscribed and paid up equity capital of the Resulting Company to that effect shall stand cancelled and reduced.
- 10.2 The reduction of the share capital of the Resulting Company under Sections 230 to 232 of the Act shall be effected as an integral part of this Scheme itself.
- 10.3 Notwithstanding the reduction in the equity share capital of the Resulting Company, the Resulting Company shall not be required to add ‘And Reduced’ as suffix to its name.
- 10.4 The reduction and cancellation of the Resulting Company Cancelled Shares, does not involve any diminution of liability of in respect of any unpaid share capital or payment to any shareholder of any paid-up share capital or payment in any other form.

11. CHANGE OF NAME OF THE RESULTING COMPANY

- 11.1 Upon this Scheme becoming effective, the name of the Resulting Company shall stand changed to ‘Borosil Scientific Limited’ or such other name which is available and approved by the RoC, by simply filing the requisite forms with the Appropriate Authority, unless already effected prior to the effectiveness of the Scheme, and no separate act, procedure, instrument, or deed shall be required to be followed under the Act.
- 11.2 Consequently, subject to Clause 11.1 above:

- 11.2.1 Clause I of the memorandum of association of the Resulting Company shall without any act, procedure, instrument or deed be and stand altered, modified and amended pursuant to Sections 13, 232 and other applicable provisions of the Act, and be replaced by the following Clause:

“The name of the Company is Borosil Scientific Limited.”

- 11.2.2 It is hereby clarified that, for the purposes of acts and events as mentioned in Clause 11.1 and 11.2, the consent of the shareholders of the Resulting Company to this Scheme shall be deemed to be sufficient for the purposes of effecting the aforementioned amendment and that no further resolution under Section 13, Section 14 or any other applicable provisions of the Act, would be required to be separately passed.

PART IV

AMALGAMATION OF TRANSFEROR COMPANY WITH TRANSFEREE COMPANY

12. AMALGAMATION AND VESTING OF ASSETS AND LIABILITIES AND ENTIRE BUSINESS OF THE TRANSFEROR COMPANY

- 12.1 Immediately upon effectiveness of Part II and Part III of this Scheme and with effect from the Appointed Date and in accordance with the provisions of this Scheme and pursuant to Sections

230 to 232 and other applicable provisions of the Act and Section 2(1B) of the Income Tax Act, the Transferor Company shall stand transferred to and vested in the Transferee Company as a *going concern* and accordingly, all assets, Permits, contracts, liabilities, loan, duties and obligations of the Transferor Company shall, without any further act, instrument or deed, stand transferred to and vested in or be deemed to have been transferred to and vested in the Transferee Company, so as to become as and from the Appointed Date, the assets, Permits, contracts, liabilities, loan, duties and obligations of the Transferee Company by virtue of operation of law, and in the manner provided in this Scheme.

12.2 Without prejudice to the generality of the provisions of Clause 12.1 above, the manner of transfer and vesting of assets and liabilities of the Transferor Company under this Scheme immediately upon effectiveness of Part IV of this Scheme and with effect from the Appointed Date, is as follows:

12.2.1 In respect of such of the assets and properties of the Transferor Company which are movable in nature (including but not limited to all intangible assets, brands, trademarks of the Transferor Company, whether registered or unregistered trademarks along with all rights of commercial nature including attached goodwill, title, interest, labels and brand registrations, copyrights trademarks and all such other industrial and intellectual property rights of whatsoever nature) or are otherwise capable of transfer by delivery or possession or by endorsement, shall stand transferred upon the Scheme coming into effect and shall, *ipso facto* and without any other order to this effect, become the assets and properties of the Transferee Company without requiring any deed or instrument of conveyance for transfer of the same. The vesting pursuant to this sub-clause shall be deemed to have occurred by physical or constructive delivery or by endorsement and delivery or by vesting and recordal, pursuant to this Scheme, as appropriate to the property being vested and title to the property shall be deemed to have been transferred accordingly.

12.2.2 Subject to Clause 12.2.3 below, with respect to the assets of the Transferor Company, other than those referred to in Clause 12.2.1 above, including all rights, title and interests in the agreements (including agreements for lease or license of the properties), investments in shares, mutual funds, bonds and any other securities, sundry debtors, outstanding loans and advances, if any, recoverable in cash or in kind or for value to be received, bank balances and deposits, if any, with Government, semi-Government, local and other authorities and bodies, customers and other persons, whether or not the same is held in the name of the Transferor Company shall, without any further act, instrument or deed, be transferred to and vested in and/ or be deemed to be transferred to and vested in the Transferee Company, with effect from the Appointed Date, by operation of law as transmission or as the case may be, in favour of Transferee Company.

12.2.3 In respect of such of the assets and properties of the Transferor Company which are immovable in nature, including rights, interest and easements in relation thereto, the same shall stand transferred to the Transferee Company with effect from the Appointed Date, without any act or deed or conveyance being required to be done or executed by the Transferor Company and/or the Transferee Company.

12.2.4 For the avoidance of doubt and without prejudice to the generality of Clause 12.2.3 above and Clause 12.2.5 below, it is clarified that, with respect to the immovable properties of the Transferor Company in the nature of land and buildings, the Transferor Company and/ or the Transferee Company shall register the true copy of

the orders of the Authority approving the Scheme with the offices of the relevant sub-registrar of Assurances or similar registering authority having jurisdiction over the location of such immovable property and shall also execute and register, as required, such other documents as may be necessary in this regard. For the avoidance of doubt, it is clarified that any document executed pursuant to this Clause 12.2.4 or Clause 12.2.5 below will be for the limited purpose of meeting regulatory requirements and shall not be deemed to be a document under which the transfer of any property of the Transferor Company takes place and the assets and liabilities of the Transferor Company shall be transferred solely pursuant to and in terms of this Scheme and the order of the Appropriate Authority sanctioning this Scheme.

- 12.2.5 Notwithstanding anything contained in this Scheme, with respect to the immovable properties of the Transferor Company in the nature of land and buildings situated in states other than the state of Maharashtra, whether owned or leased, for the purpose of, *inter alia*, payment of stamp duty and vesting in the Transferee Company, if the Transferee Company so decides, the Transferor Company and/ or the Transferee Company, whether before or after the Effective Date, may execute and register or cause to be executed and registered, separate deeds of conveyance or deeds of assignment of lease, as the case may be, in favour of the Transferee Company in respect of such immovable properties. Each of the immovable properties, only for the purposes of the payment of stamp duty (if required under Applicable Law), shall be deemed to be conveyed at a value determined by the relevant authorities in accordance with the applicable circle rates. The transfer of such immovable properties shall form an integral part of this Scheme.
- 12.2.6 All debts, liabilities, duties and obligations of the Transferor Company shall, without any further act, instrument or deed be transferred to, and vested in, and/ or deemed to have been transferred to, and vested in, the Transferee Company, so as to become on and from the Appointed Date, the debts, liabilities, duties and obligations of the Transferee Company on the same terms and conditions as were applicable to the Transferor Company, and it shall not be necessary to obtain the consent of any Person who is a party to contract or arrangement by virtue of which such liabilities have arisen in order to give effect to the provisions of this Clause 12.
- 12.2.7 On and from the Effective Date and till such time that the name of the bank accounts of the Transferor Company has been replaced with that of the Transferee Company, the Transferee Company shall be entitled to maintain and operate the bank accounts of the Transferor Company in the name of the Transferor Company and for such time as may be determined to be necessary by the Transferee Company. All cheques and other negotiable instruments, payment orders received or presented for encashment which are in the name of the Transferor Company after the Effective Date shall be accepted by the bankers of the Transferee Company and credited to the account of the Transferee Company, if presented by the Transferee Company.
- 12.2.8 Unless otherwise agreed between the Transferor Company and the Transferee Company, the vesting of all the assets of the Transferor Company, as aforesaid, shall be along with the Encumbrances, if any, over or in respect of any of the assets or any part thereof, provided however that such Encumbrances shall be confined only to the relevant assets of the Transferor Company or part thereof on or over which they are subsisting prior to the amalgamation of the Transferor Company with the Transferee Company, and no such Encumbrances shall extend over or apply to any other asset(s) of the Transferee Company.

- 12.2.9 Unless otherwise stated in this Scheme, all Permits, including the benefits attached thereto of the Transferor Company, shall be transferred to the Transferee Company from the Appointed Date, without any further act, instrument or deed and shall be appropriately mutated or endorsed by the Appropriate Authorities concerned therewith in favour of the Transferee Company as if the same were originally given by, issued to or executed in favour of the Transferee Company and the Transferee Company shall be bound by the terms, obligations and duties thereunder, and the rights and benefits under the same shall be available to the Transferee Company to carry on the operations of the Transferor Company without any hindrance, whatsoever.
- 12.2.10 Without prejudice to the provisions as stated above, all trade and service names and marks, patents, copyrights, designs, goodwill which includes the positive reputation that the Transferor Company were enjoying to retain its clients, statutory licenses, infrastructural advantages, overall increase in market share, customer base, skilled employees, business claims, business information, business contracts, trade style and name, marketing and distribution channels, marketing or other commercial rights, customer relationship, trade secrets, information on consumption pattern or habits of the consumers in the territory, technical know-how, client records, KYC (know your customer) records/ POAs (power of attorney), authorisations, client details and other intellectual property rights of any nature whatsoever, books, records, files, papers, engineering and process information, software licenses (whether proprietary or otherwise), drawings, computer programs, manuals, data, catalogues, quotations, sales and advertising material, lists of present and former customers and suppliers, other customer information, customer credit information, customer pricing information and all other records and documents, whether in physical or electronic form relating to business activities and operations of the Transferor Company shall be transferred to the Transferee Company from the Appointed Date, without any further act, instrument or deed.
- 12.2.11 All contracts where the Transferor Company is a party, shall stand transferred to and vested in the Transferee Company pursuant to this Scheme becoming effective. The absence of any formal amendment which may be required by a third party to effect such transfer and vesting shall not affect the operation of the foregoing sentence. The Transferee Company shall, wherever necessary, enter into and/ or execute deeds, writings, confirmations or novations to all such contracts, if necessary, in order to give formal effect to the provisions of this Clause.
- 12.2.12 Provided that, upon this Scheme coming into effect, all inter-company transactions including loans, contracts executed or entered into by or *inter se* between the Transferor Company and the Transferee Company, if any, shall stand cancelled with effect from the Effective Date and neither the Transferor Company and/ or Transferee Company shall have any obligation or liability against the other party in relation thereto.
- 12.3 Without prejudice to the provisions of the foregoing sub-clauses of Clause 12.2, the Transferor Company and the Transferee Company may execute any and all instruments or documents and do all acts, deeds and things as may be required, including filing of necessary particulars and/ or modification(s) of charge, necessary applications, notices, intimations or letters with any Appropriate Authority or Person to give effect to the Scheme. Any procedural requirements required to be fulfilled solely by the Transferor Company, shall be fulfilled by the Transferee Company as if it were the duly constituted attorney of the Transferor Company.

The Transferee Company shall take such actions as may be necessary and permissible to get the assets, Permits and contracts of the Transferor Company transferred and/ or registered in its name.

13. EMPLOYEES

13.1 Upon effectiveness of Part IV of the Scheme and with effect from the Effective Date, all employees of the Transferor Company shall become employees of the Transferee Company, without any interruption in service, on terms and conditions no less favourable than those on which they are engaged by the Transferor Company. The Transferee Company undertakes to continue to abide by any agreement/ settlement or arrangement, if any, entered into or deemed to have been entered into by the Transferor Company with any Persons in relation to the employees of the Transferor Company. The Transferee Company agrees that the services of all such employees with the Transferor Company prior to the transfer shall be taken into account for the purposes of all existing benefits to which the said employees may be eligible, including for the purpose of payment of any retrenchment compensation, leave balance, gratuity and other retiral/ terminal benefits.

13.2 The accumulated balances, if any, standing to the credit of the aforesaid employees in the existing provident fund, gratuity fund and superannuation fund of which they are members, will be transferred respectively to such provident fund, gratuity fund and superannuation funds nominated by the Transferee Company and/ or such new provident fund, gratuity fund and superannuation fund to be established by the Transferee Company, in accordance with Applicable Law and caused to be recognized by the Appropriate Authorities.

14. LEGAL PROCEEDINGS

Upon effectiveness of Part IV of the Scheme and with effect from the Effective Date, if any suit, cause of action, appeal or other legal, quasi-judicial, arbitral or other administrative proceedings of whatsoever nature by or against the Transferor Company pending on the Effective Date, the same shall not abate, be discontinued or be in any way prejudicially affected by anything contained in this Scheme, but such proceedings of the Transferor Company may be continued, prosecuted and enforced by or against the Transferee Company in the same manner and to the same extent as it would or might have been continued, prosecuted and enforced by or against the Transferor Company as if this Scheme had not been made. On and from the Effective Date, the Transferee Company may initiate any legal proceeding for and on behalf of the Transferor Company.

15. TAXES/ DUTIES/ CESS

Upon effectiveness of Part IV of the Scheme and with effect from the Appointed Date, by operation of law pursuant to the order of the Appropriate Authority:

15.1 All the profits or income taxes (including but not limited to advance tax, tax deducted at source, tax collected at source, foreign tax credits, dividend distribution tax, minimum alternate tax credit, any credit for dividend distribution tax on dividend received by the Transferor Company), all input credit balances (including but not limited to CENVAT/ MODVAT, sales tax, applicable excise and customs duties, SGST, IGST and CGST credits under the goods and service tax laws) or any costs, charges, expenditure accruing to the Transferor Company in India and abroad or expenditure or losses arising or incurred or suffered by the Transferor Company shall for all purpose be treated and be deemed to be and accrue as the profits, taxes (namely advance tax, Tax deducted at source, Tax collected at source, dividend

distribution tax & foreign tax credits), tax losses, minimum alternate tax credit, dividend distribution tax credit, input credit balances (namely CENVAT/ MODVAT, sales tax, applicable excise and customs duties, SGST, IGST and CGST credits under the goods and service tax laws, income costs, charges, expenditure or losses of the Transferee Company, as the case may be.

- 15.2 If the Transferor Company is entitled to any benefits under incentive schemes and policies under Tax Laws, such as tax deferrals, exemptions, benefits and subsidies, concessions, grants, rights, claims, leases, tenancy rights, liberties, special status and all such benefits under all such incentive schemes and policies as mentioned above shall be available and stand vested in the Transferee Company and shall remain valid, effective and enforceable on the same terms and conditions.
- 15.3 Upon the Scheme becoming effective and with effect from the Appointed Date, the Transferee Company shall have the right to revise its financial statements and returns along with prescribed forms, filings and annexures under the Tax Laws and to claim refunds and/ or credit for Taxes paid and for matters incidental thereto, if required, to give effect to the provisions of the Scheme. The Transferee Company is expressly permitted to revise and file its income tax returns and other statutory returns, even beyond the due date, if required, including tax deducted/ collected at source returns, service tax returns, excise tax returns, sales tax/ value added tax/ goods and service tax returns, as may be applicable and has expressly reserved the right to make such provision in its returns and to claim refunds, advance tax credits, credit of tax deducted at source, credit of foreign Taxes paid/ withheld, etc. if any, as may be required for the purposes of implementation of the Scheme.
- 15.4 It is hereby clarified that in case of any refunds, benefits, incentives, grants, subsidies, etc., the Transferor Company, shall, if so required by the Transferee Company, issue notices in such form as the Transferee Company may deem fit and proper stating that pursuant to the Appropriate Authority having sanctioned this Scheme under Sections 230 to 232 of the Act, the relevant refund, benefit, incentive, grant, subsidies, be paid or made good or held on account of the Transferee Company, as the Person entitled thereto, to the end and intent that the right of the Transferor Company, to recover or realise the same, stands transferred to the Transferee Company.

16. **CONSIDERATION**

- 16.1 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.
- 16.2 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.

17. **ACCOUNTING TREATMENT**

The Transferee Company shall comply with generally accepted accounting practices in India, provisions of the Act and accounting standards as notified by Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time, in relation to the transactions in the Scheme including but not limited, to the following:

- 17.1 Upon Part IV of this Scheme coming into effect and after giving effect to the accounting treatment specified in the aforementioned Clause 9 of Part III of the Scheme and with effect from Appointed Date, the Transferee Company shall account for the amalgamation of the Transferor Company in accordance with "Pooling of Interest Method" laid down by Appendix C of Indian Accounting Standard 103 (Ind AS 103): (Business combinations of entities under common control), notified under the Act and/ or any other applicable Indian Accounting Standard as the case may be.
- 17.1.1 On and from the Appointed Date and subject to the provisions hereof, all assets, liabilities and reserves of the Transferor Company shall be recorded in the books of account of the Transferee Company at their existing carrying amounts and in the same form.
- 17.1.2 All equity shares of the Transferor Company held by the Transferee Company shall stand cancelled without any further application, act or deed.
- 17.1.3 The difference, if any, between the investments held by the Transferee Company and all assets, liabilities and reserves of the Transferor Company, will be transferred to capital reserve.
- 17.1.4 To the extent that there are inter-company loans, advances, deposits, balances or other obligations as between the Transferor Company and the Transferee Company, the obligation in respect thereof will come to an end and corresponding effect shall be given in the books of accounts and records of the Transferee Company for the reduction of any assets or liabilities as the case maybe and there would be no accrual of interest or any other charges in respect of such inter-company loans, deposits or balances, with effect from the Appointed Date.
- 17.1.5 In case of any difference in accounting policy between the Transferor Company and the Transferee Company, the impact of the same till the Appointed Date will be quantified and adjusted to the capital reserves, in the books of the Transferee Company to ensure that the financial statements of the Transferee Company reflect the financial position on the basis of consistent accounting policy.

18. DISSOLUTION OF THE TRANSFEROR COMPANY

Immediately upon the effectiveness of Part IV of this Scheme, the Transferor Company shall stand dissolved without winding up and the Board and any committees thereof of the Transferor Company shall without any further act, instrument or deed be and stand discharged. On and from the Effective Date, the name of the Transferor Company shall be struck off from the records of the concerned RoC.

19. COMBINATION OF AUTHORISED SHARE CAPITAL

- 19.1 Upon Part IV of this Scheme becoming effective, the authorised share capital of the Transferor Company as on the Effective Date will be combined with the authorised share capital of the Transferee Company and accordingly the authorised share capital of the Transferee Company shall stand increased without any further act, instrument or deed on the part of Transferee Company including payment of stamp duty and fees to RoC.
- 19.2 The memorandum of association and articles of association of the Transferee Company (relating to the authorized share capital) shall, without any further act, instrument or deed, be and stand altered, modified and amended, and the consent of the shareholders of the

Transferee Company to the Scheme shall be deemed to be sufficient for the purposes of effecting this amendment, and no further resolution(s) under the applicable provisions of the Act would be required to be separately passed, as the case may be, and for this purpose the stamp duty and fees paid on the authorized capital of the Transferor Company shall be utilized and applied to the increased authorized share capital of the Transferee Company.

- 19.3 Consequentially, Clause V of the memorandum of association of the Transferee Company shall without any act, instrument or deed be and stand altered, modified and amended, to reflect the increased combined authorised share capital as per Clause 19.1 above, pursuant to Sections 13, 61, 64, and other applicable provisions of the Act.
- 19.4 It is clarified that the approval of the shareholders of the Transferee Company to the Scheme shall be deemed to be their consent/ approval also to the alteration of the memorandum and articles of association of the Transferee Company as may be required under the Act.
- 19.5 The Transferee Company shall file with the RoC, all requisite forms and complete the compliance and procedural requirements under the Act, if any.

PART V

GENERAL TERMS & CONDITIONS

20. REMAINING BUSINESS OF THE DEMERGED COMPANY

- 20.1 The Remaining Business of the Demerged Company and all the assets, investments, liabilities and obligations of the Demerged Company, shall continue to belong to and be vested in and be managed by the Demerged Company. With effect from the Effective Date, only the Demerged Company shall be liable to perform and discharge all liabilities and obligations in relation to the Remaining Business of the Demerged Company and the Resulting Company/ Transferee Company shall not have any liability or obligation in relation to the Remaining Business of the Demerged Company.
- 20.2 All legal, Tax and/ or other proceedings by or against the Demerged Company under any statute, whether pending on the Effective Date or which may be instituted at any time thereafter, and relating to the Remaining Business of the Demerged Company (including those relating to any property, right, power, liability, obligation or duties of the Demerged Company in respect of the Remaining Business of the Demerged Company) shall be continued and enforced against the Demerged Company. The Resulting Company/ Transferee Company shall in no event be responsible or liable in relation to any such legal, Tax or other proceedings in relation to the Remaining Business of the Demerged Company.
- 20.3 If the Resulting Company/ Transferee Company is in receipt of any demand, claim, notice and/ or is impleaded as a party in any proceedings before any Appropriate Authority, in each case in relation to the Remaining Business of the Demerged Company, the Resulting Company/ Transferee Company shall, in view of the transfer and vesting of the Demerged Undertaking, pursuant to this Scheme, take all such steps in the proceedings before the Appropriate Authority to substitute the Resulting Company/ Transferee Company with the Demerged Company. However, if the Resulting Company/ Transferee Company, is unable to get the Demerged Company so substituted in such proceedings, it shall defend the same or deal with such demand in accordance with the advice of the Demerged Company and at the cost of the Demerged Company and the latter shall reimburse the Resulting Company/ Transferee

Company, against all liabilities and obligations incurred by or against the Resulting Company/ Transferee Company, in respect thereof.

21. VALIDITY OF EXISTING RESOLUTIONS, ETC.

Upon the coming into effect of this Scheme, the resolutions/ power of attorney of/ executed by the Demerged Company in relation to the Demerged Undertaking and the Transferor Company, as the case may be, as considered necessary by the Board of the Demerged Company in relation to the Demerged Undertaking and the Transferor Company, as the case may be, and that are valid and subsisting on the Effective Date, shall continue to be valid and subsisting and be considered as resolutions and power of attorney passed/ executed by the Resulting Company/ Transferee Company and if any such resolutions have any monetary limits approved under the provisions of the Act, or any other applicable statutory provisions, then said limits as are considered necessary by the Board of the Demerged Company and/ or the Transferor Company, as the case may be, shall be added to the limits, if any, under like resolutions passed by the Resulting Company/ Transferee Company, and shall constitute the aggregate of the said limits in Resulting Company/ Transferee Company.

22. DIVIDENDS

22.1 The Parties shall be entitled to declare and pay dividends to their respective shareholders in the ordinary course of business, whether interim or final.

22.2 It is clarified that the aforesaid provisions in respect of declaration of dividends (whether interim or final) are enabling provisions only and shall not be deemed to confer any right on any shareholder of any of the Parties, as the case may be, to demand or claim or be entitled to any dividends which, subject to the provisions of the Act, shall be entirely at the discretion of the Board of respective Parties, and subject to approval, if required, of the shareholders of the respective Parties.

23. CONDUCT OF BUSINESS UPTO THE EFFECTIVE DATE

23.1 With effect from the date of approval of the Scheme by the Board of the Parties and up to and including the Appointed Date, the Demerged Company with respect to Demerged Undertaking and the Transferor Company shall be deemed to have been carrying on and shall carry on its business and activities and shall be deemed to have held and stood possessed of and shall hold and stand possessed of the assets for and on account of, and in trust for the Resulting Company/ Transferee Company.

23.2 With effect from the Appointed Date and up to and including the Effective Date:

23.2.1 The Transferor Company and the Demerged Company with respect to the Demerged Undertaking, shall carry on their respective businesses with reasonable diligence and business prudence and in the same manner as the Transferor Company and the Demerged Company had been doing hitherto;

23.2.2 The Transferor Company and the Demerged Company with respect to the Demerged Undertaking, shall be entitled, pending the sanction of the Scheme, to apply to the Appropriate Authorities concerned as necessary under Applicable Law for such consents, approvals and sanctions which the Resulting Company/ Transferee Company may respectively require to carry on the relevant business of the Transferor Company or the Demerged Company and to give effect to the Scheme.

23.2.3 For the purpose of giving effect to the order passed under Sections 230 to 232 and other applicable provisions of the Act in respect of this Scheme by the Tribunal, the Resulting Company/ Transferee Company shall, at any time pursuant to the orders approving this Scheme, be entitled to get the recordal of the change in the legal right(s) upon demerger of the Demerged Undertaking and amalgamation of the Transferor Company, in accordance with the provisions of Sections 230 to 232 of the Act. The Resulting Company/ Transferee Company shall always be deemed to have been authorized to execute any pleadings, applications, forms, etc., as may be required to remove any difficulties and facilitate and carry out any formalities or compliances as are necessary for the implementation of this Scheme. For the purpose of giving effect to the vesting order passed under Section 232 of the Act in respect of this Scheme, the Resulting Company/ Transferee Company shall be entitled to exercise all rights and privileges, and be liable to pay all taxes and charges and fulfil all its obligations, in relation to or applicable to all immovable properties, including mutation and/ or substitution of the ownership or the title to, or interest in the immovable properties which shall be made and duly recorded by the Appropriate Authority(ies) in favour of the Resulting Company/ Transferee Company pursuant to the sanction of the Scheme by the Tribunal and upon the effectiveness of this Scheme in accordance with the terms hereof, without any further act or deed to be done or executed by the Resulting Company/ Transferee Company. It is clarified that the Resulting Company/ Transferee Company shall be entitled to engage in such correspondence and make such representations, as may be necessary, for the purposes of the aforesaid mutation and/ or substitution.

24. **PROPERTY IN TRUST**

Notwithstanding anything contained in this Scheme, on or after Effective Date, until any property, asset, license, approval, permission, contract, agreement and rights and benefits arising therefrom pertaining to the Demerged Undertaking are transferred, vested, recorded, effected and/ or perfected, in the records of any Appropriate Authority, regulatory bodies, any third party, or otherwise, in favour of the Resulting Company/ Transferee Company, the Resulting Company/ Transferee Company is deemed to be authorized to enjoy the property, asset or the rights and benefits arising from the license, approval, permission, contract or agreement as if it were the owner of the property or asset or as if it were the original party to the license, approval, permission, contract or agreement. It is clarified that till entry is made in the records of the Appropriate Authorities and till such time as may be mutually agreed by the Resulting Company/ Transferee Company, the Demerged Company will continue to hold the property and/ or the asset, license, permission, approval, contract or agreement and rights and benefits arising therefrom, as the case may be, in trust for and on behalf of, the Resulting Company/ Transferee Company.

25. **FACILITATION PROVISIONS**

25.1 Immediately upon the Scheme being effective, the Demerged Company and the Resulting Company/ Transferee Company shall enter into agreements as may be necessary, *inter alia* in relation to use of office space, land, building, manufacturing facilities, infrastructure facilities, information technology services, security personnel, trademarks and other intellectual property rights, legal, administrative and other services, etc. on such terms and conditions that may be mutually agreed between them.

25.2 Without prejudice to the generality of the foregoing Clause 25.1 above, immediately upon the Scheme being effective, the Demerged Company and the Resulting Company/ Transferee

Company shall enter into necessary agreements whereby, the Demerged Company shall provide shared services viz. accounting, tax, human resources, legal, secretarial, research and development etc. to the Resulting Company/ Transferee Company on such terms and conditions that may be mutually agreed between them.

- 25.3 Immediately upon the Scheme being effective, all brands, trademarks, logos, trade and corporate name and such intellectual property rights common to the Scientific and Industrial Products Business and the Remaining Business, shall be made available by the Demerged Company for the use of the Resulting Company/ Transferee Company, for such period as may be mutually decided by the Boards of the Demerged Company and the Resulting Company/ Transferee Company, without any charges/ fees/ levies/ costs.
- 25.4 The transactions of sale and purchase of products between the Demerged Company and the Resulting Company/ Transferee Company from the Appointed Date and until the Effective Date, shall be recorded on an arm's length basis in their respective books of accounts.
- 25.5 Immediately upon the Scheme being effective, the Demerged Company and the Resulting Company/ Transferee Company shall enter into necessary agreement(s) on mutually agreed terms, for purchase and sale of the consumer products manufactured by the Resulting Company/ Transferee Company at Bharuch facility.
- 25.6 It is clarified that approval of the Scheme by the shareholders of the Parties under Sections 230 to 232 of the Act shall be deemed to have their approval under Section 188 and other applicable provisions of the Act and Regulation 23 and other applicable regulations of SEBI LODR Regulations and that no separate approval of the Board or audit committee or shareholders shall be required to be sought by the Parties.
- 25.7 It is clarified that all guarantees provided by the Demerged Company in respect of the Demerged Undertaking and the Transferor Company shall be valid and subsisting till adequate arrangements/ guarantees have been provided in respect of the same by the Resulting Company/ Transferee Company.

26. APPLICATIONS/ PETITIONS TO THE TRIBUNAL

- 26.1 The Parties shall make and file all applications and petitions under sections 230 to 232 and other applicable provisions of the Act before the Tribunal, for sanction of this Scheme under the provisions of the Act.
- 26.2 The Parties shall be entitled, pending the sanction of the Scheme, to apply to any Appropriate Authority, if required, under any Applicable Law for such consents and approvals which the Resulting Company/ Transferee Company may require to own the assets and/ or liabilities of the Transferor Company or the Demerged Undertaking, as the case may be, and to carry on the business of the Transferor Company and the Demerged Undertaking, as the case may be.

27. MODIFICATION OR AMENDMENTS TO THIS SCHEME

- 27.1 The Board of the Parties may make any modifications or amendments to this Scheme at any time and for any reason whatsoever, or which may otherwise be considered necessary, desirable or appropriate. The Board of the Parties may consent to any conditions or limitations that the Tribunal or any other Appropriate Authority may impose.
- 27.2 For the purposes of giving effect to this Scheme, the Board of the Parties may give such directions including directions for settling any question or difficulty that may arise and such

directions shall be binding on all Parties as if the same were specifically incorporated in this Scheme.

28. **CONDITIONS PRECEDENT**

28.1 Unless otherwise decided (or waived) by the relevant Parties, the Scheme is conditional upon and subject to the following conditions precedent:

28.1.1 obtaining no-objection letter from Stock Exchanges in relation to the Scheme under Regulation 37 of the SEBI LODR Regulations;

28.1.2 approval of the Scheme by the requisite majority of each class of shareholders and such other classes of persons of the Parties, as applicable or as may be required under the Act and as may be directed by the Tribunal;

28.1.3 the sanctions and orders of the Tribunal, under Sections 230 to 232 of the Act being obtained by the Parties; and

28.1.4 certified/ authenticated copies of the orders of the Tribunal, sanctioning the Scheme, being filed with the RoC having jurisdiction over the Parties.

28.2 Without prejudice to Clause 28.1 and subject to the satisfaction or waiver of the conditions mentioned in Clause 28.1 above, the Scheme shall be made effective in the order as contemplated below:

28.2.1 Part II of the Scheme shall be made effective;

28.2.2 Immediately upon effectiveness of Part II of the Scheme, Part III of the Scheme shall be made effective; and

28.2.3 Immediately thereafter, Part IV of the Scheme shall be made effective.

28.3 It is hereby clarified that submission of this Scheme to the Tribunal and to the Appropriate Authorities for their respective approvals is without prejudice to all rights, interests, titles or defences that the respective Parties may have under or pursuant to all Applicable Laws.

28.4 On the approval of this Scheme by the shareholders and such other classes of Persons of the said Parties, if any, the shareholders and classes of Persons shall also be deemed to have resolved and accorded all relevant consents under the Act or otherwise to the same extent applicable in relation to the demerger, amalgamation, capital reduction set out in this Scheme, related matters and this Scheme itself.

29. **WITHDRAWAL OF THIS SCHEME AND NON-RECEIPT OF APPROVALS**

29.1 Parties, acting jointly, shall be at liberty to withdraw the Scheme, any time before the Scheme is effective.

29.2 In the event of withdrawal of the Scheme under Clause 29.1 above, no rights and liabilities whatsoever shall accrue to or be incurred *inter se* the Parties or their respective shareholders or creditors or employees or any other Person.

29.3 In the event of any of the requisite sanctions and approvals not being obtained on or before such date as may be agreed to by the Parties, this Scheme or relevant part(s) of this Scheme

shall become null and void and each Party shall bear and pay its respective costs, charges and expenses for and/ or in connection with this Scheme.

30. **COSTS AND TAXES**

All costs, charges and expenses (including, but not limited to, any taxes and duties, registration charges, etc.) of the Parties, respectively in relation to carrying out, implementing and completing the terms and provisions of this Scheme and/ or incidental to the completion of this Scheme shall be paid by the Demerged Company and/ or the Resulting Company/ Transferee Company.

Independent Auditor's Review Report on Unaudited Standalone Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

To,

**The Board of Directors of
Borosil Limited**

1. We have reviewed the accompanying statement of unaudited standalone financial results of Borosil Limited ("the Company") for the quarter ended 30th September, 2022 and for the period from 1st April, 2022 to 30th September, 2022 ("the statement"), attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the Listing Regulation"), as amended.
2. This statement, which is the responsibility of the Company's management and approved by the Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, Interim Financial Reporting (Ind AS 34) as prescribed under section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to issue a report on the statement based on our review.
3. We conducted our review of the statement in accordance with the Standard on Review Engagement (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the statement is free of material misstatement. A review is limited primarily to inquiries of Company personnel and an analytical procedure applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.



Head Office: 714-715, Tulsiani Chambers, 212, Nariman Point, Mumbai - 400 021, India. Tel : +91 22 4163 8500 • Fax :+91 22 4163 8595
URL : www.cas.ind.in

Branch : Bengaluru

4. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying statement of unaudited standalone financial results, prepared in accordance with the applicable accounting standards and other recognized accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 33 of the Listing Regulations, as amended, including the manner in which it is to be disclosed, or that it contains any material misstatement.

For Chaturvedi & Shah LLP

Chartered Accountants

Registration No. 101720WW100355



Anuj Bhatia

Partner

Membership No. 122179

UDIN No. 22122179BCUYRO7029



Place: Nagpur

Date: 11th November, 2022

BOROSIL LIMITED
CIN: L36100MH2010PLC292722

Regd. Office : 1101, Crescenzo, G-Block, Opp. MCA Club, Bandra Kurla Complex, Bandra (East), Mumbai 400 051
Tel.No.(022) 67406300 Fax No.(022) 67406514 Website : www.borosil.com Email : borosil@borosil.com

UNAUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED 30TH SEPTEMBER, 2022

(Rs. in lakhs except as stated)

| S. No. | Particulars | Standalone | | | | | |
|--------|---|------------------|------------------|------------------|------------------|------------------|------------------|
| | | Quarter ended | | | Half Year ended | | Year ended |
| | | (30/09/2022) | (30/06/2022) | (30/09/2021) | (30/09/2022) | (30/09/2021) | (31/03/2022) |
| | Unaudited | Unaudited | Unaudited | Unaudited | Unaudited | Audited | |
| I. | Income: | | | | | | |
| | Revenue From Operations | 25,718.18 | 19,781.79 | 19,917.55 | 45,499.97 | 31,532.06 | 75,041.45 |
| | Other Income | 365.85 | 148.51 | 396.13 | 514.36 | 1,176.45 | 2,368.90 |
| | Total Income (I) | 26,084.03 | 19,930.30 | 20,313.68 | 46,014.33 | 32,708.51 | 77,410.35 |
| II. | Expenses: | | | | | | |
| | Cost of Materials Consumed | 3,757.69 | 2,274.74 | 1,846.43 | 6,032.43 | 3,325.44 | 7,928.11 |
| | Purchases of Stock-in-Trade | 9,834.90 | 7,898.42 | 7,000.74 | 17,733.32 | 11,498.93 | 25,613.96 |
| | Changes in Inventories of Work-in-progress, Finished Goods and Stock-in-trade | (2,248.34) | (2,620.84) | (1,838.67) | (4,869.18) | (4,134.20) | (5,202.28) |
| | Employee Benefits Expense | 2,461.39 | 2,488.54 | 2,128.15 | 4,949.93 | 4,041.18 | 8,686.36 |
| | Finance Costs | 25.65 | 12.09 | 8.96 | 37.74 | 21.23 | 80.52 |
| | Depreciation and Amortization Expense | 623.61 | 620.56 | 696.52 | 1,244.17 | 1,382.63 | 2,713.49 |
| | Other Expenses | 8,120.89 | 7,147.71 | 6,508.75 | 15,268.60 | 11,229.17 | 25,302.17 |
| | Total Expenses (II) | 22,575.79 | 17,821.22 | 16,350.88 | 40,397.01 | 27,364.38 | 65,122.33 |
| III. | Profit Before exceptional items and Tax (I - II) | 3,508.24 | 2,109.08 | 3,962.80 | 5,617.32 | 5,344.13 | 12,288.02 |
| IV. | Exceptional Items (Refer Note 2) | - | (508.06) | 43.53 | (508.06) | 646.50 | 1,121.17 |
| V. | Profit Before Tax (III - IV) | 3,508.24 | 2,617.14 | 3,919.27 | 6,125.38 | 4,697.63 | 11,166.85 |
| VI. | Tax Expense: | | | | | | |
| | (1) Current Tax | 943.46 | 607.25 | 1,169.11 | 1,550.71 | 1,290.28 | 2,827.57 |
| | (2) Deferred Tax | (109.49) | 32.64 | 241.52 | (76.85) | 1,307.02 | 591.67 |
| | Total Tax Expenses | 833.97 | 639.89 | 1,410.63 | 1,473.86 | 2,597.30 | 3,419.24 |
| VII. | Profit for the Period / Year (V - VI) | 2,674.27 | 1,977.25 | 2,508.64 | 4,651.52 | 2,100.33 | 7,747.61 |
| VIII. | Other Comprehensive Income (OCI) | | | | | | |
| | Items that will not be reclassified to profit or loss: | | | | | | |
| | a) Re-measurement gains / (losses) on defined benefit plans | (7.03) | (5.91) | 20.30 | (12.94) | 29.79 | (24.83) |
| | b) Income tax effect on above | 1.77 | 1.49 | (7.09) | 3.26 | (10.41) | 6.25 |
| | Total Other Comprehensive Income | (5.26) | (4.42) | 13.21 | (9.68) | 19.38 | (18.58) |
| IX. | Total Comprehensive Income for the Period / Year (VII + VIII) | 2,669.01 | 1,972.83 | 2,521.85 | 4,641.84 | 2,119.71 | 7,729.03 |
| X. | Paid-up Equity Share Capital (Face value of Re. 1/- each fully paid up) (Refer Note 3) | 1,143.31 | 1,142.21 | 1,141.19 | 1,143.31 | 1,141.19 | 1,141.63 |
| XI. | Other Equity excluding Revaluation Reserve | | | | | | 75,610.31 |
| XII. | Earning per equity share (in Rs.) (Face value of Re. 1/- each) | | | | | | |
| | Basic (Not Annualised)* | 2.34 * | 1.73 * | 2.20 * | 4.07 * | 1.84 * | 6.79 |
| | Diluted (Not Annualised)* | 2.34 * | 1.73 * | 2.20 * | 4.07 * | 1.84 * | 6.79 |



BOROSIL LIMITED

UNAUDITED STANDALONE SEGMENT INFORMATION FOR THE QUARTER AND HALF YEAR ENDED 30TH SEPTEMBER, 2022

(Rs. in lakhs)

| S. No. | Particulars | Standalone | | | | | |
|--------|--|--------------------|------------------|------------------|--------------------|------------------|------------------|
| | | Quarter ended | | | Half Year ended | | Year ended |
| | | (30/09/2022) | (30/06/2022) | (30/09/2021) | (30/09/2022) | (30/09/2021) | (31/03/2022) |
| | | Unaudited | Unaudited | Unaudited | Unaudited | Unaudited | Audited |
| 1 | Segment Revenue : | | | | | | |
| | a. Scientificware | 4,786.44 | 4,909.00 | 4,203.20 | 9,695.44 | 7,444.27 | 17,741.30 |
| | b. Consumerware | 20,931.74 | 14,872.79 | 15,714.35 | 35,804.53 | 24,087.79 | 57,300.15 |
| | Total | 25,718.18 | 19,781.79 | 19,917.55 | 45,499.97 | 31,532.06 | 75,041.45 |
| | Less : Inter Segment Revenue | - | - | - | - | - | - |
| | Revenue from operations | 25,718.18 | 19,781.79 | 19,917.55 | 45,499.97 | 31,532.06 | 75,041.45 |
| 2 | Segment Results (Profit before tax): | | | | | | |
| | a. Scientificware | 930.57 | 827.88 | 1,243.19 | 1,758.45 | 1,656.61 | 3,978.32 |
| | b. Consumerware | 2,578.84 | 1,403.31 | 2,718.15 | 3,982.15 | 3,274.46 | 7,290.61 |
| | c. Investments | 128.22 | 7.85 | 90.72 | 136.07 | 542.10 | 1,375.04 |
| | Total | 3,637.63 | 2,239.04 | 4,052.06 | 5,876.67 | 5,473.17 | 12,643.97 |
| | Less:- Finance Cost | 25.65 | 12.09 | 8.96 | 37.74 | 21.23 | 80.52 |
| | Less:- Exceptional Items (Refer Note 2) | - | (508.06) | 43.53 | (508.06) | 646.50 | 1,121.17 |
| | Less:- Other unallocable expenditure (net of income) | 103.74 | 117.87 | 80.30 | 221.61 | 107.81 | 275.43 |
| | Profit before Tax | 3,508.24 | 2,617.14 | 3,919.27 | 6,125.38 | 4,697.63 | 11,166.85 |
| 3 | Segment Assets | | | | | | |
| | a. Scientificware | 11,388.66 | 10,324.88 | 9,102.41 | 11,388.66 | 9,102.41 | 10,669.38 |
| | b. Consumerware | 57,700.13 | 44,023.64 | 32,921.36 | 57,700.13 | 32,921.36 | 33,547.02 |
| | c. Investments | 17,731.26 | 26,233.31 | 26,127.44 | 17,731.26 | 26,127.44 | 29,509.13 |
| | d. Un-allocated | 16,772.82 | 16,393.25 | 20,611.89 | 16,772.82 | 20,611.89 | 18,454.90 |
| | Total | 1,03,592.87 | 96,975.08 | 88,763.10 | 1,03,592.87 | 88,763.10 | 92,180.43 |
| 4 | Segment Liabilities | | | | | | |
| | a. Scientificware | 3,280.60 | 3,286.01 | 3,056.76 | 3,280.60 | 3,056.76 | 3,496.32 |
| | b. Consumerware | 11,148.22 | 10,550.77 | 11,130.21 | 11,148.22 | 11,130.21 | 9,163.08 |
| | c. Investments | 87.79 | 60.27 | 78.01 | 87.79 | 78.01 | 54.92 |
| | d. Un-allocated | 7,296.62 | 4,202.48 | 3,491.13 | 7,296.62 | 3,491.13 | 2,714.17 |
| | Total | 21,813.23 | 18,099.53 | 17,756.11 | 21,813.23 | 17,756.11 | 15,428.49 |

Note :

As per Indian Accounting Standard 108 on 'Operating Segment' (Ind-AS 108), the Company has reported "Segment Information" as described below:

Scientificware:- Comprising of manufacturing and trading items used in Laboratories and Scientific ware.

Consumerware:- Comprising of manufacturing and trading items for Domestic use.

Investments:- Comprising of investment activities. As the investments are not held as stock in trade, the income from investment activities has not been considered as segment revenue and accordingly not disclosed.

Unallocated:- Consists of income, expenses, assets and liabilities which can not be directly identified to any of the above segments.



BOROSIL LIMITED

UNAUDITED STANDALONE STATEMENT OF ASSETS AND LIABILITIES AS AT 30TH SEPTEMBER,
2022

(Rs. in lakhs)

| Particulars | Standalone | |
|---|--------------------|------------------|
| | As at | As at |
| | (30/09/2022) | (31/03/2022) |
| | Unaudited | Audited |
| I. ASSETS | | |
| 1 Non-current Assets | | |
| (a) Property, Plant and Equipment | 15,977.64 | 14,797.30 |
| (b) Capital work-in-progress | 11,529.86 | 2,231.85 |
| (c) Investment Property | 105.46 | 105.59 |
| (d) Goodwill on Amalgamation | 5,931.84 | 5,931.84 |
| (e) Other Intangible assets | 26.50 | 22.25 |
| (f) Financial Assets | | |
| (i) Investments | 12,967.11 | 13,121.86 |
| (ii) Loans | 470.27 | 22.90 |
| (iii) Others | 682.96 | 456.67 |
| (g) Art Works | 240.80 | 240.80 |
| (h) Non Current Tax Assets (net) | 645.06 | 645.02 |
| (i) Other non current assets | 6,789.16 | 3,735.75 |
| Total non current assets | 55,366.66 | 41,311.83 |
| 2 Current Assets | | |
| (a) Inventories | 23,126.77 | 17,211.11 |
| (b) Financial Assets | | |
| (i) Investments | 4,288.96 | 14,813.41 |
| (ii) Trade Receivables | 10,744.44 | 6,032.63 |
| (iii) Cash and cash equivalents | 557.25 | 2,235.83 |
| (iv) Bank Balances other than (iii) above | 116.43 | 529.12 |
| (v) Loans | 36.01 | 1,538.47 |
| (vi) Others | 408.48 | 408.24 |
| (c) Other current assets | 2,810.39 | 1,962.29 |
| (d) Assets held for Sale | 6,137.50 | 6,137.50 |
| Total current assets | 48,226.21 | 50,868.60 |
| TOTAL ASSETS | 1,03,592.87 | 92,180.43 |
| II. EQUITY AND LIABILITIES | | |
| EQUITY | | |
| (a) Equity Share Capital | 1,143.31 | 1,141.63 |
| (b) Other Equity | 80,636.33 | 75,610.31 |
| Total equity | 81,779.64 | 76,751.94 |
| LIABILITIES | | |
| 1 Non current Liabilities | | |
| (a) Financial Liabilities | | |
| (i) Borrowings | 1,835.71 | - |
| (ii) Lease Liabilities | 439.51 | 118.41 |
| (b) Deferred Tax Liabilities (net) | 2,008.54 | 2,088.65 |
| Total non current liabilities | 4,283.76 | 2,207.06 |
| 2 Current Liabilities | | |
| (a) Financial Liabilities | | |
| (i) Borrowings | 1,699.86 | - |
| (ii) Lease Liabilities | 62.99 | 0.65 |
| (iii) Trade Payables | | |
| A) Total outstanding dues of micro and small enterprises | 2,475.82 | 1,491.14 |
| B) Total outstanding dues of creditors other than micro and small enterprises | 3,380.66 | 3,392.55 |
| (iv) Other Financial Liabilities | 6,733.35 | 6,425.92 |
| (b) Other current liabilities | 972.50 | 640.37 |
| (c) Provisions | 975.09 | 785.10 |
| (d) Current Tax Liabilities (net) | 1,229.20 | 485.70 |
| Total current liabilities | 17,529.47 | 13,221.43 |
| TOTAL EQUITY AND LIABILITIES | 1,03,592.87 | 92,180.43 |



BOROSIL LIMITED

**UNAUDITED STANDALONE STATEMENT OF CASH FLOWS FOR THE HALF YEAR ENDED 30TH
SEPTEMBER, 2022**

| Particulars | (Rs. in Lakhs) | |
|---|----------------------------|----------------------------|
| | For the Half Year Ended | For the Half Year Ended |
| | (30/09/2022) | (30/09/2021) |
| | Unaudited | Unaudited |
| A. Cash Flow from Operating Activities | | |
| Profit Before Tax as per Statement of Profit and Loss | 6,125.38 | 4,697.63 |
| Adjusted for : | | |
| Depreciation and Amortisation Expense | 1,244.17 | 1,382.63 |
| Gain on Foreign Currency Transactions (net) | (4.32) | (11.95) |
| Gain on Financial Instruments measured at fair value through profit or loss (net) | (17.51) | (629.15) |
| Loss / (Gain) on Sale of Investments (net) | (113.24) | 77.31 |
| Dividend Income | - | (0.07) |
| Interest Income | (99.63) | (63.11) |
| Loss on Sale / discarding of Property, Plant and Equipment (net) | 23.34 | 15.92 |
| Investment Advisory Charges | 0.87 | 16.29 |
| Share Based Payment Expense | 116.61 | 50.50 |
| Finance Costs | 37.74 | 21.23 |
| Sundry Balances / Excess provision Written Back (net) | (26.96) | (186.99) |
| Loss due to Fire and Flood (related to Property, plant and Equipments) | - | 646.50 |
| Insurance Claim Received | (508.06) | - |
| Bad Debts | 0.28 | 2.95 |
| Provision / (reversal) for Credit Impaired / doubtful advances (net) | (122.49) | 21.03 |
| Operating Profit before Working Capital Changes | 6,656.18 | 6,040.72 |
| Adjusted for : | | |
| Trade & Other Receivables | (5,682.20) | (6,828.92) |
| Inventories | (5,915.66) | (2,235.35) |
| Trade & Other Payables | 1,160.94 | 4,285.39 |
| Cash generated from operations | (3,780.74) | 1,261.84 |
| Direct taxes paid (net) | (807.25) | (1,243.03) |
| Net Cash from / (Used in) Operating Activities | (4,587.99) | 18.81 |
| B. Cash Flow from Investing Activities | | |
| Purchase of Property, Plant and Equipment | (13,783.45) | (1,520.07) |
| Sale of Property, Plant and Equipment | 11.24 | 14.84 |
| Investments in Subsidiaries | - | (463.40) |
| Purchase of Investments | (2,734.24) | (15,180.06) |
| Sale of Investments | 13,535.66 | 21,321.72 |
| Movement in Loans (net) | 1,051.00 | (1,285.23) |
| Investment Advisory Charges Paid | (0.87) | (23.48) |
| Income / Interest on Investment/Loans | 186.02 | 51.27 |
| Insurance Claim Received | 590.00 | - |
| Dividend Received | - | 0.07 |
| Net Cash From / (used in) Investing Activities | (1,144.64) | 2,915.66 |
| C. Cash Flow from Financing Activities | | |
| Proceeds from Issue of Share Capital | 257.69 | - |
| Proceeds of Non-current Borrowings | 1,980.03 | - |
| Movement in Current Borrowings (net) | 1,555.54 | - |
| Lease Payments | (20.59) | (5.37) |
| Margin Money (net) | 310.00 | (1,107.23) |
| Dividend Paid | - | (1,141.19) |
| Interest Paid | (28.64) | (25.70) |
| Net Cash From / (used in) Financing Activities | 4,054.03 | (2,279.49) |
| Net Increase/ (Decrease) in Cash and Cash Equivalents (A+B+C) | (1,678.60) | 654.98 |
| Opening Balance of Cash and Cash Equivalents | 2,235.83 | 564.72 |
| Unrealised Gain/(loss) on Foreign Currency Transactions (net) | (0.02) | - |
| Opening Balance of Cash and Cash Equivalents | 2,235.85 | 564.72 |
| Closing Balance of Cash and Cash Equivalents | 557.25 | 1,219.70 |
| Unrealised Gain/(loss) on Foreign Currency Transactions (net) | - | - |
| Closing Balance of Cash and Cash Equivalents | 557.25 | 1,219.70 |



1. The above results have been reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on 11th November, 2022. The Statutory Auditors of the Company have carried out a Limited Review of the above results.
2. **Exceptional items:**
As reported earlier, Exceptional items (i) for the quarter ended 30th June, 2022 and for the half year ended 30th September, 2022 represents receipt of claim amount of Rs.508.06 lakhs (net of WDV), as a part settlement, from the Insurance Company in respect of fixed assets. ii) for the quarter and half year ended 30th September, 2021 pertains to loss of properties due to fire / flood at the Company's warehouse. (iii) for the year ended 31st March, 2022 represents provision for impairment in respect of Capital work in progress & Investment Properties and loss of properties due to fire / flood at the Company's warehouses.
3. Pursuant to exercise of the options under "Borosil Limited - Special Purpose Employee Stock Option Plan 2020" and "Borosil Limited - Employee Stock Option Scheme, 2020", during the quarter and half year ended 30th September, 2022, the Company has allotted 1,09,700 Equity Shares and 1,68,140 Equity Shares respectively of the face value of Re. 1 each, which has resulted into increase of paid up Equity Share Capital by Rs. 1.10 lakhs and Rs. 1.68 lakhs respectively and Securities Premium by Rs. 260.43 lakhs and Rs. 387.47 lakhs respectively.
4. The Board of Directors at its meeting held on 7th February, 2022, had approved a Composite Scheme of Arrangement amongst the Company and Klass Pack Ltd ("KPL"), a subsidiary of the Company, and Borosil Technologies Ltd ("BTL"), a wholly owned subsidiary of the Company ('Scheme') inter alia for: (a) reduction and reorganization of share capital of KPL; (b) demerger of Scientific and Industrial Product Business from the Company into KPL and consequent issue of shares by KPL; and (c) amalgamation of BTL with KPL. The Appointed Date for the Scheme is 1st April, 2022. Subsequent to receipt of Observation Letters from BSE Limited and National Stock Exchange of India Limited conveying "no adverse observations / no-objection" on the Scheme, the Company has filed Scheme Application with the National Company Law Tribunal, Mumbai Bench for necessary directions.
5. The figures for the previous period / year have been rearranged / regrouped, wherever necessary, to make them comparable.

For Borosil Limited



Shreevar Kheruka
Managing Director and CEO
(DIN 01802416)

Place: Mumbai
Date :11th November, 2022



Independent Auditor's Review Report on Unaudited Consolidated Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

To,

**The Board of Directors of
Borosil Limited**

1. We have reviewed the accompanying statement of unaudited consolidated financial results of **Borosil Limited** ("the Holding Company") and its subsidiaries (the holding Company and its subsidiaries together refer to as "the Group") for the quarter ended 30th September, 2022 and for the period from 1st April, 2022 to 30th September, 2022 ("the statement"), attached herewith, being submitted by the Holding Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015 ("the Listing Regulation"), as amended.
2. This statement, which is the responsibility of the Holding Company's management and approved by the Holding Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, Interim Financial Reporting (Ind AS 34) as prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the statement based on our review.
3. We conducted our review of the statement in accordance with the Standard on Review Engagement (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. A review of interim financial information consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.



Head Office: 714-715, Tulsiani Chambers, 212, Nariman Point, Mumbai - 400 021, India. Tel : +91 22 4163 8500 • Fax : +91 22 4163 8595
URL : www.cas.ind.in

Branch : Bengaluru

We also performed procedures in accordance with the circular no. CIR/CFD/CMD1/44/2019 issued by the Securities and Exchange Board of India under Regulation 33 (8) of the Listing Regulations, as amended, to the extent applicable

4. The statement includes the results of the entities listed as per below:
List of subsidiaries:
1. Klass Pack Limited
 2. Borosil Technologies Limited
 3. Acalypha Realty Limited
5. Based on our review conducted as above and procedures performed as stated in paragraph 3 above and based on the consideration of the review reports of the other auditors referred to in paragraph 6 below, nothing has come to our attention that causes us to believe that the accompanying statement of unaudited consolidated financial results, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the Listing Regulations, as amended, including the manner in which it is to be disclosed, or that it contains any material misstatement.
6. We did not review the interim financial information/financial results of 3 subsidiaries included in the unaudited consolidated financial results, whose interim financial information/financial results reflect total assets of Rs. 12,578.38 Lakhs as at 30th September, 2022, total revenue of Rs. 2,304.36 Lakhs and Rs. 5,122.26 Lakhs, net profit/(loss) after tax Rs. (138.71) Lakhs and Rs. (167.91) Lakhs and total comprehensive income of Rs. (136.51) Lakhs and Rs. (163.49) Lakhs for the quarter ended 30th September, 2022 and for the period from 1st April, 2022 to 30th September, 2022 respectively, and cash inflow (net) of Rs. 22.29 Lakhs for the period from 1st April, 2022 to 30th September, 2022, as considered in the unaudited consolidated financial results. These interim financial information/financial results have been reviewed by other auditors, whose reports have been furnished to us by the Management and our conclusion on the statement, in so far as it relates to the amount and disclosures included in respect of these subsidiaries is based solely on the reports of the other auditors and procedures performed by us as stated in paragraph 3 above.



Our conclusion on the statement is not modified in respect of the above matters with respect to our reliance on the work done and the report of other auditors.

For Chaturvedi & Shah LLP
Chartered Accountants
Registration No. 101720WW/100355



Anuj Bhatia
Partner

Membership No. 122179
UDIN No. 22122179BCUZBE7625



Place: Nagpur
Date: 11th November, 2022

BOROSIL LIMITED

CIN: L36100MH2010PLC292722

Regd. Office : 1101, Crescenzo, G-Block, Opp. MCA Club, Bandra Kurla Complex, Bandra (East), Mumbai - 400 051

Tel.No.(022) 67406300 Fax No.(022) 67406514 Website : www.borosil.com Email : borosil@borosil.com

UNAUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED 30TH SEPTEMBER, 2022

(Rs. in lakhs except as stated)

| S. No. | Particulars | Quarter ended | | | Half Year ended | | Year ended |
|--------|---|------------------|------------------|------------------|------------------|------------------|------------------|
| | | (30/09/2022) | (30/06/2022) | (30/09/2021) | (30/09/2022) | (30/09/2021) | (31/03/2022) |
| | | Unaudited | Unaudited | Unaudited | Unaudited | Unaudited | Audited |
| I. | Income: | | | | | | |
| | Revenue From Operations | 27,142.43 | 21,622.56 | 22,183.34 | 48,764.99 | 35,971.64 | 83,986.16 |
| | Other Income | 402.55 | 175.49 | 424.54 | 578.04 | 1,205.88 | 2,457.48 |
| | Total Income (I) | 27,544.98 | 21,798.05 | 22,607.88 | 49,343.03 | 37,177.52 | 86,443.64 |
| II. | Expenses: | | | | | | |
| | Cost of Materials Consumed | 4,787.61 | 3,443.14 | 3,212.97 | 8,230.75 | 5,800.01 | 13,227.47 |
| | Purchases of Stock-in-Trade | 9,046.83 | 7,183.62 | 6,384.95 | 16,230.45 | 10,306.60 | 22,767.04 |
| | Changes in Inventories of Work-in-Progress, Finished Goods and Stock-in-Trade | (2,377.67) | (2,711.34) | (1,997.99) | (5,089.01) | (4,128.39) | (5,202.35) |
| | Employee Benefits Expense | 2,916.11 | 2,917.12 | 2,525.81 | 5,833.23 | 4,775.77 | 10,277.36 |
| | Finance Costs | 31.23 | 14.27 | 16.95 | 45.50 | 40.42 | 111.63 |
| | Depreciation and Amortization Expense | 821.72 | 800.87 | 859.03 | 1,622.59 | 1,707.93 | 3,383.47 |
| | Other Expenses | 8,945.32 | 8,049.16 | 7,339.93 | 16,994.48 | 12,735.88 | 28,556.57 |
| | Total Expenses (II) | 24,171.15 | 19,696.84 | 18,341.65 | 43,867.99 | 31,238.22 | 73,121.19 |
| III. | Profit before share of profit in associate, exceptional items and tax (I - II) | 3,373.83 | 2,101.21 | 4,266.23 | 5,475.04 | 5,939.30 | 13,322.45 |
| IV. | Share of profit in associates | - | - | - | - | - | - |
| V. | Profit before exceptional items and tax (III + IV) | 3,373.83 | 2,101.21 | 4,266.23 | 5,475.04 | 5,939.30 | 13,322.45 |
| VI. | Exceptional items (Refer Note 2) | - | (508.06) | 43.53 | (508.06) | 646.50 | 1,121.17 |
| VII. | Profit before tax (V - VI) | 3,373.83 | 2,609.27 | 4,222.70 | 5,983.10 | 5,292.80 | 12,201.28 |
| VIII. | Tax Expense : | | | | | | |
| | (1) Current Tax | 952.96 | 633.63 | 1,220.08 | 1,586.59 | 1,341.25 | 2,962.06 |
| | (2) Deferred Tax | (104.84) | 34.19 | 274.13 | (70.65) | 1,413.04 | 716.17 |
| | Total Tax Expenses | 848.12 | 667.82 | 1,494.21 | 1,515.94 | 2,754.29 | 3,678.23 |
| IX. | Profit for the period / Year (VII - VIII) | 2,525.71 | 1,941.45 | 2,728.49 | 4,467.16 | 2,538.51 | 8,523.05 |
| X. | Other Comprehensive Income | | | | | | |
| | Items that will not be reclassified to profit or loss: | | | | | | |
| | a) Re-measurement gains / (losses) on defined benefit plans | (3.97) | (2.83) | 20.84 | (6.80) | 30.88 | (12.54) |
| | b) Income tax on above | 0.91 | 0.63 | (7.23) | 1.54 | (10.69) | 2.81 |
| | Total Other Comprehensive Income | (3.06) | (2.20) | 13.61 | (5.26) | 20.19 | (9.73) |
| XI. | Total Comprehensive Income for the period / year (IX + X) | 2,522.65 | 1,939.25 | 2,742.10 | 4,461.90 | 2,558.70 | 8,513.32 |
| XII. | Profit attributable to: | | | | | | |
| | Owners of the Company | 2,517.24 | 1,925.43 | 2,680.20 | 4,442.67 | 2,443.98 | 8,373.03 |
| | Non-controlling interest | 8.47 | 16.02 | 48.29 | 24.49 | 94.53 | 150.02 |
| XIII. | Other Comprehensive Income attributable to: | | | | | | |
| | Owners of the Company | (3.49) | (2.63) | 13.53 | (6.12) | 20.03 | (11.45) |
| | Non-controlling interest | 0.43 | 0.43 | 0.08 | 0.86 | 0.16 | 1.72 |
| XIV. | Total Comprehensive Income attributable to: | | | | | | |
| | Owners of the Company | 2,513.75 | 1,922.80 | 2,693.73 | 4,436.55 | 2,464.01 | 8,361.58 |
| | Non-controlling interest | 8.90 | 16.45 | 48.37 | 25.35 | 94.69 | 151.74 |
| XV. | Paid up Equity Share Capital (Face value of Re. 1/- each fully paid up) (Refer Note 3) | 1,143.31 | 1,142.21 | 1,141.19 | 1,143.31 | 1,141.19 | 1,141.63 |
| XVI. | Other Equity excluding revaluation reserve | | | | | | 75,581.17 |
| XVII. | Earning per Equity Share (Face value of Re. 1/- each) (in Rs.) | | | | | | |
| | Basic (Not Annualised)* | 2.20 * | 1.69 * | 2.35 * | 3.89 * | 2.14 * | 7.34 |
| | Diluted (Not Annualised)* | 2.20 * | 1.69 * | 2.35 * | 3.89 * | 2.14 * | 7.34 |



BOROSIL LIMITED

UNAUDITED CONSOLIDATED SEGMENT INFORMATION FOR THE QUARTER AND HALF YEAR ENDED 30TH SEPTEMBER, 2022

(Rs. in lakhs)

| S. No. | Particulars | Quarter ended | | | Half Year ended | | Year ended |
|--------|---|--------------------|--------------------|------------------|--------------------|------------------|------------------|
| | | (30/09/2022) | (30/06/2022) | (30/09/2021) | (30/09/2022) | (30/09/2021) | (31/03/2022) |
| | | Unaudited | Unaudited | Unaudited | Unaudited | Unaudited | Audited |
| 1 | Segment Revenue : | | | | | | |
| | a. Scientificware | 6,210.69 | 6,749.77 | 6,468.99 | 12,960.46 | 11,883.85 | 26,686.01 |
| | b. Consumerware | 20,931.74 | 14,872.79 | 15,714.35 | 35,804.53 | 24,087.79 | 57,300.15 |
| | Total | 27,142.43 | 21,622.56 | 22,183.34 | 48,764.99 | 35,971.64 | 83,986.16 |
| | Less : Inter Segment Revenue | - | - | - | - | - | - |
| | Revenue from operations | 27,142.43 | 21,622.56 | 22,183.34 | 48,764.99 | 35,971.64 | 83,986.16 |
| 2 | Segment Results (Profit before tax and non-controlling interests): | | | | | | |
| | a. Scientificware | 807.51 | 822.51 | 1,557.62 | 1,630.02 | 2,280.24 | 5,053.50 |
| | b. Consumerware | 2,578.84 | 1,403.31 | 2,718.15 | 3,982.15 | 3,274.46 | 7,290.61 |
| | c. Investments | 122.45 | 7.53 | 87.71 | 129.98 | 532.83 | 1,365.40 |
| | Total | 3,508.80 | 2,233.35 | 4,363.48 | 5,742.15 | 6,087.53 | 13,709.51 |
| | Less:- Finance cost | 31.23 | 14.27 | 16.95 | 45.50 | 40.42 | 111.63 |
| | Less:- Exceptional item (Refer Note 2) | - | (508.06) | 43.53 | (508.06) | 646.50 | 1,121.17 |
| | Less:- Other unallocable expenditure (net of income) | 103.74 | 117.87 | 80.30 | 221.61 | 107.81 | 275.43 |
| | Profit before Tax | 3,373.83 | 2,609.27 | 4,222.70 | 5,983.10 | 5,292.80 | 12,201.28 |
| 3 | Segment Assets | | | | | | |
| | a. Scientificware | 23,311.01 | 22,108.44 | 18,792.27 | 23,311.01 | 18,792.27 | 22,264.00 |
| | b. Consumerware | 57,700.13 | 44,023.64 | 32,921.36 | 57,700.13 | 32,921.36 | 33,547.02 |
| | c. Investments | 8,121.65 | 16,958.69 | 18,965.08 | 8,121.65 | 18,965.08 | 20,354.69 |
| | d. Un-allocated | 17,964.53 | 17,560.02 | 21,730.31 | 17,964.53 | 21,730.31 | 19,523.80 |
| | Total | 1,07,097.32 | 1,00,650.79 | 92,409.02 | 1,07,097.32 | 92,409.02 | 95,689.51 |
| 4 | Segment Liabilities | | | | | | |
| | a. Scientificware | 5,295.42 | 5,164.35 | 5,032.72 | 5,295.42 | 5,032.72 | 5,432.12 |
| | b. Consumerware | 11,148.22 | 10,550.77 | 11,130.21 | 11,148.22 | 11,130.21 | 9,163.08 |
| | c. Investments | 87.79 | 60.27 | 78.01 | 87.79 | 78.01 | 54.92 |
| | d. Un-allocated | 7,393.07 | 4,460.31 | 3,932.20 | 7,393.07 | 3,932.20 | 2,714.33 |
| | Total | 23,924.50 | 20,235.70 | 20,173.14 | 23,924.50 | 20,173.14 | 17,364.45 |

Note :

As per Indian Accounting Standard 108 on 'Operating Segment' (Ind-AS 108), the Company has reported "Segment information", as described below:

Scientificware:- Comprising of manufacturing and trading of items used in Laboratories, Scientific ware and pharmaceutical packaging.

Consumerware:- Comprising of manufacturing and trading of items for Domestic use.

Investments:- Comprising of Investment activities. As the investments are not held as stock in trade, the income from investment activities has not been considered as segment revenue and accordingly not disclosed.

Unallocated:- Consists of income, expenses, assets and liabilities which can not be directly identified to any of the above segments.



BOROSIL LIMITED

UNAUDITED CONSOLIDATED STATEMENT OF ASSETS AND LIABILITIES AS AT 30TH
SEPTEMBER, 2022

(Rs. in lakhs)

| Particulars | Consolidated | |
|---|--------------------|------------------|
| | As at | As at |
| | (30/09/2022) | (31/03/2022) |
| | Unaudited | Audited |
| I. ASSETS | | |
| 1 Non-current Assets | | |
| (a) Property, Plant and Equipment | 22,165.52 | 20,699.21 |
| (b) Capital work-in-progress | 12,129.01 | 2,497.76 |
| (c) Investment Property | 105.46 | 105.59 |
| (d) Goodwill | 6,767.07 | 6,767.07 |
| (e) Other Intangible assets | 43.13 | 37.20 |
| (f) Financial Assets | | |
| (i) Investments | 3,811.20 | 3,965.95 |
| (ii) Loans | 21.27 | 23.44 |
| (iii) Others | 791.73 | 508.66 |
| (g) Deferred Tax Assets (net) | 218.19 | 226.11 |
| (h) Art Works | 240.80 | 240.80 |
| (i) Non-current tax assets (net) | 782.24 | 651.47 |
| (j) Other non-current assets | 7,542.37 | 4,199.30 |
| Total non-current assets | 54,617.99 | 39,922.56 |
| 2 Current Assets | | |
| (a) Inventories | 25,431.24 | 19,333.50 |
| (b) Financial Assets | | |
| (i) Investments | 4,869.15 | 15,726.55 |
| (ii) Trade Receivables | 11,575.15 | 7,430.91 |
| (iii) Cash and cash equivalents | 597.78 | 2,254.07 |
| (iv) Bank Balances other than (iii) above | 203.29 | 609.80 |
| (v) Loans | 44.80 | 1,547.99 |
| (vi) Others | 577.50 | 585.91 |
| (c) Other current assets | 3,042.92 | 2,140.72 |
| (d) Assets held for sale | 6,137.50 | 6,137.50 |
| Total current assets | 52,479.33 | 55,766.95 |
| TOTAL ASSETS | 1,07,097.32 | 95,689.51 |
| II. EQUITY AND LIABILITIES | | |
| EQUITY | | |
| (a) Equity Share Capital | 1,143.31 | 1,141.63 |
| (b) Other Equity | 80,401.90 | 75,581.17 |
| Equity attributable to the owners | 81,545.21 | 76,722.80 |
| Non-controlling interest | 1,627.61 | 1,602.26 |
| Total Equity | 83,172.82 | 78,325.06 |
| LIABILITIES | | |
| 1 Non-current Liabilities | | |
| (a) Financial liabilities | | |
| (i) Borrowings | 1,835.71 | - |
| (ii) Lease Liabilities | 600.16 | 118.41 |
| (b) Provisions | 295.67 | 280.35 |
| (c) Deferred Tax Liabilities (net) | 2,008.54 | 2,088.65 |
| Total non-current liabilities | 4,740.08 | 2,487.41 |
| 2 Current Liabilities | | |
| (a) Financial Liabilities | | |
| (i) Borrowings | 1,796.22 | - |
| (ii) Lease Liabilities | 141.21 | 0.65 |
| (iii) Trade Payables | | |
| A) total outstanding dues of micro enterprises and small enterprises | 2,563.70 | 1,466.01 |
| B) total outstanding dues of creditors other than micro enterprises and small enterprises | 3,981.92 | 4,243.77 |
| (iv) Other Financial Liabilities | 7,300.38 | 6,951.45 |
| (b) Other current liabilities | 1,030.88 | 796.14 |
| (c) Provisions | 1,140.91 | 933.32 |
| (d) Current Tax Liabilities (Net) | 1,229.20 | 485.70 |
| Total current liabilities | 19,184.42 | 14,877.04 |
| TOTAL EQUITY AND LIABILITIES | 1,07,097.32 | 95,689.51 |



BOROSIL LIMITED

UNAUDITED CONSOLIDATED STATEMENT OF CASH FLOW FOR THE HALF YEAR ENDED 30TH SEPTEMBER, 2022

(Rs. in lakhs)

| Particulars | For the Half Year Ended (30/09/2022) | For the Half Year Ended (30/09/2021) |
|---|--|--|
| | Unaudited | Unaudited |
| A. Cash Flow from Operating Activities | | |
| Profit Before Tax as per Consolidated Statement of Profit and Loss | 5,983.10 | 5,292.80 |
| Adjusted for : | | |
| Depreciation and Amortisation Expense | 1,622.59 | 1,707.93 |
| Gain on Foreign Currency Transactions (net) | (10.91) | (13.49) |
| Dividend Income | - | (0.07) |
| Interest Income | (99.00) | (57.58) |
| Loss/(Gain) on Sale of Investments (net) | (120.23) | 77.31 |
| Gain on Financial Instruments measured at fair value through profit or loss (net) | (27.57) | (629.15) |
| Loss on Sale / discarding of Property, Plant and Equipment (net) | 23.64 | 15.92 |
| Investment Advisory Charges | 0.87 | 16.29 |
| Share Based Payment Expense | 128.16 | 56.75 |
| Finance Costs | 45.50 | 40.42 |
| Sundry Balances / Excess Provision Written Back (net) | (26.53) | (186.99) |
| Loss due to Fire and Flood (related to Property, plant and Equipments) | - | 646.50 |
| Insurance Claim Received | (508.06) | - |
| Bad Debts | 0.36 | 2.95 |
| Provision / (reversal) for Credit Impaired / Doubtful Advances (net) | (122.49) | 33.26 |
| Operating Profit before Working Capital Changes | 6,889.43 | 7,002.85 |
| Adjusted for : | | |
| Trade and Other Receivables | (5,247.16) | (6,913.92) |
| Inventories | (6,097.74) | (2,152.40) |
| Trade and Other Payables | 965.11 | 4,008.14 |
| Cash generated from Operations | (3,490.36) | 1,944.67 |
| Direct Taxes Paid (net) | (973.86) | (1,324.90) |
| Net Cash from / (Used in) Operating Activities | (4,464.22) | 619.77 |
| B. Cash Flow from Investing Activities | | |
| Purchase of Property, Plant and Equipment | (14,784.81) | (2,099.21) |
| Sale of Property, Plant and Equipment | 31.69 | 14.84 |
| Purchase of Investments | (2,734.24) | (15,180.06) |
| Sale of Investments | 13,885.66 | 21,321.72 |
| Movement in Loans (net) | 1,500.00 | (1,500.00) |
| Investment Advisory Charges Paid | (0.87) | (23.48) |
| Income / Interest on Investment / Loans | 195.77 | 47.44 |
| Insurance Claim Received | 590.00 | - |
| Dividend Received | - | 0.07 |
| Net Cash from / (Used in) Investing Activities | (1,316.80) | 2,581.32 |
| C. Cash Flow from Financing Activities | | |
| Proceeds from issue of Share Capital | 257.69 | - |
| Proceeds from Non-current Borrowings | 1,980.03 | - |
| Repayment of Non-current Borrowings | - | (126.96) |
| Movement in Current Borrowings (net) | 1,651.90 | (160.10) |
| Margin Money (net) | 303.82 | (1,108.90) |
| Lease Payments | (36.34) | (10.09) |
| Dividend Paid | - | (1,141.19) |
| Interest Paid | (32.38) | (46.28) |
| Net Cash From / (used in) Financing Activities | 4,124.72 | (2,593.52) |
| Net Increase / (Decrease) in Cash and Cash Equivalents (A+B+C) | (1,656.30) | 607.57 |
| Opening Balance of Cash and Cash Equivalents | 2,254.07 | 652.30 |
| Unrealised Gain / (loss) on Foreign Currency Transactions (net) | (0.06) | - |
| Opening Balance of Cash and Cash Equivalents | 2,254.13 | 652.30 |
| Closing Balance of Cash and Cash Equivalents | 597.78 | 1,259.87 |
| Unrealised Gain / (loss) on Foreign Currency Transactions (net) | (0.05) | - |
| Closing Balance of Cash and Cash Equivalents | 597.83 | 1,259.87 |



1. The above results have been reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on 11th November, 2022. The Statutory Auditors of the Company have carried out a Limited Review of the above results.
2. Exceptional items:
As reported earlier, Exceptional items (i) for the quarter ended 30th June, 2022 and for the half year ended 30th September, 2022 represents receipt of claim amount of Rs.508.06 lakhs (net of WDV), as a part settlement, from the Insurance Company in respect of fixed assets. ii) for the quarter and half year ended 30th September, 2021 pertains to loss of properties due to fire / flood at the Company's warehouse. (iii) for the year ended 31st March, 2022 represents provision for impairment in respect of Capital work in progress & Investment Properties and loss of properties due to fire / flood at the Company's warehouses.
3. Pursuant to exercise of the options under "Borosil Limited - Special Purpose Employee Stock Option Plan 2020" and "Borosil Limited - Employee Stock Option Scheme, 2020", during the quarter and half year ended 30th September, 2022, the Company has allotted 1,09,700 Equity Shares and 1,68,140 Equity Shares respectively of the face value of Re. 1 each, which has resulted into increase of paid up Equity Share Capital by Rs. 1.10 lakhs and Rs. 1.68 lakhs respectively and Securities Premium by Rs. 260.43 lakhs and Rs. 387.47 lakhs respectively.
4. The Board of Directors at its meeting held on 7th February, 2022, had approved a Composite Scheme of Arrangement amongst the Company and Klass Pack Ltd ("KPL"), a subsidiary of the Company, and Borosil Technologies Ltd ("BTL"), a wholly owned subsidiary of the Company ('Scheme') inter alia for: (a) reduction and reorganization of share capital of KPL; (b) demerger of Scientific and Industrial Product Business from the Company into KPL and consequent issue of shares by KPL; and (c) amalgamation of BTL with KPL. The Appointed Date for the Scheme is 1st April, 2022. Subsequent to receipt of Observation Letters from BSE Limited and National Stock Exchange of India Limited conveying "no adverse observations / no-objection" on the Scheme, the Company has filed Scheme Application with the National Company Law Tribunal, Mumbai Bench for necessary directions.
5. The figures for the previous period / year have been rearranged / regrouped, wherever necessary, to make them comparable.

Place: Mumbai
Date :11th November, 2022



For **Borosil Limited**

A handwritten signature in blue ink, appearing to be "Shreevar Kheruka".

Shreevar Kheruka
Managing Director and CEO
(DIN 01802416)

BOROSIL LIMITED

CIN: L36100MH2010PLC292722

Regd. Office : 1101, Crescenzo, G-Block, Opp. MCA Club, Bandra Kurla Complex, Bandra (East), Mumbai 400 051
Tel.No.(022) 67406300 Fax No.(022) 67406514 Website : www.borosil.com Email : borosil@borosil.com

EXTRACT OF STATEMENT OF UNAUDITED STANDALONE AND CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED 30TH SEPTEMBER, 2022
(Rs. in lakhs except as stated)

| Particulars | Standalone | | | | Consolidated | | | |
|---|-----------------------------|-----------------------------|-----------------------------|---------------------------|-----------------------------|-----------------------------|-----------------------------|---------------------------|
| | Quarter ended | Quarter ended | Half Year Ended | Year Ended | Quarter ended | Quarter ended | Half Year Ended | Year Ended |
| | (30/09/2022) (Unaudited) | (30/09/2021) (Unaudited) | (30/09/2022) (Unaudited) | (31/03/2022) (Audited) | (30/09/2022) (Unaudited) | (30/09/2021) (Unaudited) | (30/09/2022) (Unaudited) | (31/03/2022) (Audited) |
| Total income from operations | 25,718.18 | 19,917.55 | 45,499.97 | 75,041.45 | 27,142.43 | 22,183.34 | 48,764.99 | 83,986.16 |
| Net Profit for the period / year before Tax and Exceptional items | 3,508.24 | 3,962.80 | 5,617.32 | 12,288.02 | 3,373.83 | 4,266.23 | 5,475.04 | 13,322.45 |
| Net Profit for the period / year before Tax (After Exceptional items) | 3,508.24 | 3,919.27 | 6,125.38 | 11,166.85 | 3,373.83 | 4,222.70 | 5,983.10 | 12,201.28 |
| Net Profit for the period / year after Tax (After Exceptional items) | 2,674.27 | 2,508.64 | 4,651.52 | 7,747.61 | 2,525.71 | 2,728.49 | 4,467.16 | 8,523.05 |
| Total Comprehensive Income for the period / year (Comprising profit for the period / year (after tax) and other comprehensive income (after tax)) | 2,669.01 | 2,521.85 | 4,641.84 | 7,729.03 | 2,522.65 | 2,742.10 | 4,461.90 | 8,513.32 |
| Equity Share Capital | 1,143.31 | 1,141.19 | 1,143.31 | 1,141.63 | 1,143.31 | 1,141.19 | 1,143.31 | 1,141.63 |
| Other Equity (Excluding Revaluation Reserve as shown in the Balance Sheet) | | | | 75,610.31 | | | | 75,581.17 |
| Earning per equity share (in Rs.) (Face value of Re. 1/- each) | | | | | | | | |
| Basic (Not Annualised)* | 2.34 * | 2.20 * | 4.07 * | 6.79 | 2.20 * | 2.35 * | 3.89 * | 7.34 |
| Diluted (Not Annualised)* | 2.34 * | 2.20 * | 4.07 * | 6.79 | 2.20 * | 2.35 * | 3.89 * | 7.34 |

1. The above is an extract of the detailed format of Unaudited Standalone and Consolidated Financial Results for the quarter and half year ended 30th September, 2022, filed with the Stock Exchanges on 11th November, 2022 under Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The full format of the said Financial Results are available on the websites of Stock Exchanges (www.bseindia.com and www.nseindia.com) and on the Company's website (www.borosil.com).

2. The above results have been reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on 11th November, 2022. The Statutory Auditors of the Company have carried out a Limited Review of the above results.

For Borosil Limited


 Shreevar Kherdka
 Managing Director & CEO
 (DIN 01802416)

Place : Mumbai
Date: 11th November, 2022

INDEPENDENT AUDITOR'S REPORT ON CONDENSED FINANCIAL STATEMENTS

To,
The Board of Directors
Klass Pack Limited

Opinion

We have audited the accompanying Condensed Financial Statements of **KLASS PACK LIMITED** ("the Company"), which comprise the Condensed Balance Sheet as at 30th September, 2022 and the Condensed Statement of Profit and Loss (including other comprehensive income), the Condensed Statement of Changes in Equity and the Condensed Statement of Cash Flows for the six months period then ended, and notes to the Condensed Financial Statements, including a summary of significant accounting policies and other explanatory information thereon (collectively hereinafter referred to as "Condensed Financial Statements"). The Condensed Financial Statements have been prepared by the Management of the Company in connection with proposed Composite Scheme of Arrangement amongst Borosil Limited ("Demerged Company"), Klass Pack Limited ("Resulting Company" or "Transferee Company") and Borosil Technologies Limited ("Transferor Company") and their respective shareholders and creditors ('Scheme').

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Condensed 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 state of affairs of the Company as at 30th September, 2022 and its profit including other comprehensive income, the statement of changes in equity and its cash flows for the six months period ended on that date.

Basis for Opinion

We conducted our audit of the Condensed 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 Condensed Financial Statements section of our report. We are independent of the Company 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 Condensed 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 we have obtained is sufficient and appropriate to provide a basis for our opinion on the Condensed Financial Statements.

Responsibilities of Management and those charged with Governance for the Condensed Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these Condensed Financial Statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the recognition and measurements principles laid down in Indian Accounting Standard (Ind AS) 34, 'Interim Financial Reporting' prescribed under Section 133 of the Act read with relevant rules issued thereunder and other accounting principles generally accepted in India.



This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company 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 Condensed Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Condensed Financial Statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

That Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Condensed Financial Statements

Our objectives are to obtain reasonable assurance about whether the Condensed 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 Condensed 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 Condensed Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- 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 Company 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 Condensed 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 Company to cease to continue as a going concern.



- Evaluate the overall presentation, structure and content of the Condensed Financial Statements, including the disclosures, and whether the Condensed Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.
- We communicate with those charged with governance 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.

Basis of Accounting and Restriction on use

Without modifying our opinion, we draw attention to Note 46 and Note 47 to the Condensed Financial Statements, which describe the purpose and basis of preparation. The Condensed Financial Statements have been prepared by the Company's Management solely for the purpose as mentioned in the 'Opinion' paragraph above and accordingly, the Condensed Financial Statements may not be suitable for any another purpose. It should not be used by parties other than the Company or the Transferor Company or the Demerged Company. It should not be distributed for any purpose other than to meet the legal/regulatory requirements. We do not accept or assume any liability or duty of care to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Other Matter

Attention is drawn to the fact that the figures for the period ended 30th September, 2021 are based on previous financial results that were reviewed by us. Our conclusion is not modified in respect of this matter.

For Pathak H. D. & Associates LLP
Chartered Accountants
Firm Registration No: 107783W/ W100593



Mukesh Mehta
Partner
Membership No. 043495
UDIN: 22043495BFRTOO9951



Place: Mumbai
Date: 13.12.2022

KLASS PACK LIMITED

CONDENSED BALANCE SHEET AS AT 30TH SEPTEMBER, 2022

| Particulars | Note No. | (Rs. in lakhs) | |
|---|----------|---------------------------|-------------------------|
| | | As at 30th September 2022 | As at 31st March, 2022 |
| I. ASSETS | | | |
| 1 Non-current Assets | | | |
| (a) Property, Plant and Equipment | 5 | 5,530.87 | 5,596.11 |
| (b) Capital Work-in-progress | 5 | 487.49 | 265.91 |
| (c) Other Intangible Assets | 6 | - | - |
| (d) Financial Assets | | | |
| (i) Investments | 7 | 1.11 | 1.11 |
| (ii) Other Financial Assets | 8 | 77.76 | 32.96 |
| (e) Deferred Tax Assets (net) | 9 | 166.96 | 183.01 |
| (f) Non-current Tax Assets (net) | | 135.77 | 5.34 |
| (g) Other Non-current Assets | 10 | 753.21 | 482.62 |
| | | <u>7,133.17</u> | <u>482.62</u> |
| | | | 6,547.08 |
| 2 Current Assets | | | |
| (a) Inventories | 11 | 1,992.39 | 1,851.68 |
| (b) Financial Assets | | | |
| (i) Investments | 12 | 580.19 | 913.14 |
| (ii) Trade Receivables | 13 | 950.06 | 1,490.45 |
| (iii) Cash and Cash Equivalents | 14 | 25.77 | 12.97 |
| (iv) Bank Balances Other than (iii) above | 15 | 88.86 | 80.68 |
| (v) Loans | 15 | 6.21 | 6.08 |
| (vi) Other Financial Assets | 17 | 197.75 | 100.34 |
| (c) Other Current Assets | 18 | 160.96 | 147.27 |
| | | <u>4,000.18</u> | <u>147.27</u> |
| | | | 4,692.61 |
| TOTAL ASSETS | | <u>11,133.35</u> | <u>11,239.69</u> |
| II. EQUITY AND LIABILITIES | | | |
| Equity | | | |
| (a) Equity Share Capital | 19 | 1,632.95 | 1,632.95 |
| (b) Other Equity | 20 | 7,632.39 | 7,517.60 |
| | | <u>9,295.34</u> | <u>7,517.60</u> |
| | | | 9,150.55 |
| LIABILITIES | | | |
| 1 Non-current Liabilities | | | |
| (a) Provisions | 21 | 277.02 | 265.29 |
| | | <u>277.02</u> | <u>265.29</u> |
| | | | 265.29 |
| 2 Current Liabilities | | | |
| (a) Financial Liabilities | | | |
| (i) Borrowings | 22 | 96.36 | - |
| (ii) Trade Payables | 23 | | |
| A) Due to Micro and Small Enterprises | | 119.75 | 129.10 |
| B) Due to Other than Micro and Small Enterprises | | 715.02 | 879.40 |
| | | <u>834.77</u> | <u>1,008.50</u> |
| (iii) Other Financial Liabilities | 24 | 441.37 | 539.90 |
| (b) Other Current Liabilities | 25 | 49.43 | 149.46 |
| (c) Provisions | 26 | 139.06 | 125.99 |
| | | <u>1,560.99</u> | <u>125.99</u> |
| | | | 1,823.85 |
| TOTAL EQUITY AND LIABILITIES | | <u>11,133.35</u> | <u>11,239.69</u> |
| Significant Accounting Policies and Notes to Financial Statements | 1 to 48 | | |

As per our Report of even date

For PATHAK H.D. & ASSOCIATES LLP
Chartered Accountants
(Firm Registration No. 107783W / W100593)

Mukesh Mehta
Partner
Membership No. 43495

Place : Mumbai
Date : 13.12.2022



(Signature)
Shreevar Kheruka
Director
(DIN 01802416)

(Signature)
Anurag Jain
Chief Financial Officer

For and on behalf of the Board of Directors

(Signature)
Prashant Amin
Managing Director
(DIN 00626079)

(Signature)
Chaitanya Chauhan
Company Secretary
(Membership No. ACS-51896)

KLASS PACK LIMITED

CONDENSED STATEMENT OF PROFIT AND LOSS FOR THE PERIOD ENDED 30TH SEPTEMBER, 2022

| Particulars | Note No. | (Rs. in lakhs) | |
|---|----------|--|--|
| | | For the Period Ended 30th September 2022 | For the Period Ended 30th September 2021 |
| I. Income | | | |
| Revenue from Operations | 27 | 4,650.55 | 5,149.21 |
| Other Income | 28 | 66.39 | 41.96 |
| Total Income (I) | | 4,716.91 | 5,191.17 |
| II. Expenses: | | | |
| Cost of Raw Materials Consumed | | 2,259.92 | 2,285.66 |
| Changes in Inventories of Work-in-Progress and Finished goods | 29 | (271.13) | 18.15 |
| Employee Benefits Expense | 30 | 657.72 | 574.23 |
| Finance Costs | 31 | 4.42 | 19.24 |
| Depreciation and Amortisation Expense | 32 | 338.19 | 296.64 |
| Other Expenses | 33 | 1,539.89 | 1,378.64 |
| Total Expenses (II) | | 4,527.00 | 4,572.46 |
| III. Profit Before Tax (I - II) | | 189.91 | 618.71 |
| IV. Tax Expense: | | | |
| (1) Current Tax | 9 | 35.88 | 50.97 |
| (2) Deferred Tax | | 14.16 | 105.92 |
| V. Profit for the period / year (III - IV) | | 139.87 | 461.82 |
| VI. Other Comprehensive Income (OCI) | | | |
| Items that will not be reclassified to profit or loss: | | | |
| Re-measurement gains / (losses) on Defined Benefit Plans | | 6.81 | 1.06 |
| Income Tax effect on above | | (1.89) | (0.28) |
| Total Other Comprehensive Income | | 4.92 | 0.78 |
| VII. Total Comprehensive Income for the period / year (V + VI) | | 144.79 | 462.60 |
| VIII. Earnings per Equity Share of Rs.100/- each (in Rs.) (Not Annualized) | | | |
| - Basic | 34 | 8.57 | 33.06 |
| - Diluted | | 8.57 | 33.06 |
| Significant Accounting Policies and Notes to Financial Statements | 1 to 48 | | |

For PATHAK H.D. & ASSOCIATES LLP
Chartered Accountants
(Firm Registration No. 107783W / W100593)

Mukesh Mehta

Mukesh Mehta
Partner
Membership No. 43495

Place : Mumbai
Date : 13.12.2022



Shreevar Kheruka
Shreevar Kheruka
Director
(DIN 01802416)

Anurag Jain
Anurag Jain
(Chief Financial Officer)

Prashant Amin
Prashant Amin
Managing Director
(DIN 00626079)

Chaitanya Chauhan
Chaitanya Chauhan
Company Secretary
(Membership No. ACS-51896)

KLASS PACK LIMITED

CONDENSED STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED 30TH SEPTEMBER, 2022

| A. Equity Share Capital Particulars | (Rs. in lakhs) | | |
|--|--------------------------|---------------------------|---------------------------|
| | As at 1st April, 2021 | Changes during 2021-22 | As at 31st March, 2022 |
| Equity Share Capital | 1,396.74 | 236.21 | 1,632.95 |
| B. Other Equity | | | |
| Particulars | Reserves and Surplus | | Total Other Equity |
| | Retained Earnings | Securities Premium | |
| Balance as at 1st April, 2021 | (929.74) | 4,704.54 | 4,887.23 |
| Total Comprehensive Income Equity Shares Issued (Refer Note 19.2) | 856.75 | 1,763.79 | 866.59 |
| Balance as at 31st March 2022 | (72.99) | 6,468.33 | 1,763.79 |
| Balance as at 1st April, 2022 | (72.99) | 6,468.33 | 7,517.60 |
| Total Comprehensive Income | 139.87 | - | 144.79 |
| Balance as at 30th September, 2022 | 66.88 | 6,468.33 | 7,662.39 |

As per our Report of even date

For PATHAK H.D. & ASSOCIATES LLP
Chartered Accountants
(Firm Registration No. 107783W / W100593)

Mukesh Mehta

Mukesh Mehta
Partner
Membership No. 43495

Place : Mumbai
Date : 13.12.2022



For and on behalf of the Board of Directors

Shreevar Kheruka

Shreevar Kheruka
Director
(DIN 01802416)

Anurag Jain

Anurag Jain
(Chief Financial Officer)

Prashant Amin

Prashant Amin
Managing Director
(DIN 00626079)

Chaitanya Chautan

Chaitanya Chautan
Company Secretary
(Membership No. ACS-51896)

KLASS PACK LIMITED
CONDENSED STATEMENT OF CASH FLOW FOR THE PERIOD ENDED 30TH SEPTEMBER, 2022

| PARTICULARS | (Rs. in lakhs) | |
|--|--|--|
| | For the period ended 30th September, 2022 | For the period ended 30th September, 2021 |
| A. Cash Flow From Operating Activities | | |
| Profit before tax as per Statement of Profit and Loss | 189.91 | 618.71 |
| Adjusted for : | | |
| Depreciation and Amortisation Expense | 336.19 | 296.64 |
| Gain on Foreign Currency Transactions (net) | (6.54) | 1.54 |
| Gain on Sale of Investments (net) | (6.99) | - |
| Loss / (Gain) on Financial Instruments measured at fair value through profit or loss (net) | (10.06) | - |
| Provision for Credit Impaired / Doubtful Advances (net) | - | 12.23 |
| Bad Debts | 0.08 | - |
| Guarantee Commission | - | 1.23 |
| Finance Cost | 4.42 | 19.24 |
| Share Based Payment Expense | 6.88 | 5.18 |
| | <u>323.98</u> | <u>336.06</u> |
| Operating Profit before Working Capital Changes | 513.89 | 954.77 |
| Adjusted for : | | |
| Trade and Other Receivables | 472.80 | (60.52) |
| Inventories | (140.71) | 163.56 |
| Trade and Other Payables | (329.23) | (245.83) |
| Cash generated from Operations | <u>516.75</u> | <u>811.98</u> |
| Direct Taxes Paid (net) | (166.31) | (82.53) |
| Net Cash Flow From / (used in) Operating Activities | <u>350.44</u> | <u>729.45</u> |
| B. Cash Flow from Investing Activities | | |
| Purchase of Property, Plant and Equipment | (774.03) | (485.07) |
| Sale of Investments | 350.00 | (0.12) |
| Net Cash Flow From / (used in) Investing Activities | <u>(424.03)</u> | <u>(485.19)</u> |
| C. Cash Flow from Financing Activities | | |
| Repayment of Non-current Borrowings | - | (126.96) |
| Movements in Current Borrowings (net) | 96.36 | (160.10) |
| Margin Money (net) | (6.18) | (1.67) |
| Guarantee Commission Paid | - | (1.23) |
| Finance Cost Paid | (3.74) | (20.58) |
| Net Cash Flow From / (used in) Financing Activities | <u>86.44</u> | <u>(310.54)</u> |
| Net Increase / (Decrease) in Cash and Cash Equivalents (A+B+C) | 12.85 | (66.28) |
| Opening Balance of Cash and Cash Equivalents | 12.97 | 73.17 |
| Unrealised Loss / (Gain) on Foreign Currency Transactions (net) | - | - |
| Opening Balance of Cash and Cash Equivalents | 12.97 | 73.17 |
| Closing Balance of Cash and Cash Equivalents | 25.77 | 6.89 |
| Unrealised Loss / (Gain) on Foreign Currency Transactions (net) | (0.05) | - |
| Closing Balance of Cash and Cash Equivalents | <u>25.82</u> | <u>6.89</u> |

Notes :
1 Changes in liabilities arising from financing activities on account of Non-current and Current Borrowings:

| Particulars | (Rs. in Lakhs) | |
|---|---|---|
| | For the Period ended 30th September, 2022 | For the Period ended 30th September, 2021 |
| Opening balance of liabilities arising from financing activities | - | 726.96 |
| Add: Changes from financing cash flows | 96.36 | (267.06) |
| Closing balance of liabilities arising from financing activities | 96.36 | 439.90 |

2 Bracket Indicates cash outflow.

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

4 The above statement 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 **PATHAK H.D. & ASSOCIATES LLP**

Chartered Accountants

(Firm Registration No. 107783W / W100593)

Mukesh Mehta
Mukesh Mehta
Partner
Membership No. 43498

Place : Mumbai
Date : 13.12.2022



Shreevar Kheruka
Shreevar Kheruka
Director
(DIN 01802416)

Anurag Jain
Anurag Jain
(Chief Financial Officer)

Prashant Amin
Prashant Amin
Managing Director
(DIN 00626079)

Chaitanya Chauhan
Chaitanya Chauhan
Company Secretary
(Membership No. ACS-51896)

KLASS PACK LIMITED

Notes to the Condensed Financial Statements for the Period ended 30th September, 2022

Note 1 CORPORATE INFORMATION:

Klass Pack Limited ("the Company") (CIN U74999MH1991PLC061851) is a public limited Company domiciled and incorporated in India. It is a unlisted Company. The registered office of the Company is situated at 1101, 11th Floor, Crescenzo, G-Block, Plot No C-38, Opp. MCA Club, Bandra Kurla Complex, Bandra (East), Mumbai, India - 400 051.

The Company is a leading manufacturer of Glass Ampoules and Tabular Glass Vials used as primary packaging materials by pharmaceutical companies.

The Financial Statements of the Company for the period ended 30th September, 2022 were approved and adopted by Board of Directors in their meeting held on 13.12.2022.

Note 2 BASIS OF PREPARATION:

The Financial Statements of the Company 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 Financial Statements have been prepared on a historical cost basis, except for certain financial assets and liabilities, which are measured at fair value / amortised cost.

The 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 SIGNIFICANT ACCOUNTING POLICIES:

3.1 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. In case of Property, Plant and Equipment, the Company has availed the carrying value as deemed cost on the date of transition i.e. 1st April, 2015.

Depreciation on the property, plant and equipment is provided using straight line method over the useful life of assets as specified in schedule II to the Companies Act, 2013. Depreciation on property, plant and equipment which are added / disposed off during the period is provided on pro-rata basis with reference to the date of addition / deletion. Freehold land is not depreciated.

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

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

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

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

3.2 Intangible Assets :

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

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

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

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



3.3 Leases:

The Company 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 Company uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate. The Company 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 Company is reasonably certain to exercise that options; and periods covered by an option to terminate the lease if the Company is reasonably certain not to exercise that options. In assessing whether the company 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 Company to exercise the option to extend the lease, or not to exercise the option to terminate the lease. The Company 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.

The Company as a lessee

The Company's lease asset classes primarily consist of leases for land and buildings. The Company 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, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company 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, the Company 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 Company 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.

The Company as a lessor

Leases for which the Company 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 Company 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.



KLASS PACK LIMITED

Notes to the Condensed Financial Statements for the Period ended 30th September, 2022

3.4 Inventories:

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

3.5 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 Company's cash management.

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

The Company 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 Company estimates the recoverable amount of the CGU to which the asset belongs.

An impairment loss is recognised in the 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.

3.7 Discontinued operation and non-current assets (or disposal groups) held for sale:

Discontinued operation:

A discontinued operation is a component of the Company that has been disposed off 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 off 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 statement of profit or loss.

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

Non-current assets are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. This condition is regarded as met only when a sale is highly probable from the date of classification, management are committed to the sale and the asset is available for immediate sale in its present condition. Non-current assets are classified as held for sale from the date these conditions are met and are measured at the lower of carrying amount and fair value less cost to sell. Any resulting impairment loss is recognised in the Statement 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.



3.8 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 or issue of financial assets, which are not at fair value through profit or loss, are adjusted to the fair value on initial recognition. Financial assets are classified, at initial recognition, as financial assets measured at fair value or as financial assets measured at amortised cost.

Financial assets - Subsequent measurement:

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

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

Where assets are measured at fair value, gains and losses are either recognised entirely in the 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 Company's business model is to hold the financial asset to collect the contractual cash flow.
- b) **Cash flow characteristics test:** The contractual terms of the financial asset give rise on specified dates to cash flow that are solely payments of principal and interest on the principal amount outstanding.

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

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

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

Financial assets - Derecognition:

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

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

Impairment of financial assets:

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

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

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

For trade receivables Company applies 'simplified approach' which requires expected lifetime losses to be recognised from initial recognition of the receivables. The Company 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 Company 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 fair value due to the short maturity of these instruments.

Financial Liabilities - Financial guarantee contracts:

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

Financial Liabilities - Derecognition:

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another, from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit and loss.

3.9 Provisions, Contingent Liabilities, Contingent Assets and Commitments:

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event. It is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. If the effect of the time value of money is material, provisions are discounted using equivalent period government securities interest rate. Unwinding of the discount is recognised in the 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 Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made. Information on contingent liability is disclosed in the Notes to the 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.

3.10 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 and corresponding tax on dividend distribution is recognised directly in other equity.



3.11 Revenue recognition and other income:

Sale of goods and Services:

The Company derives revenues primarily from sale of products comprising of Glass Ampoules and Tabular Glass Vials used as primary packaging materials by pharmaceutical companies.

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 Company has not retained any significant risks of ownership or future obligations with respect to the goods shipped.

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

Revenue is measured at the amount of consideration which the Company 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 Company does not have any contracts where the period between the transfer of the promised goods or services to the customer and payment by the customer exceeds one year. As a consequence, it does not adjust any of the transaction prices for the time value of money.

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

Contract balances

Trade receivables:

A receivable represents the Company'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 Company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognised when the payment is made. Contract liabilities are recognised as revenue when the Company 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 Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

Dividend Income

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

Rental Income

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



3.12 Foreign currency reinstatement and translation:

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

Exchange differences arising on settlement or translation of monetary items are recognised in 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 statement of profit and loss, within finance costs. All other finance gains / losses are presented in the statement of profit and loss on a net 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.

3.13 Employee Benefits:

Short term employee benefits are recognized as an expense in the statement of profit and loss of the year/period 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/period 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/period in which they occur. Remeasurements are not reclassified to statement of profit and loss in subsequent periods.

3.14 Share-based payments:-

Certain employees of the company receive part of their remuneration in the form of share-based payment transactions, whereby employees render services in exchange for shares or rights over shares of holding company ('equity-settled transactions').

The cost of equity-settled transactions with employees is measured at fair value at the date at which they are granted. The fair value of share awards are determined with the assistance of an external valuer and the fair value at the grant date is expensed on a proportionate basis over the vesting period based on the Company's estimate of shares that will eventually vest. The estimate of the number of awards 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 by the holding company in respect of awards granted to employees of the Company are recognised as payable under current financial liabilities - other until paid to the Holding Company.



3.15 Taxes on Income:

Income tax expense represents the sum of current tax (including MAT and 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.

Where Minimum Alternative Tax (MAT) is applicable, credit of MAT is recognised as an asset only when and to the extent there is convincing evidence that the Company will pay normal Income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the MAT credit becomes eligible to be recognised as an asset, the said asset is created by way of a credit to the profit and loss account and shown as MAT credit entitlement. The Company reviews the same at each balance sheet date and writes down the carrying amount of MAT credit entitlement to the extent there is no longer convincing evidence to the effect that the Company will pay normal income tax during the specified period.

3.16 Borrowing Costs:

Borrowing costs specifically relating to the acquisition or construction of qualifying assets that necessarily takes a substantial period of time to get ready for its intended use are capitalized (net of income on temporary deployment of funds) as part of the cost of such assets. Borrowing costs consist of interest and other costs that the Company 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 Company that are outstanding during the period, other than borrowings made specifically for the purpose of obtaining a qualifying asset. The amount of borrowing costs capitalized during a period does not exceed the amount of borrowing cost incurred during that period. All other borrowing costs are expensed in the period in which they occur.

3.17 Earnings per share:

Basic earnings per share is computed using the net profit or loss for the year/period 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/period attributable to the shareholders' 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.



3.18 Current and non-current classification:

The Company presents assets and liabilities in statement of financial position based on current/non-current classification.

The Company 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 Ministry of Corporate Affairs.

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 Company has identified twelve months as its normal operating cycle.

3.19 Fair value measurement:

The Company 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 Company 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.

3.20 Government Grant

Government grants are recognized only if there is reasonable assurance as to its receipt and that the conditions attached there to shall be complied with and are recognised and shown under the head "Other Income".

3.21 Offsetting financial instruments:

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 4 SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS:

The preparation of the 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 Company based on its assumptions and estimates on parameters available when the 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 Company. Such changes are reflected in the assumptions when they occur.

4.1 Property, Plant and Equipment 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 Company's historical experience with similar assets and taking into account anticipated technological changes, whichever is more appropriate.

4.2 Income Tax:

The Company 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.

4.3 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 Company as it is not possible to predict the outcome of pending matters with accuracy.

4.4 Impairment of financial assets:

The impairment provisions for financial assets are based on assumptions about risk of default and expected cash loss. The Company uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

4.5 Impairment of non-financial assets:

The Company 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 Company 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.



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Notes to the Condensed Financial Statements for the Period ended 30th September, 2022

4.6 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.

4.7 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.

4.8 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.

4.9 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.



KLASS PACK LIMITED
Notes to the Condensed Financial Statements for the Period ended 30th September, 2022

| Particulars | Note 5: Property, Plant and Equipment and Capital Work-in-Progress | | | | | | Total | (Rs. in lakhs) Capital Work in Progress |
|-----------------------------------|--|---------------|---------------------|------------------------|---------------|------------------|-----------------|---|
| | Land - Freehold | Buildings | Plant and Equipment | Furniture and Fixtures | Vehicles | Office equipment | | |
| GROSS BLOCK: | | | | | | | | |
| As at 1st April, 2021 | 1,153.95 | 942.12 | 5,210.31 | 79.28 | 52.25 | 47.08 | 7,484.99 | |
| Additions | - | - | 675.74 | 3.53 | 48.15 | 6.58 | 734.00 | |
| Disposals | - | - | - | - | - | - | - | |
| As at 31st March, 2022 | 1,153.95 | 942.12 | 5,886.05 | 82.81 | 100.40 | 53.66 | 8,218.99 | |
| Additions | 244.82 | - | 18.65 | 4.51 | - | 2.97 | 270.95 | |
| Disposals | - | - | - | - | - | - | - | |
| As at 30th September, 2022 | 1,398.77 | 942.12 | 5,904.70 | 87.32 | 100.40 | 56.63 | 8,489.94 | |
| DEPRECIATION | | | | | | | | |
| As at 1st April, 2021 | - | 100.74 | 1,792.91 | 45.21 | 34.37 | 32.59 | 2,006.82 | |
| Depreciation | - | 15.57 | 580.67 | 7.04 | 6.52 | 7.26 | 617.06 | |
| Disposals | - | - | - | - | - | - | - | |
| As at 31st March, 2022 | - | 116.31 | 2,373.58 | 52.25 | 40.89 | 39.85 | 2,622.88 | |
| Depreciation | - | 7.80 | 317.90 | 3.14 | 4.22 | 3.13 | 336.19 | |
| Disposals | - | - | - | - | - | - | - | |
| As at 30th September, 2022 | - | 124.11 | 2,691.48 | 55.39 | 45.11 | 42.98 | 2,959.07 | |
| NET BLOCK: | | | | | | | | |
| As at 31st March, 2022 | 1,153.95 | 825.81 | 3,512.47 | 30.56 | 59.51 | 13.81 | 5,596.11 | |
| As at 30th September, 2022 | 1,398.77 | 818.01 | 3,213.22 | 31.93 | 55.29 | 13.65 | 5,530.87 | |

5.1 In accordance with the Indian Accounting Standard (Ind AS 36) on 'Impairment of Assets', the management during the period carried out an exercise of identifying the assets that may have been impaired in accordance with the said Ind AS. On the basis of review carried out by the management, there was no impairment loss on property, plant and equipment during the period ended 30th September, 2022.

5.2 Refer note 3s for disclosure of contractual commitments for the acquisition of property, plant and equipment.

5.3 Certain property, plant and equipment were pledged as collateral against borrowings, the details related to which have been described in note 22.1.



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Notes to the Condensed Financial Statements for the Period ended 30th September, 2022

5.4 Details of Capital work in Progress (CWIP) aging and completion schedule as at 30th September, 2022 and 31st March, 2022 are as below :-

| Capital Work in Progress | Amount in CWIP for a period of | | | | Total |
|-------------------------------|--------------------------------|-----------|-----------|-------------------|---------------|
| | Less than 1 year | 1-2 years | 2-3 Years | More than 3 years | |
| Project in Progress | 406.33 | - | - | 61.16 | 467.49 |
| Project temporarily suspended | - | - | - | - | - |
| Total | 406.33 | - | - | 61.16 | 467.49 |

(Rs. in lakhs)

(B) CWIP ageing schedule as at 31st March, 2022

| Capital Work in Progress | To be completed in | | | Total |
|-------------------------------|--------------------|-----------|-----------|---------------|
| | Less than 1 year | 1-2 years | 2-3 Years | |
| Project in Progress | 204.75 | - | - | 204.75 |
| Project Temporarily Suspended | - | - | - | - |
| Total | 204.75 | - | - | 204.75 |

(Rs. in Lakhs)

5.5 There are no proceedings initiated or pending against the company for holding any Benami Property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and the rules made thereunder.

5.6 The Company does not have any capital work in progress or intangible assets under development whose completion is overdue or has exceeded its cost compared to original plan.



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Notes to the Condensed Financial Statements for the Period ended 30th September, 2022

Note 6 - Other Intangible Assets

| Particulars | (Rs. in lakhs) Other Intangible assets |
|-----------------------------------|--|
| GROSS BLOCK: | |
| As at 1st April, 2021 | 2.33 |
| Additions | - |
| Disposals | - |
| As at 31st March, 2022 | 2.33 |
| Additions | - |
| Disposals | - |
| As at 30th September, 2022 | 2.33 |
| AMORTISATION: | |
| As at 1st April, 2021 | 2.14 |
| Amortisation | 0.19 |
| Disposals | - |
| As at 31st March, 2022 | 2.33 |
| Amortisation | - |
| Disposals | - |
| As at 30th September, 2022 | 2.33 |
| NET BLOCK: | |
| As at 31st March, 2022 | - |
| As at 30th September, 2022 | - |

6.1 Other Intangible assets represents Computer Software other than self generated.

Note 7 - Non-Current Investments

| Particulars | As at 30th September, 2022 Quantity (Nos) | As at 31st March, 2022 Quantity (Nos) | Face Value (in Rs.) | As at 30th September, 2022 (Rs. in Lakhs) | As at 31st March, 2022 (Rs. in Lakhs) |
|--|--|--|------------------------|--|--|
| Investments carried at fair value through profit or loss | | | | | |
| (a) Equity Instruments: | | | | | |
| Unquoted Fully Paid-Up | | | | | |
| Others | | | | | |
| Bharat Co-operative Bank Ltd. | 9900 | 9900 | 10 | 1.11 | 1.11 |
| Total Non Current Investments | | | | 1.11 | 1.11 |

7.1 Aggregate value of unquoted non current investment is Rs. 1.11 lakhs (Previous Year Rs. 1.11 lakhs)



KLASS PACK LIMITED
Notes to the Condensed Financial Statements for the Period ended 30th September, 2022

Note 8 - Non-current Financial Assets - Others

| Particulars | (Rs. in lakhs) | |
|--|-------------------------------|---------------------------|
| | As at 30th September, 2022 | As at 31st March, 2022 |
| Unsecured, Considered Good: Security Deposits | 77.76 | 32.98 |
| Total | 77.76 | 32.98 |



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Notes to the Condensed Financial Statements for the Period ended 30th September, 2022

Note 9 Income Tax

9.1 The major components of Income Tax Expenses for the period ended 30th September, 2022 and 30th September, 2021 are as follows:

| Particulars | (Rs. in lakhs) | |
|--|---|---|
| | For the Period Ended 30th September, 2022 | For the Period Ended 30th September, 2021 |
| Recognised in Statement in Profit and Loss : | | |
| Current Income Tax | 35.88 | 50.97 |
| Deferred Tax - Relating to origination and reversal of temporary differences | 14.16 | 105.92 |
| Total Tax Expenses | 50.04 | 166.89 |

9.2 Reconciliation between tax expenses and accounting profit multiplied by tax rate for the period ended 30th September, 2022 and 30th September 2021:

| Particulars | (Rs. in lakhs) | |
|---|---|---|
| | For the Period Ended 30th September, 2022 | For the Period Ended 30th September, 2021 |
| Accounting Profit before tax | 180.91 | 618.74 |
| Applicable tax rate | 27.82% | 26.00% |
| Computed Tax Expenses | 52.63 | 160.86 |
| Tax effect on account of: | | |
| Lower tax rate and Indexation | (3.80) | (4.19) |
| Deduction on payment basis | 0.83 | - |
| Expenses not allowed | 0.23 | 0.22 |
| Other deductions / allowances | (0.05) | - |
| Income tax expenses recognised in statement of profit and loss | 50.04 | 156.89 |

9.3 Deferred tax assets relates to the following:

| Particulars | (Rs. in lakhs) | | | |
|---------------------------------|----------------------------|------------------------|---|---|
| | Balance Sheet | | Statement of Profit and Loss and Other Comprehensive Income | |
| | As at 30th September, 2022 | As at 31st March, 2022 | For the Period Ended 30th September, 2022 | For the Period Ended 30th September, 2021 |
| Property, Plant and Equipment | (96.03) | (119.93) | (23.90) | (0.54) |
| Investments | (4.79) | (2.00) | 2.79 | 0.01 |
| Trade and Other Receivable | 35.99 | 74.11 | 38.12 | 11.95 |
| Inventories | 28.77 | (9.18) | (38.95) | 4.83 |
| Unabsorbed Depreciation Loss | - | - | - | (173.21) |
| Other Assets | 2.26 | 2.04 | (0.22) | 2.06 |
| Other Liabilities and Provision | 163.12 | 139.16 | (23.96) | (2.27) |
| MAT Credit Entitlements | 36.65 | 98.81 | 62.16 | 50.97 |
| Total | 166.97 | 183.01 | 16.04 | (106.20) |

9.4 Reconciliation of deferred tax assets (net):

| Particulars | (Rs. in lakhs) | |
|--|----------------------------|------------------------|
| | As at 30th September, 2022 | As at 31st March, 2022 |
| Opening balance as at 1st April | 183.01 | 327.56 |
| Deferred Tax credit recognised in Statement of Profit and Loss | (14.16) | (140.76) |
| Deferred Tax credit recognised in OCI | (1.89) | (3.79) |
| Closing balance as at 31st March / 30th September | 166.96 | 183.01 |

9.6 Unused tax losses for which no deferred tax assets has been recognised is Rs. Nil (Previous year Rs. Nil)



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Notes to the Condensed Financial Statements for the Period ended 30th September, 2022

Note 10 - Other Non-current Assets

| Particulars | (Rs. in lakhs) | |
|-----------------------------|-------------------------------|---------------------------|
| | As at 30th September, 2022 | As at 31st March, 2022 |
| Unsecured, Considered Good: | | |
| Capital Advances | 747.04 | 457.75 |
| Prepaid Expenses | 6.17 | 4.87 |
| Total | 753.21 | 462.62 |

Note 11 - Inventories

| Particulars | (Rs. in lakhs) | |
|--------------------------------|-------------------------------|---------------------------|
| | As at 30th September, 2022 | As at 31st March, 2022 |
| Raw Material | 803.83 | 996.34 |
| Work-in-Progress | 36.37 | 58.94 |
| Finished Goods | | |
| Stock-in-transit | 111.86 | 233.55 |
| Others | 720.87 | 307.04 |
| Stores, Spares and Consumables | 210.51 | 185.21 |
| Packing Material | 107.13 | 70.34 |
| Scrap(Cullet) | 1.82 | 0.26 |
| Total | 1,992.39 | 1,851.68 |

11.1 The amount of write-down of inventories recognised for the period ended 30th September, 2022 is Rs. 18.25 lakhs (Previous year ended 31st March, 2022 - Rs.24.28 lakhs). These are included in "Cost of Raw Material Consumed and In Changes in Inventories of work in progress and finished goods" in the statement of profit and loss.

11.2 For mode of Valuation, Pls refer note no 3.4



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Notes to the Condensed Financial Statements for the Period ended 30th September, 2022

Note 12 - Current Investments

| Particulars | As at 30th September, 2022 Quantity (Nos) | As at 31st March, 2022 Quantity (Nos) | Face Value (in Rs.) | As at 30th September, 2022 (Rs. in Lakhs) | As at 31st March, 2022 (Rs. in Lakhs) |
|---|--|--|------------------------|--|--|
| In Mutual Fund | | | | | |
| Unquoted Fully Paid-Up | | | | | |
| Carried at fair value through profit and loss | | | | | |
| HDFC Liquid Fund Direct Plan Growth Option | 13,553.40 | 21,820.67 | 10 | 580.19 | 913.14 |
| Total Current Investments | | | | 580.19 | 913.14 |

12.1 Aggregate value of unquoted current investment is Rs. 580.19 lakhs (Previous Year Rs. 913.14 Lakhs)

12.2 Category-wise Current Investment

| Particulars | As at 30th September, 2022 | As at 31st March, 2022 |
|---|----------------------------------|------------------------------|
| Financial assets measured at fair value through Profit and Loss | 580.19 | 913.14 |
| Total | 580.19 | 913.14 |



KLASS PACK LIMITED

Notes to the Condensed Financial Statements for the Period ended 30th September, 2022

Note 13 - Current Financial Assets - Trade Receivables

| Particulars | (Rs. In lakhs) | |
|---|-------------------------------|---------------------------|
| | As at 30th September, 2022 | As at 31st March, 2022 |
| Unsecured, Considered Good, unless otherwise stated: | | |
| Considered Good | 950.08 | 1,490.45 |
| Credit Impaired | 37.27 | 37.27 |
| | 987.33 | 1,527.72 |
| Less : Provision for Credit Impaired (Refer note no 37) | 37.27 | 37.27 |
| Total | 950.06 | 1,490.45 |

13.1 Trade Receivables Ageing as at 30th September, 2022 and 31st March, 2022 are as below :

(A) Trade Receivable Aging as at 30th September, 2022:

(Rs. In lakhs)

| Particulars | Not Due | Outstanding from due date of payment as at 30th September, 2022 | | | | Total |
|---|---------------|---|------------------------|-------------|----------------------|---------------|
| | | Upto 6 Months | 6 Months - 1 - 2 Years | 2 - 3 Years | More than 3 years | |
| Undisputed trade receivables – Considered good | 474.77 | 438.13 | 32.23 | 4.93 | - | 950.06 |
| 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 | - | - | - | - | 37.27 | 37.27 |
| Sub Total | 474.77 | 438.13 | 32.23 | 4.93 | 37.27 | 987.33 |
| Less: Allowance for credit impaired | - | - | - | - | 37.27 | 37.27 |
| Total | 474.77 | 438.13 | 32.23 | 4.93 | - | 950.06 |

(B) Trade Receivable Aging as at 31st March, 2022:

(Rs. In lakhs)

| Particulars | Not Due | Outstanding from due date of payment as at 31st March, 2022 | | | | Total |
|---|-----------------|---|------------------------|-------------|----------------------|-----------------|
| | | Upto 6 Months | 6 Months - 1 - 2 Years | 2 - 3 Years | More than 3 years | |
| Undisputed trade receivables – considered good | 1,042.48 | 442.98 | 4.99 | - | - | 1,490.45 |
| 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 | - | - | - | - | 37.27 | 37.27 |
| Sub Total | 1,042.48 | 442.98 | 4.99 | - | 37.27 | 1,527.72 |
| Less: Allowance for credit impaired | - | - | - | - | 37.27 | 37.27 |
| Total | 1,042.48 | 442.98 | 4.99 | - | - | 1,490.45 |

Note 14 - Cash and Cash Equivalents

(Rs. In lakhs)

| Particulars | (Rs. In lakhs) | |
|---|-------------------------------|---------------------------|
| | As at 30th September, 2022 | As at 31st March, 2022 |
| Balances with Banks in current accounts | 19.26 | 7.00 |
| Cash on Hand | 6.51 | 5.97 |
| Total | 25.77 | 12.97 |

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

| Particulars | (Rs. In lakhs) | |
|---|-------------------------------|---------------------------|
| | As at 30th September, 2022 | As at 31st March, 2022 |
| Balances with Banks in current accounts | 19.26 | 7.00 |
| Cash on Hand | 6.51 | 5.97 |
| Total | 25.77 | 12.97 |



KLASS PACK LIMITED

Notes to the Condensed Financial Statements for the Period ended 30th September, 2022

Note 15 - Bank Balances Other than Cash and Cash Equivalents

| Particulars | (Rs. in lakhs) | |
|---|-------------------------------|---------------------------|
| | As at 30th September, 2022 | As at 31st March, 2022 |
| Earmarked Balances with bank: | | |
| Fixed deposits pledged with a Bank against Bank Guarantee | 86.86 | 80.68 |
| Total | <u>86.86</u> | <u>80.68</u> |

Note 16 - Current Financial Assets - Loans

| Particulars | (Rs. in lakhs) | |
|-----------------------------------|-------------------------------|---------------------------|
| | As at 30th September, 2022 | As at 31st March, 2022 |
| Unsecured, Considered Good | | |
| Loan to Employees | 6.21 | 6.08 |
| Total | <u>6.21</u> | <u>6.08</u> |

Note 17 - Current Financial Assets - Others

| Particulars | (Rs. in lakhs) | |
|------------------------------------|-------------------------------|---------------------------|
| | As at 30th September, 2022 | As at 31st March, 2022 |
| Unsecured, Considered Good: | | |
| Interest Receivables | 1.84 | 1.41 |
| Others | 195.91 | 188.93 |
| Total | <u>197.75</u> | <u>190.34</u> |

17.1 Others includes discount receivable etc.

Note 18 - Other Current Assets

| Particulars | (Rs. in lakhs) | |
|---|-------------------------------|---------------------------|
| | As at 30th September, 2022 | As at 31st March, 2022 |
| Unsecured, Considered Good, unless otherwise stated: | | |
| Export Incentives Receivable | 19.09 | 22.77 |
| Advances against supplies | | |
| Considered Good | 67.29 | 35.25 |
| Considered Doubtful | 6.00 | 6.00 |
| | <u>73.29</u> | <u>41.25</u> |
| Less: Provision for Doubtful Advances (Refer note no 37) | 6.00 | 6.00 |
| Balance with Goods and Service Tax Authorities | 18.73 | 31.43 |
| Prepaid Expenses | 51.69 | 56.75 |
| Others | 4.15 | 1.07 |
| Total | <u>160.95</u> | <u>147.27</u> |

18.1 Others includes license in hand and other receivables.



Note 19 - Equity Share Capital

| Particulars | (Rs. in lakhs) | |
|---|----------------------------|------------------------|
| | As at 30th September, 2022 | As at 31st March, 2022 |
| Authorised | | |
| 20,00,000 (Previous Year 20,00,000) Equity Shares of Rs. 100/- each | 2,000.00 | 2,000.00 |
| Issued, Subscribed & Fully Paid up | 2,000.00 | 2,000.00 |
| 16,32,949 (Previous Year 16,32,949) Equity Shares of Rs. 100/- each fully paid up | 1,632.95 | 1,632.95 |
| Total | 1,632.95 | 1,632.95 |

19.1 Reconciliation of number of Equity Shares outstanding at the beginning and at the end of the years / period:

| Particulars | As at 30th September 2022 | | As at 31st March, 2022 | |
|---|---------------------------|-----------------|------------------------|-----------------|
| | (In Nos.) | (Rs. in lakhs) | (In Nos.) | (Rs. in lakhs) |
| Shares outstanding at the beginning of the year | 1,632,949 | 1,632.95 | 1,396,738 | 1,396.74 |
| Add: Equity Shares issued and Fully paid up (Refer Note 19.2) | - | - | 236,211 | 236.21 |
| Shares outstanding at the end of the period | 1,632,949 | 1,632.95 | 1,632,949 | 1,632.95 |

19.2 During the previous year, on 3rd January, 2022, the Company had issued 2,36,211 fully paid up equity shares of Rs. 100/- each at a premium of Rs. 746.70/- per share on right issue basis and received amount of Rs. 2,000.00 lakhs. These shares have been issued to its Holding Company, Borosil Limited.

19.3 Terms/Rights attached to Equity Shares :

The Company has only one class of shares referred to as equity shares having a par value of Rs. 100/- per share. Holders of equity shares are entitled to one vote per share. The dividend proposed by the Board of Directors, if any, will be subject to the approval of the shareholders in the annual general meeting, except in case of interim dividend. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive any of the remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in the same proportion as the capital paid-up on the equity shares held by them bears to the total paid-up share capital of the company.

19.4 Shares held by Holding Company

| Name of holding Company | As at 30th September 2022 | | As at 31st March, 2022 | |
|-------------------------|---------------------------|--------------|------------------------|--------------|
| | No. of Shares held | % of Holding | No. of Shares held | % of Holding |
| Borosil Limited | 1,346,967 | 82.49% | 1,346,967 | 82.49% |

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

| Name of Shareholder | As at 30th September 2022 | | As at 31st March, 2022 | |
|-------------------------------------|---------------------------|--------------|------------------------|--------------|
| | No. of Shares held | % of Holding | No. of Shares held | % of Holding |
| Borosil Limited | 1,346,967 | 82.49% | 1,346,967 | 82.49% |
| Shiv Ganga Caterers Private Limited | 95,400 | 5.84% | 95,400 | 5.84% |
| Mrs. Pramila G. Amin | 60,525 | 4.93% | 60,525 | 4.93% |
| Mr. Prashant G. Amin | 101,068 | 6.19% | 101,068 | 6.19% |

19.6 Details of shares held by promoters of the Company.

| Name of Promoters | As at 30th September 2022 | | As at 31st March, 2022 | | % Change from 31st March, 2022 to 30th September, 2022 |
|-------------------------------------|---------------------------|--------------|------------------------|--------------|--|
| | No. of Shares | % of Holding | No. of Shares | % of Holding | |
| Borosil Limited | 1,346,967 | 82.49% | 1,346,967 | 82.49% | 0.00% |
| Shiv Ganga Caterers Private Limited | 95,400 | 5.84% | 95,400 | 5.84% | 0.00% |
| Mrs. Pramila G. Amin | 60,525 | 4.93% | 60,525 | 4.93% | 0.00% |
| Mr. Prashant G. Amin | 101,068 | 6.19% | 101,068 | 6.19% | 0.00% |
| Mrs. Shweta Amin | 1 | 0.00% | 1 | 0.00% | 0.00% |
| Mr. Pravesh Amin | 1 | 0.00% | 1 | 0.00% | 0.00% |
| Mr. Gangadhar Amin | 8987 | 0.54% | 8987 | 0.54% | 0.00% |

19.7 There are no shares reserved for issue under options and contracts / commitments for the sale of shares / disinvestment.

19.8 There is no dividend paid or proposed during the period and during the previous year.



KLASS PACK LIMITED

Notes to the Condensed Financial Statements for the Period ended 30th September, 2022

Note 20 - Other Equity

| Particulars | (Rs. in lakhs) | |
|--|-------------------------------|---------------------------|
| | As at 30th September, 2022 | As at 31st March, 2022 |
| Retained Earnings | | |
| As per Last Balance Sheet | (72.99) | (929.74) |
| Add: Profit for the period/year | <u>139.67</u> | <u>856.75</u> |
| | 66.88 | (72.99) |
| Securities Premium | | |
| As per Last Balance Sheet | 6,468.33 | 4,704.64 |
| Add: Equity Share Issued (Refer Note 19.2) | <u>-</u> | <u>1,763.79</u> |
| | 6,468.33 | 6,468.33 |
| Other Comprehensive Income (OCI) | | |
| As per Last Balance Sheet | 1,122.26 | 1,112.43 |
| Add: Movements in OCI (net) during the period/year | <u>4.92</u> | <u>9.83</u> |
| | 1,127.18 | 1,122.26 |
| Total | <u><u>7,662.39</u></u> | <u><u>7,517.60</u></u> |

20.1 Nature and Purpose of Reserve

1 Securities Premium :

Securities Premium is created on issue of equity share capital. The reserve will be utilised in accordance with provisions of the Companies Act, 2013.

2 Other Comprehensive Income (OCI)

OCI includes Revaluation Reserve and Remeasurements of Defined Benefit Plans.

3 Revaluation Reserve (Part of OCI):

Revaluation reserve is created on revaluation of fixed assets. The reserve will be utilised in accordance with provisions of the Companies Act, 2013.

4 Retained Earnings:

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

Note 21 - Non-current Financial Liabilities - Provisions

| Particulars | (Rs. in lakhs) | |
|--|-------------------------------|---------------------------|
| | As at 30th September, 2022 | As at 31st March, 2022 |
| Provisions for Employee Benefits: | | |
| Gratuity (Unfunded) | <u>277.02</u> | <u>265.29</u> |
| Total | <u><u>277.02</u></u> | <u><u>265.29</u></u> |

Note 22 - Current Financial Liabilities - Borrowings

| Particulars | (Rs. in lakhs) | |
|--------------------------------|-------------------------------|---------------------------|
| | As at 30th September, 2022 | As at 31st March, 2022 |
| Secured Loan: | | |
| Working Capital Loan From Bank | <u>96.36</u> | <u>-</u> |
| Total | <u><u>96.36</u></u> | <u><u>-</u></u> |

22.1 Working Capital Loan from bank is secured by way of hypothecation of all existing and future current assets and movable fixed assets. The Rate of Interest of Working capital Loan was MCLR + Spread (Currently @ 7.25% p.a.)



Note 23 - Current Financial Liabilities - Trade Payables

| Particulars | (Rs. in lakhs) | |
|-------------------------------------|-------------------------------|---------------------------|
| | As at 30th September, 2022 | As at 31st March, 2022 |
| Micro, Small and Medium Enterprises | 121.21 | 130.98 |
| Others | 713.56 | 877.52 |
| Total | 834.77 | 1,008.50 |

23.1 Micro, Small and Medium Enterprises under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED 2006) have been determined based on the information available with the Company and the details of amount outstanding due to them are as given below:

| Particulars | (Rs. in lakhs) | |
|--|-------------------------------|---------------------------|
| | As at 30th September, 2022 | As at 31st March, 2022 |
| a) the principal amount and the interest due thereon (to be shown separately) remaining unpaid to any supplier at the end of each accounting year; | | |
| i) Principal amount outstanding | 121.21 | 130.98 |
| ii) Interest thereon | 0.81 | 0.13 |
| 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; | 0.81 | 0.13 |
| 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. | - | - |

23.2 Trade Payable Ageing are as below:

| Particulars | Outstanding from due date of payment as at 30th September, 2022 | | | | | (Rs. in lakhs) |
|--|---|----------------|-------------|-------------|----------------------|----------------|
| | Not Due | Upto 1 Year | 1 - 2 Years | 2 - 3 Years | More than 3 years | |
| | Total | | | | | |
| Total outstanding dues of micro, small & medium Enterprises | 101.39 | 18.55 | 1.27 | - | - | 121.21 |
| Total outstanding dues of Creditors other than micro, small & medium Enterprises | 688.45 | 24.58 | 0.53 | - | - | 713.56 |
| Disputed dues of micro, small and medium enterprises | - | - | - | - | - | - |
| Disputed dues of creditors other than micro, small and medium enterprises | - | - | - | - | - | - |
| Total | 789.84 | 43.13 | 1.80 | - | - | 834.77 |

| Particulars | Outstanding from due date of payment as at 31st March, 2022 | | | | | (Rs. in lakhs) |
|--|---|----------------|-------------|-------------|----------------------|-----------------|
| | Not Due | Upto 1 Year | 1 - 2 Years | 2 - 3 Years | More than 3 years | |
| | Total | | | | | |
| Total outstanding dues of micro, small & medium Enterprises | 117.09 | 13.89 | - | - | - | 130.98 |
| Total outstanding dues of Creditors other than micro, small & medium Enterprises | 842.46 | 35.06 | - | - | - | 877.52 |
| Disputed dues of micro, small and medium enterprises | - | - | - | - | - | - |
| Disputed dues of creditors other than micro, small and medium enterprises | - | - | - | - | - | - |
| Total | 959.55 | 48.95 | - | - | - | 1,008.50 |



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Notes to the Condensed Financial Statements for the Period ended 30th September, 2022

Note 24 - Current Financial Liabilities - Others

| Particulars | (Rs. in lakhs) | |
|------------------------------------|-------------------------------|---------------------------|
| | As at 30th September, 2022 | As at 31st March, 2022 |
| Interest accrued and due on Others | 0.81 | 0.13 |
| Creditors for Capital Expenditure | 139.00 | 157.81 |
| Other Payables | 301.56 | 381.98 |
| Total | 441.37 | 539.90 |

24.1 Other payables includes outstanding Liabilities for Salaries, Wages, Bonus, Other Provision for Expenses etc.

Note 25 - Other Current Liabilities

| Particulars | (Rs. in lakhs) | |
|------------------------|-------------------------------|---------------------------|
| | As at 30th September, 2022 | As at 31st March, 2022 |
| Advance from Customers | 34.00 | 129.91 |
| Statutory liabilities | 15.43 | 19.55 |
| Total | 49.43 | 149.46 |

Note 26 - Current Provisions

| Particulars | (Rs. in lakhs) | |
|----------------------------------|-------------------------------|---------------------------|
| | As at 30th September, 2022 | As at 31st March, 2022 |
| Provisions for Employee Benefits | | |
| Gratuity (Unfunded) | 19.39 | 19.39 |
| Leave Encashment (Unfunded) | 119.67 | 106.60 |
| Total | 139.06 | 126.99 |



KLASS PACK LIMITED
Notes to the Condensed Financial Statements for the Period ended 30th September, 2022

Note 27 - Revenues from Operations

| Particulars | (Rs. in lakhs) | |
|---|---|---|
| | For the Period Ended 30th September, 2022 | For the Period Ended 30th September, 2021 |
| Sale of Products Revenue from Operations | 4,650.55 | 5,149.21 |
| | <u>4,650.55</u> | <u>5,149.21</u> |

27.1 Disaggregated Revenue:

(i) Revenue based on Geography:

| Particulars | (Rs. in lakhs) | |
|-------------------------|---|---|
| | For the Period Ended 30th September, 2022 | For the Period Ended 30th September, 2021 |
| Domestic | 3,831.55 | 4,389.37 |
| Export | 819.00 | 759.84 |
| Revenue from Operations | <u>4,650.55</u> | <u>5,149.21</u> |

(ii) Revenue by Business Segment

| Particulars | (Rs. in lakhs) | |
|-------------------------|---|---|
| | For the Period Ended 30th September, 2022 | For the Period Ended 30th September, 2021 |
| Scientificware | 4,650.55 | 5,149.21 |
| Revenue from Operations | <u>4,650.55</u> | <u>5,149.21</u> |

(iii) Reconciliation of Revenue from Operation with contract price:

| Particulars | (Rs. in lakhs) | |
|-----------------------------|---|---|
| | For the Period Ended 30th September, 2022 | For the Period Ended 30th September, 2021 |
| Contract Price | 4,650.55 | 5,149.21 |
| Reduction towards variables | - | - |
| Revenue from Operations | <u>4,650.55</u> | <u>5,149.21</u> |

Note 28 - Other Income

| Particulars | (Rs. in lakhs) | |
|---|---|---|
| | For the Period Ended 30th September, 2022 | For the Period Ended 30th September, 2021 |
| Interest Income from financial assets measured at amortised cost: | | |
| - Fixed Deposits with banks | 2.20 | 1.83 |
| - Others | 1.19 | 1.03 |
| Gain on Sale of Investments (net) | | |
| - Current Investments | 6.99 | - |
| Gain on Financial Instruments measured at fair value through profit or loss (net) | 10.06 | - |
| Export Incentive | 14.88 | 10.50 |
| Gain on foreign currency transactions (net) | 14.12 | 14.58 |
| Miscellaneous income* | 16.92 | 14.02 |
| Total | <u>68.36</u> | <u>41.96</u> |

* Includes government subsidy under Maharashtra Industrial Policy and Package Scheme of Rs. 1.59 lakhs (Previous Year Rs. 4.05 lakhs).



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Notes to the Condensed Financial Statements for the Period ended 30th September, 2022

Note 29 - Changes in Inventories of Work-in-Progress and Finished Goods

| Particulars | (Rs. in lakhs) | |
|---|---|---|
| | For the Period Ended 30th September, 2022 | For the Period Ended 30th September, 2021 |
| At the end of the Period | | |
| Work- In- Progress | 36.37 | 57.40 |
| Finished Goods | 832.73 | 518.36 |
| Scrap (Cullet) | 1.82 | 0.17 |
| | <u>870.92</u> | <u>575.93</u> |
| At the beginning of the Year | | |
| Work- In- Progress | 58.94 | 42.84 |
| Finished Goods | 540.59 | 550.82 |
| Scrap (Cullet) | 0.26 | 0.32 |
| | <u>599.79</u> | <u>594.08</u> |
| Changes in Inventories of Work-in-Progress and Finished Goods | <u>(271.13)</u> | <u>18.15</u> |

Note 30 - Employee Benefits Expense

| Particulars | (Rs. in lakhs) | |
|---|---|---|
| | For the Period Ended 30th September, 2022 | For the Period Ended 30th September, 2021 |
| Salaries, Wages and allowances | 529.08 | 488.43 |
| Contribution to Provident and Other Funds | 28.98 | 26.25 |
| Share Based Payments (Refer Note 36) | 6.88 | 5.18 |
| Staff Welfare Expenses | 67.30 | 57.02 |
| Gratuity (Unfunded) | 25.48 | 17.35 |
| Total | <u>657.72</u> | <u>574.23</u> |

Note 31 - Finance Costs

| Particulars | (Rs. in lakhs) | |
|---|---|---|
| | For the Period Ended 30th September, 2022 | For the Period Ended 30th September, 2021 |
| Interest Expenses on financial liabilities measured at amortised cost | 4.42 | 19.24 |
| Total | <u>4.42</u> | <u>19.24</u> |

Note 32 - Depreciation and Amortisation Expense

| Particulars | (Rs. in lakhs) | |
|--|---|---|
| | For the Period Ended 30th September, 2022 | For the Period Ended 30th September, 2021 |
| Depreciation of Property, Plant and Equipment (Refer note 5) | 336.19 | 296.45 |
| Amortisation of Intangible Assets (Refer note 6) | - | 0.19 |
| Total | <u>336.19</u> | <u>296.64</u> |



KLASS PACK LIMITED

Notes to the Condensed Financial Statements for the Period ended 30th September, 2022

Note 33 - Other Expenses

| Particulars | (Rs. in lakhs) | |
|---|---|---|
| | For the Period Ended 30th September, 2022 | For the Period Ended 30th September, 2021 |
| Manufacturing and Other Expenses | | |
| Stores, Spares and Consumable | 147.32 | 124.33 |
| Power and Fuel & Water Charges | 640.76 | 446.52 |
| Contract Labour Expenses | 338.13 | 277.89 |
| Packing Materials Consumed | 217.63 | 231.65 |
| Repairs to Plant & Machinery | 14.76 | 12.78 |
| Repairs to Buildings | - | 1.39 |
| Selling and Distribution Expenses | | |
| Sales Promotion and Advertisement Expenses | 13.67 | 19.98 |
| Discount and Commission | 3.05 | 6.68 |
| Freight Outward | 113.87 | 160.50 |
| Administrative and General Expenses | | |
| Rent | 33.11 | 6.44 |
| Rates and Taxes | 1.05 | 4.61 |
| Other Repairs | 2.97 | 1.50 |
| Insurance | 34.06 | 20.91 |
| Legal and Professional Fees | 14.83 | 4.92 |
| Director's Sitting Fees | 3.40 | 1.55 |
| Travelling | 19.99 | 6.90 |
| Bad Debts | 0.08 | - |
| Less: Provision / (Reversal) of Provision for Credit Impaired | - | 12.23 |
| Guarantee Commission | - | 1.23 |
| Payment to Auditors | 4.41 | 4.00 |
| Donation | - | 0.02 |
| Miscellaneous Expenses | 35.19 | 32.60 |
| Total | <u>1,539.88</u> | <u>1,375.64</u> |

33.1 Details of Payment to Auditors

| Particulars | (Rs. in lakhs) | |
|--------------------------------|---|---|
| | For the Period Ended 30th September, 2022 | For the Period Ended 30th September, 2021 |
| Payments to Auditor as: | | |
| For Statutory Audit | 3.25 | 3.00 |
| For Tax Audit | 1.13 | 1.00 |
| For Taxation Matters | - | - |
| For Company Law Matters | - | - |
| For Other Service | - | - |
| For Reimbursement of Expenses | 0.03 | - |
| Total | <u>4.41</u> | <u>4.00</u> |



KLASS PACK LIMITED

Notes to the Condensed Financial Statements for the Period ended 30th September, 2022

Note 34 - Earnings Per Equity share (EPS)

| Particulars | (Rs. in lakhs) | |
|---|---|---|
| | For the Period Ended 30th September, 2022 | For the Period Ended 30th September, 2021 |
| Net Profit after tax attributable to Equity Shareholders for Basic and Diluted EPS (Rs. in lakhs) | 139.87 | 461.82 |
| Weighted average number of Equity Shares outstanding during the period / year for Basic EPS (in Nos.) | 1,632,949 | 1,396,738 |
| Weighted average number of Equity Shares outstanding during the period / year for Diluted EPS (in Nos.) | 1,632,949 | 1,396,738 |
| Earnings per share of Rs. 100/- each (in Rs.) (Not Annualized) | | |
| - Basic | 8.57 | 33.06 |
| - Diluted | 8.57 | 33.06 |
| Face Value per Equity Share (in Rs.) | 100.00 | 100.00 |



KLASS PACK LIMITED
Notes to the Condensed Financial Statements for the Period ended 30th September, 2022

Note 35 - Contingent Liabilities and Commitments

35.1 Contingent Liabilities (To the extent not provided for) Claims against the Company not acknowledged as debts

| Particulars | (Rs. in lakhs) | |
|----------------|----------------------------|-----------------------|
| | As at 30th September, 2022 | As at 31st March 2022 |
| Bank Guarantee | 118.13 | 71.20 |

35.2 Commitments

| Particulars | (Rs. in lakhs) | |
|--|----------------------------|-----------------------|
| | As at 30th September, 2022 | As at 31st March 2022 |
| Estimated amount of Contracts remaining to be executed on Capital Account not provided for (cash outflow is expected on execution of such capital contracts) | | |
| -- Related to Property, Plant and Equipment | 1,070.76 | 1,067.72 |
| -- Related to Intangible Assets | - | 6.17 |

35.3 Management is of the view that above contingent liabilities will not have impact on the financial position of the company.

Note 36 - Employee Stock Option Scheme of Borosil Limited (BL)

The Company has recognized total expenses of Rs. 6.88 lakh (Previous Period Rs. 6.18 lakh) relating to equity settled share-based payment transactions for the period ended 30th September 2022 in respect of 8,800 options (Previous Year 43,000) granted by Borosil Limited ("BL"), the holding company, under the 'Borosil Limited Employee Stock Options Scheme 2020'. The liability recognised on account of this will be paid to BL upon exercise of options by the option grantees.

Note 37 - Provisions

Disclosures as required by Ind AS 37 Provisions, Contingent Liabilities and Contingent Assets:
Movement in provisions:

| Nature of provision | (Rs. in lakhs) | | |
|-----------------------------------|-------------------------------------|-------------------------------|---------|
| | Provision Against Doubtful Advances | Provision for Credit Impaired | Total |
| As at 31st March, 2021 | - | 61.83 | 61.83 |
| Provision during the year | 6.00 | - | 6.00 |
| Reversal of Provision | - | (24.56) | (24.56) |
| As at 31st March, 2022 | 6.00 | 37.27 | 43.27 |
| Provision during the period | - | - | - |
| Reversal of Provision | - | - | - |
| As at 30th September, 2022 | 6.00 | 37.27 | 43.27 |

Note 38 - Segment Information

38.1 The company is primarily engaged in the business of manufacturing of packaging materials used in pharmaceutical companies, which is a single segment in terms of Ind AS 108 "Operating Segments".

38.2 Revenue From External Sales

| Particulars | (Rs. in lakhs) | |
|---|---|---|
| | For the period ended 30th September, 2022 | For the period ended 30th September, 2021 |
| India | 3,831.55 | 4,389.37 |
| Outside India | 819.00 | 759.84 |
| Total Revenue as per statement of profit or loss | 4,650.55 | 5,149.21 |

38.3 Revenue of Rs. 1,918.46 lakhs (Previous period Rs. 1,296.43 lakhs) from customers represents more than 10% of the company revenue for the period ended 30th September, 2022.



KLASS PACK LIMITED

Notes to the Condensed Financial Statements for the Period ended 30th September, 2022

Note 39 - Related party disclosure

In accordance with the requirements of Ind AS 24 "Related Party Disclosures", name of the related party, related party relationship, transactions and outstanding balances including commitments where control exists and with whom transactions have taken place during reported periods, are as detail below:

39.1 List of Related Parties :

| | Name of the related party | Country of incorporation | % of equity interest | |
|---|--|--------------------------|----------------------------|-----------------------|
| | | | As at 30th September, 2022 | As at 31st March 2022 |
| (a) Holding Company | Borosil Limited | India | 82.49% | 82.49% |
| (b) Key Management Personnel | Mr. Prashant Amin - Managing Director Mrs. Shweta Amin - Whole-time Director Mr. Anurag Jain - Chief Financial Officer (w.e.f. 21.08.2021) Mr. Chaitanya Chauhan - Company Secretary (w.e.f. 10.11.2021) Mr. Omkar Vaychal - Chief Financial Officer (Upto 20.08.2021) Mr. Vinod Parmar - Company Secretary (upto 08.10.2021) | | | |
| (c) Relative of Key Management Personnel | Mr. Gangadhar Amin - Relative of Mr. Prashant Amin and Mrs. Shweta Amin | | | |
| (d) Enterprises over which persons described in (b) and (c) above are able to exercise significant influence (Other Related Parties) or Key Management Personnel of Holding Company or their relatives having significant influence and with whom transactions have taken place:- | Shiv Ganga Caterers Private Limited G.P. (Nashik) Farm Private Limited Keshar Sweets | | | |

39.2 Transactions with Related Parties:

| Name of Transactions | Name of the Related Party | (Rs. In lakhs) | |
|--|--|---|--|
| | | For the Period Ended 30th September, 2022 | For the Period Ended 30th September, 2021 |
| Transactions with holding company | | | |
| Sale of Goods | Borosil Limited | 1,102.06 | 608.38 |
| Purchase of Goods | Borosil Limited | 275.40 | 77.29 |
| Guarantee Commission Expense | Borosil Limited | - | 1.23 |
| Reimbursement of Expenses to | Borosil Limited | 22.60 | 15.08 |
| Transactions with other related parties: | | | |
| Rent Expenses | Mr. Gangadhar Amin | 21.00 | 1.08 |
| Remuneration of Key Management Personnel | Mr. Prashant Amin Mrs. Shweta Amin Mr. Vinod Parmar Mr. Omkar Vaychal Mr. Anurag Jain Mr. Chaitanya Chauhan | 31.91 8.36 - - 9.92 2.90 | 28.35 5.72 3.89 7.05 1.70 - |
| Purchase of Goods / Services | Shiv Ganga Caterers Private Limited G.P. (Nashik) Farm Private Limited | 38.63 4.76 | 29.59 0.49 |

| Name of Transactions | Name of the Related Party | (Rs. In lakhs) | |
|--|---|----------------------------|------------------------|
| | | As at 30th September, 2022 | As at 31st March, 2022 |
| Balances with holding company | | | |
| Trade Receivable | Borosil Limited | 140.60 | 92.47 |
| Current Financial Liabilities - Others | Borosil Limited | 18.15 | 12.67 |
| Balances with Other related Parties | | | |
| Trade Payable | Shiv Ganga Caterers Private Limited Mr. Gangadhar Amin | 8.33 3.76 | 13.63 3.76 |

39.3 Outstanding balances at year/period-end are unsecured, unless specified and settlement occurs in cash. This assessment is undertaken each financial year/period through examining the financial position of the related party and the market in which the related party operates.



Note 40 - Fair Values

40.1 Financial Instruments by category:

Set out below is a comparison by class of the carrying amounts and fair value of the Company's financial assets and liabilities that are recognised in the financial statements.

a) Financial Assets measured at fair value:

| Particulars | (Rs. in lakhs) | |
|---|----------------------------|------------------------|
| | As at 30th September, 2022 | As at 31st March, 2022 |
| Financial Assets: | | |
| Financial Assets designated at fair value through profit and loss:- | | |
| - Investment | 581.30 | 814.25 |

b) Financial Assets / Liabilities measured at amortised cost:

| Particulars | (Rs. in lakhs) | | | |
|---|----------------------------|-----------------|------------------------|-----------------|
| | As at 30th September, 2022 | | As at 31st March, 2022 | |
| | Carrying Value | Fair Value | Carrying Value | Fair Value |
| Financial Assets designated at amortised cost: | | | | |
| - Trade Receivables | 850.06 | 850.06 | 1,490.45 | 1,490.45 |
| - Cash and cash equivalents | 25.77 | 25.77 | 12.97 | 12.97 |
| - Bank Balances other than cash and cash equivalents | 86.86 | 86.86 | 80.68 | 80.68 |
| - Loans | 6.21 | 6.21 | 6.08 | 6.08 |
| - Others | 275.51 | 275.51 | 223.32 | 223.32 |
| Total | 1,344.41 | 1,344.41 | 1,813.50 | 1,813.50 |

| Particulars | (Rs. in lakhs) | | | |
|--|----------------------------|-----------------|------------------------|-----------------|
| | As at 30th September, 2022 | | As at 31st March, 2022 | |
| | Carrying Value | Fair Value | Carrying Value | Fair Value |
| Financial Liabilities designated at amortised cost: | | | | |
| - Current borrowings | 96.36 | 96.36 | - | - |
| - Trade Payables | 834.77 | 834.77 | 1,008.50 | 1,008.50 |
| - Other Financial Liabilities | 441.37 | 441.37 | 539.90 | 539.90 |
| Total | 1,372.50 | 1,372.50 | 1,548.40 | 1,548.40 |

40.2 Fair Valuation techniques used to determine fair value

The Company maintains procedures to value financial assets or financial liabilities using the best and most relevant data available. The fair values of the financial assets and liabilities are included at the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The following methods and assumptions were used to estimate the fair values:

- Fair value of trade receivable, cash and cash equivalents, other bank balances, trade payables, borrowings, deposits and other financial assets and liabilities are approximate at their carrying amounts largely due to the short-term maturities of these instruments.
- The fair values of security deposits are approximate at their carrying amount due to interest bearing features of these instruments.
- The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.
- Fair values of quoted financial instruments are derived from quoted market prices in active markets.
- The fair value for level 3 instruments is valued using inputs based on information about market participants assumptions and other data that are available.

40.3 Fair value hierarchy

The Company uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation techniques:

- Level 1 :-** Quoted prices / published NAV (unadjusted) in active markets for identical assets or liabilities. It includes fair value of financial instruments traded in active markets and are based on quoted market prices at the balance sheet date and financial instruments like mutual funds for which net assets value (NAV) is published by mutual fund operators at the balance sheet date.
- Level 2 :-** Inputs, other than quoted prices included within level 1, that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices). It includes fair value of the financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined by using valuation techniques. These valuation techniques maximise the use of observable market data where it is available and rely as little as possible on the Company specific estimates. If all significant inputs required to fair value an instrument are observable then instrument is included in level 2.
- Level 3 :-** Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs). If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

The following table provides hierarchy of the fair value measurement of Company'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) | | |
|--|----------------------|----------|-------------|
| | 30th September, 2022 | | |
| | Level 1 | Level 2 | Level 3 |
| Financial Assets designated at fair value through profit or loss: | | | |
| -- Mutual funds | 580.19 | - | - |
| -- Unlisted equity investments | - | - | 1.11 |
| | 580.19 | - | 1.11 |



| Particulars | (Rs. in lakhs) | | |
|--|------------------|----------|-------------|
| | 31st March, 2022 | | |
| | Level 1 | Level 2 | Level 3 |
| Financial Assets designated at fair value through profit or loss: | | | |
| -- Mutual funds | 913.14 | - | - |
| -- Unlisted equity investments | - | - | 1.11 |
| | <u>913.14</u> | <u>-</u> | <u>1.11</u> |

There were no transfers between Level 1 and Level 2 during the year.

40.4 Description of the inputs used in the fair value measurement:

Following table describes the valuation techniques used and key inputs to valuation for level 3 of the fair value hierarchy as at 30th September, 2022 and 31st March, 2022 respectively:

| Particulars | As at 30th September, 2022 | Valuation Technique | Inputs used | (Rs. in lakhs) |
|-------------|----------------------------|---------------------|-------------|----------------|
| | | | | Sensitivity |

| | | | | |
|--|------|------------|----------------------|--------------------------------------|
| Financial Assets designated at fair value through | | | | |
| -- Unlisted equity investments | 1.11 | Book Value | Financial statements | No material impact on fair valuation |

| Particulars | As at 31st March, 2022 | Valuation Technique | Inputs used | (Rs. in lakhs) |
|-------------|------------------------|---------------------|-------------|----------------|
| | | | | Sensitivity |

| | | | | |
|--|------|------------|----------------------|--------------------------------------|
| Financial Assets designated at fair value through | | | | |
| -- Unlisted equity investments | 1.11 | Book Value | Financial statements | No material impact on fair valuation |

40.5 Reconciliation of fair value measurement categorised within level 3 of the fair value hierarchy:

Financial Assets designated at fair value through profit or loss - Investments.

| Particulars | (Rs. in lakhs) |
|---|----------------|
| Fair value as at 1st April, 2021 | 1.18 |
| Loss on financial instruments measured at fair value through profit or loss (net) | (0.07) |
| Purchase / (Sale) of financial instruments | - |
| Amount transferred to / from Level 3 | - |
| Fair value as at 31st March, 2022 | 1.11 |
| Loss on financial instruments measured at fair value through profit or loss (net) | - |
| Purchase / (Sale) of financial instruments | - |
| Amount transferred to / from Level 3 | - |
| Fair value as at 30th September, 2022 | 1.11 |

40.6 Description of the valuation processes used by the Company for fair value measurement categorised within level 3:

At each reporting date, the Company analyses the movements in the values of financial assets and liabilities which are required to be remeasured or reassessed as per the accounting policies. For this analysis, the Company verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents.

The Company also compares the change in the fair value of each financial asset and liability with relevant external sources to determine whether the change is reasonable. The Company also discusses the major assumptions used in the valuations.

For the purpose of fair value disclosures, the Company has determined classes of financial assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

Note 41 :- Financial Risk Management - Objectives and Policies:

The Company is exposed to market risk, credit risk and liquidity risk. Risk management is carried out by the company under policies approved by the board of directors. This Risk management plan defines how risks associated with the Company will be identified, analysed, and managed. It outlines how risk management activities will be performed, recorded, and monitored by the Company. The basic objective of risk management plan is i) to implement an integrated risk management approach to ensure all significant areas of risks are identified, understood and effectively managed, ii) 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, iii) 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. Board etc). The results of these activities ensure that risk management plan is effective in the long term.

41.1 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 commodity risk.

The sensitivity analyses given is relate to the position as at 30th September, 2022 and 31st March 2022.

The sensitivity analysis excludes the impact of movements in market variables on the carrying value of post-employment benefit obligations, provisions and on the non-financial assets and liabilities. The sensitivity of the relevant statement of profit and loss item is the effect of the assumed changes in the respective market risks. The Company'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 30th September, 2022 and 31st March, 2022.



KLASS PACK LIMITED

Notes to the Condensed Financial Statements for the Period ended 30th September, 2022

(a) Foreign exchange risk and sensitivity

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities. The Company transacts foreign business primarily in EURO and USD. The Company has foreign currency trade payables and is therefore, exposed to foreign exchange risk. The Company is regularly reviews and evaluates exchange rate exposure arising from foreign currency transactions.

The following table demonstrates the sensitivity in the USD, EURO to the Indian Rupee with all other variables held constant. The impact on the Company's profit / loss before tax due to changes in the fair values of monetary assets and liabilities is given below:

| Unhedged Foreign currency exposure as at 30th September, 2022 | | | |
|---|----------|--------------|--------------|
| | Currency | Amount in FC | Rs. in lakhs |
| Trade and Other Payable | EURO | 11,845.48 | 6.99 |
| Other Current Financial Liabilities | EURO | 144,140.89 | 116.57 |
| Trade Receivable | USD | 33,748.98 | 27.11 |
| Trade Receivable | EURO | 36,578.02 | 29.09 |

| Unhedged Foreign currency exposure as at 31st March, 2022 | | | |
|---|----------|--------------|--------------|
| | Currency | Amount in FC | Rs. in lakhs |
| Trade and Other Payable | EURO | 36,904.82 | 31.56 |
| Other Current Financial Liabilities | EURO | 147,589.00 | 126.23 |
| Trade Receivable | USD | 117,807.40 | 88.78 |

Foreign currency sensitivity

1% increase or decrease in foreign exchange rates will have the following impact on profit before tax (PBT) :-

| Particulars | (Rs. in lakhs) | | | |
|---|----------------|---------------|-------------|---------------|
| | 2022-23 | | 2021-22 | |
| | 1% Increase | 1% Decrease | 1% Increase | 1% Decrease |
| EURO | 0.97 | (0.97) | 1.58 | (1.58) |
| USD | (0.27) | 0.27 | (0.69) | 0.69 |
| Decrease / (increase) in Profit Before tax | 0.70 | (0.70) | 0.69 | (0.69) |

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 company does not have any exposure with respect to the term loan. Further, the company has short term borrowings in the form of Overdraft facility / working capital loan from bank. During the period, the Company has exposed to interest rate risk associated with bank overdraft facility / working capital loan 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) | | | |
|---|----------------|---------------|-------------|-------------|
| | 2022-23 | | 2021-22 | |
| | 2% Increase | 2% Decrease | 2% Increase | 2% Decrease |
| Term Loan | - | - | - | - |
| Working Capital Loan | 1.93 | (1.93) | - | - |
| Decrease / (increase) in Profit before Tax | 1.93 | (1.93) | - | - |

The assumed movement in basis points for interest rate sensitivity analysis is based on the currently observable market environment at that time.

c) Commodity price risk:-

The Company continues its dependence on single supplier of primary raw material due to excellent product Quality and un-matched service. Supplier is maintaining a stable pricing structure for its products. The Company has a robust framework and governance mechanism in place to ensure that the organisation is inadequately protected from the market volatility in terms of prices and availability.

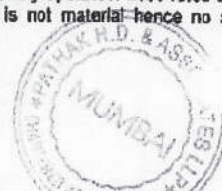
41.2 Credit risk

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 Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and other financial instruments.

The Company considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis through each reporting period. To assess whether there is a significant increase in credit risk the Company 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 forward-looking information such as:

- Actual or expected significant adverse changes in business,
- Actual or expected significant changes in the operating results of the counterparty,
- Financial or economic conditions that are expected to cause a significant change to the counterparty's ability to meet its obligations,
- Significant increase in credit risk on other financial instruments of the same counterparty,
- Significant changes in the value of the collateral supporting the obligation or in the quality of the third-party guarantees or credit enhancements.

Financial assets are written off when there is no reasonable expectation of recovery, such as a debtor failing to engage in a repayment plan with the Company. Where loans or receivables have been written off, the Company 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 Company 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 Company extends credit to customers in normal course of business. The Company considers factors such as credit track record in the market and past dealings with the Company for extension of credit to customers. The Company monitors the payment track record of the customers. Outstanding customer receivables are regularly monitored. The Company 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. For a customer accounting for 10% or more of revenue in any of the years presented, refer note 38.3. The Company does not expect any material risk on account of non performance by any of the Company's counterparties.

b) Financial Instruments and cash deposits:

The Company 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 Company's finance department. Investment of surplus funds are also managed by finance department. The Company 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.

41.3 Liquidity risk

Liquidity risk is the risk that the Company may not be able to meet its present and future cash and collateral obligations without incurring unacceptable losses. The Company's objective is to, at all times, maintain optimum levels of liquidity to meet its cash and collateral requirements. The Company relies operating cash flows and short term borrowings in the form of bank overdraft facility and working capital loan to meet its needs for funds. Company does not breach any covenants (where applicable) on any of its borrowing facilities. The Company has access to a sufficient variety of sources of funding as per requirement. The Company has also the sanctioned limit from the banks.

The table below provides undiscounted cash flows towards financial liabilities into relevant maturity based on the remaining period at the balance sheet to the contractual maturity date.

| Particulars | On demand | Maturity | | | | (Rs. in lakhs) |
|-----------------------------|--------------|-----------------|--------------|---------------|------------------|-----------------|
| | | 0 - 3 Months | 3 - 6 Months | 6 - 12 months | More than 1 year | Total |
| As at 30th September, 2022 | | | | | | |
| Current borrowings | 96.36 | - | - | - | - | 96.36 |
| Trade Payables | - | 834.77 | - | - | - | 834.77 |
| Other Financial Liabilities | - | 421.51 | - | 19.86 | - | 441.37 |
| Total | 96.36 | 1,256.28 | - | 19.86 | - | 1,372.50 |
| As at 31st March, 2022 | | | | | | |
| Trade Payables | - | 1,008.50 | - | - | - | 1,008.50 |
| Other Financial Liabilities | - | 508.18 | - | 31.72 | - | 539.90 |
| Total | - | 1,516.68 | - | 31.72 | - | 1,548.40 |

41.4 Competition and price risk

The Company 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 to meet the needs of its customers.

Note 42: Capital Management

For the purpose of Company's capital management, capital includes issued capital, all other equity reserves and debts. The primary objective of the Company's capital management is to maximise shareholders value. The Company manages its capital structure and makes adjustments in the light of changes in economic environment and the requirements of the financial covenants.

The Company monitors capital using gearing ratio, which is net debt divided by total capital (equity plus net debt). Net debt are non-current and current debts as reduced by cash and cash equivalents and current investments. Equity comprises all components including other comprehensive income.

| Particulars | (Rs. in lakhs) | |
|--|----------------------------|------------------------|
| | As at 30th September, 2022 | As at 31st March, 2022 |
| Total Debt | 96.36 | - |
| Less:- Cash and cash equivalent | 25.77 | 12.97 |
| Net Debt | 70.59 | (12.97) |
| Total Equity (Equity Share Capital plus Other Equity) | 9,295.34 | 9,150.55 |
| Total Capital (Total Equity plus net debt) | 9,365.93 | 9,137.58 |
| Gearing ratio | 0.75% | -0.14% |



KLASS PACK LIMITED

Notes to the Condensed Financial Statements for the Period ended 30th September, 2022

Note 43: Ratio Analysis and its components

Ratio

| Particulars | 30th September, 2022 | 30th September, 2021 | % change from 30th September 2021 to 30th September, 2022 | Reasons for deviations |
|---------------------------------|----------------------|----------------------|---|---|
| Current ratio | 2.56 | 1.42 | 78.98% | Primarily due to increase in inventory. |
| Debt- Equity Ratio | 0.01 | 0.07 | 0.00% | |
| Debt Service Coverage Ratio | 106.46 | 5.32 | 1901.12% | Primarily due to no Long term borrowing in this period |
| Return on Equity Ratio | 1.52% | 7.09% | -76.60% | Primarily due to increase in Share capital and decrease in earnings |
| Inventory Turnover Ratio | 2.42 | 3.73 | -35.16% | Primarily due to decrease in Revenue and increase in Inventory. |
| Trade Receivable Turnover Ratio | 3.81 | 3.69 | 3.25% | |
| Trade Payable Turnover Ratio | 2.45 | 1.82 | 35.04% | Primarily due to decrease in trade payable. |
| Net Capital Turnover Ratio | 1.91 | 5.55 | -65.63% | Primarily due to increase in working capital |
| Net Profit Ratio | 3.01% | 8.97% | -66.47% | Primarily due to decrease in Earnings. |
| Return on Capital Employed | 2.07% | 8.88% | -76.69% | Primarily due to decrease in Earnings. |
| Return on Investment | 3.06% | 3.56% | -14.17% | |

Components of Ratio

| Ratios | Numerator | Denominator |
|---------------------------------|---|--|
| Current ratio | Current Assets | Current Liabilities |
| Debt- 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 year |
| Return on Equity Ratio | Net Profit after Tax | Average Total Equity [(Opening Equity Share capital + Opening Other Equity+ Closing Equity Share Capital+ Closing Other Equity)/2] |
| Inventory Turnover Ratio | Revenue from Operations | Average Inventory (Opening balance+ Closing balance)/2 |
| Trade Receivable Turnover Ratio | Revenue from Operations | Average Trade Receivable (Opening balance + Closing balance)/2 |
| Trade Payable Turnover Ratio | Cost of Material Consumed | Average Trade Payable (Opening balance + Closing balance)/2 |
| Net Capital Turnover Ratio | Revenue from Operations | Working Capital (Current asset - Current liabilities) |
| Net Profit Ratio | Net Profit after Tax | Revenue from Operations |
| Return on Capital Employed | Profit Before Interest & Tax | Total Equity + Total Debts + Deferred Tax Liabilities |
| 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 |

Note 44: Disclosure on bank/Financial Institutions Compliances

The quarterly statements including revision thereon of Inventories and trade receivables filed by the Company with banks/financial institutions are in agreement with the books of accounts.

Summary of reconciliation of quarterly statements of current assets filed by the Company with Banks are as below :

| Particulars | For the quarter ended | (Rs. in lakhs) | | |
|--------------------------------|-----------------------|--------------------------------|-----------------------------|----------------------|
| | | Amount as per books of account | Amount as reported to Banks | Amount of difference |
| Inventories & Trade Receivable | Jun-22 | 3454.96 | 3454.96 | - |
| | Sep-22 | 2942.45 | 2942.45 | - |



KLASS PACK LIMITED

Notes to the Condensed Financial Statements for the Period ended 30th September, 2022

Note 45 Other Statutory Information:

- i) There are no balance outstanding on account of any transaction with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.
- ii) The Company has not advanced or loaned or invested fund to any other persons or entities including foreign entities (intermediary) with the understanding (whether recorded in writing or otherwise) that intermediary shall:
 - a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (ultimate beneficiary) or
 - b) provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries.
- iii) The Company has not received any fund from any person or entities including foreign entities (funding party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
 - a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the funding party (ultimate beneficiaries) or
 - b) provide any guarantee, security or the like on behalf of the ultimate beneficiaries.
- iv) The Company does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income tax Act, 1961.
- v) The Company is not declared wilful defaulter by any bank or financial institution or other lender.
- vi) There are no charges or satisfaction thereof which are yet to be registered with ROC beyond the statutory period.

Note 46:

The accounts for the period ended 30th September 2022 has been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard 34 (Ind AS - 34) Interim Financial Reporting as notified under section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules, 2015. The disclosure required by other Indian Accounting Standard are not given as Company's interim financials includes only condensed financial statements and selected explanatory notes rather than a complete set of financial statements.

Note 47 Disclosure on Composite Scheme of Arrangement and accounting as per Ind AS 103

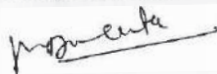
The Board of Directors at its meeting held on 7th February 2022, has approved a Composite Scheme of Arrangement between the Borosil Limited ("BL") and the Company and Borosil Technologies Ltd ("BTL"), a wholly owned subsidiary of BL ("Scheme") Inter alia for: (a) reduction and reorganization of share capital of the Company; (b) demerger of Scientific and Industrial Product Business from BL into the Company and consequent issue of shares by the Company; and (c) amalgamation of BTL with the Company. The Appointed Date for the Scheme is 1st April 2022. Pursuant to the directions of National Company Law Tribunal, Mumbai Bench ("NCLT"), the Company is in the process of convening meeting of its unsecured creditors on 6th February 2023 for their approval on the Scheme. The requirement of convening meetings of shareholders and secured creditors of the Company has been dispensed with by NCLT. The Company has prepared interim condensed financial statements for the period ended 30th September 2022 as special purpose financial statements in connection with the above Scheme.

Note 48

Previous year/period figures have been regrouped and rearranged wherever necessary. The figures for the period ended 30th September, 2021 are based on previous unaudited financial results.

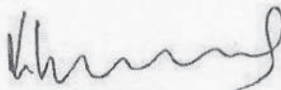
As per our Report of even date

For PATHAK H.D. & ASSOCIATES LLP
Chartered Accountants
(Firm Registration No. 107783 W / W100593)



Mukesh Mehta
Partner
Membership No. 43495

Place : Mumbai
Date : 13.12.2022



Shreevar Kheruka
Director
(DIN 01802416)

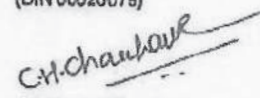


Anurag Jain
Chief Financial Officer

For and on behalf of the Board of Directors



Prashant Amla
Managing Director
(DIN 00626079)



Chaitanya Chauhan
Company Secretary
(Membership No. ACS-51899)

INDEPENDENT AUDITOR'S REPORT ON CONDENSED FINANCIAL STATEMENTS

To,
The Board of Directors
Borosil Technologies Limited

Opinion

We have audited the accompanying Condensed Financial Statements of **BOROSIL TECHNOLOGIES LIMITED** ("the Company"), which comprise the Condensed Balance Sheet as at 30th September, 2022, and the Condensed Statement of Profit and Loss (including other comprehensive income), the Condensed Statement of Changes in Equity and the Condensed Statement of Cash Flows for the six months period then ended, and notes to the Condensed Financial Statements, including a summary of significant accounting policies and other explanatory information thereon (collectively hereinafter referred to as "Condensed Financial Statements"). The Condensed Financial Statements have been prepared by the Management of the Company in connection with proposed Composite Scheme of Arrangement amongst Borosil Limited ("Demerged Company"), Klass Pack Limited ("Resulting Company" or "Transferee Company") and Borosil Technologies Limited ("Transferor Company") and their respective shareholders and creditors ('Scheme').

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Condensed 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 state of affairs of the Company as at 30th September, 2022 and its loss including other comprehensive income, the statement of changes in equity and its cash flows for the six months period ended on that date.

Basis for Opinion

We conducted our audit of the Condensed 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 Condensed Financial Statements section of our report. We are independent of the Company 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 Condensed 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 we have obtained is sufficient and appropriate to provide a basis for our opinion on the Condensed Financial Statements.



Responsibilities of Management and those charged with Governance for the Condensed Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these Condensed Financial Statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the recognition and measurements principles laid down in Indian Accounting Standard (Ind AS) 34, 'Interim Financial Reporting' prescribed under Section 133 of the Act read with relevant rules issued thereunder and other accounting principles generally accepted in India.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company 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 Condensed Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Condensed Financial Statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

That Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Condensed Financial Statements

Our objectives are to obtain reasonable assurance about whether the Condensed 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 Condensed 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 Condensed Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.



- 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 Company 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 Condensed 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 Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Condensed Financial Statements, including the disclosures, and whether the Condensed Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.
- We communicate with those charged with governance 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.

Basis of Accounting and Restriction on use

Without modifying our opinion, we draw attention to Note 43 and Note 44 to the Condensed Financial Statements, which describe the purpose and basis of preparation. The Condensed Financial Statements have been prepared by the Company's Management solely for the purpose as mentioned in the 'Opinion' paragraph above and accordingly, the Condensed Financial Statements may not be suitable for any another purpose. It should not be used by parties other than the Company or the Transferee Company or the Demerged Company. It should not be distributed for any purpose other than to meet the legal/regulatory requirements. We do not accept or assume any liability or duty of care to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.



Other Matter

Attention is drawn to the fact that the figures for the period ended 30th September, 2021 are based on previous financial results that were reviewed by us. Our conclusion is not modified in respect of this matter.

For Pathak H. D. & Associates LLP
Chartered Accountants
Firm Registration No: 107783W/ W100593



Mukesh Mehta
Partner
Membership No. 043495
UDIN: 22043495BFRZYM5946



Place: Mumbai
Date: 14.12.2022

BOROSIL TECHNOLOGIES LIMITED

CONDENSED BALANCE SHEET AS AT 30TH SEPTEMBER, 2022

| Particulars | Note No. | (Rs. in lakhs) | | |
|---|----------|----------------------------|-----------------|-----------------------|
| | | As at 30th September, 2022 | | As at 31st March 2022 |
| I. ASSETS | | | | |
| 1 Non-current Assets | | | | |
| (a) Property, Plant and Equipment | 5 | 657.01 | | 305.60 |
| (b) Capital work-in-progress | 5 | 131.66 | | - |
| (c) Other Intangible assets | 6 | 16.63 | | 14.95 |
| (d) Financial Assets | | | | |
| (i) Loans | 7 | - | | 0.54 |
| (ii) Others Financial Assets | 8 | 30.81 | | 18.81 |
| (e) Deferred tax assets (net) | 9 | 51.23 | | 43.10 |
| (f) Non-current Tax Assets (net) | | 1.41 | | 1.11 |
| (g) Other non-current assets | 10 | - | 868.75 | 0.93 |
| | | | | 385.24 |
| 2 Current Assets | | | | |
| (a) Inventories | 11 | 383.84 | | 326.02 |
| (b) Financial Assets | | | | |
| (i) Trade Receivable | 12 | 94.17 | | 209.12 |
| (ii) Cash and cash equivalents | 13 | 12.66 | | 2.89 |
| (iii) Loans | 14 | 2.56 | | 3.44 |
| (c) Other current assets | 15 | 60.73 | 553.98 | 30.56 |
| | | | | 572.03 |
| TOTAL ASSETS | | | 1,442.73 | 957.27 |
| II. EQUITY AND LIABILITIES | | | | |
| Equity | | | | |
| (a) Equity Share Capital | 16 | 958.40 | | 958.40 |
| (b) Other Equity | 17 | (469.23) | 489.17 | (161.15) |
| | | | | 797.25 |
| LIABILITIES | | | | |
| 1 Non-current Liabilities | | | | |
| (a) Financial Liabilities | | | | |
| (i) Borrowings | 18 | 449.00 | | - |
| (ii) Lease Liabilities | 19 | 160.65 | | - |
| (b) Provisions | 20 | 18.65 | 628.30 | 15.06 |
| | | | | 15.06 |
| 2 Current Liabilities | | | | |
| (a) Financial Liabilities | | | | |
| (i) Lease Liabilities | | 78.22 | | - |
| (ii) Trade Payable | 21 | | | |
| A) Due to Micro and Small Enterprises | | 34.36 | | 54.59 |
| B) Due to Other than Micro and Small Enterprises | | 20.58 | | 18.12 |
| | | 54.94 | | 72.71 |
| (iii) Other Financial Liabilities | 22 | 156.39 | | 43.71 |
| (b) Other current liabilities | 23 | 8.95 | | 6.31 |
| (c) Provisions | 24 | 26.76 | 325.26 | 22.23 |
| | | | | 144.96 |
| TOTAL EQUITY AND LIABILITIES | | | 1,442.73 | 957.27 |
| Significant accounting policies and notes to financial statements | 1 to 45 | | | |

As per our report of even date

For PATHAK H.D. & ASSOCIATES LLP
Chartered Accountants
(Firm Registration no. 107783W / W100593)

Mukesh Mehta
Partner
Membership no. 43495

Place : Mumbai
Date : 14.12.2022



Rajesh Kumar Chaudhary
Director
(DIN 07425111)

For and on behalf of the Board of Directors

Sreejith Kumar Palokudy Sukumaran
Whole time Director
(DIN 06590184)

Vinayak Patankar
Director
(DIN 07534225)

BOROSIL TECHNOLOGIES LIMITED


CONDENSED STATEMENT OF PROFIT AND LOSS FOR THE PERIOD ENDED 30TH SEPTEMBER 2022

| Particulars | Note No. | (Rs. in lakhs) | |
|---|----------|---|---|
| | | For the Period Ended 30th September, 2022 | For the Period Ended 30th September, 2021 |
| I. Income: | | | |
| Revenue from Operations | 25 | 400.81 | 583.95 |
| Other Income | 26 | 4.54 | 1.53 |
| Total Income (I) | | 405.35 | 585.48 |
| II. Expenses: | | | |
| Cost of Raw Materials Consumed | | 221.87 | 290.26 |
| Changes in Inventories of Work-in-Progress and Finished goods | 27 | 34.85 | (36.07) |
| Employee Benefits Expense | 28 | 225.58 | 160.36 |
| Finance Costs | 29 | 9.23 | 9.07 |
| Depreciation and Amortization Expense | 30 | 42.23 | 28.66 |
| Other Expenses | 31 | 187.13 | 132.86 |
| Total Expenses (II) | | 720.89 | 585.14 |
| III. Profit/ (Loss) Before Tax (I - II) | | (315.54) | 0.34 |
| IV. Tax Expense: | | | |
| (1) Current Tax | | - | - |
| (2) Deferred tax | 9 | (7.96) | 0.10 |
| V. Profit/ (Loss) For The Period (III - IV) | | (307.58) | 0.24 |
| VI. Other Comprehensive Income | | | |
| i) Items that will not be reclassified to profit or loss: | | | |
| Re-measurement gains / (losses) on defined benefit plans | | (0.67) | 0.03 |
| Income tax effect on above | | 0.17 | - |
| Total Other Comprehensive Income | | (0.50) | 0.03 |
| VII. Total Comprehensive Income for the period (V + VI) | | (308.08) | 0.27 |
| VIII. Earnings per Equity Share of Rs.10 each (Basic and Diluted) (Not Annualized) | 32 | (3.21) | 0.00 |
| Significant accounting policies and notes to financial statements | 1 to 45 | | |

As per our report of even date


For and on behalf of the Board of Directors

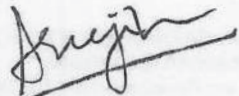
For **PATHAK H.D. & ASSOCIATES LLP**
Chartered Accountants
(Firm Registration no. 107783W / W100593)

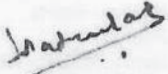

Mukesh Mehta
Partner
Membership no. 43495

Place : Mumbai
Date : 14.12.2022




Rajesh Kumar Chaudhary
Director
(DIN 07425111)


Sreejith Kumar Palekudy Sukumaran
Whole time Director
(DIN 06590184)


Vinayak Patankar
Director
(DIN 07534225)

BOROSIL TECHNOLOGIES LIMITED

CONDENSED STATEMENT OF CASH FLOW FOR THE PERIOD ENDED 30TH SEPTEMBER, 2022

(Rs. in lakhs)

| PARTICULARS | For the Period ended 30th September, 2022 | For the Period ended 30th September, 2021 |
|---|--|--|
| A. CASH FLOW FROM OPERATING ACTIVITIES | | |
| Profit / (Loss) before tax as per statement of profit and loss | (315.54) | 0.34 |
| Adjusted for : | | |
| Depreciation and amortisation expense | 42.23 | 28.66 |
| Loss / (profit) on sale of property, plant and equipment | 0.30 | - |
| Share Based Payment Expense | 4.67 | 1.07 |
| Finance cost | 9.23 | 9.07 |
| Interest income | (1.87) | (0.73) |
| | 54.56 | 38.07 |
| Operating Profit / (Loss) before Working Capital Changes | (260.98) | 38.41 |
| Adjusted for : | | |
| Trade and other receivables | 66.48 | (32.56) |
| Inventories | (57.82) | (104.34) |
| Trade and other payables | 34.65 | (26.35) |
| Cash flow (used in) operations | (217.67) | (124.84) |
| Direct taxes paid | (0.30) | (0.25) |
| Net Cash Flow from / (used in) Operating Activities | (217.97) | (125.09) |
| B. CASH FLOW FROM INVESTING ACTIVITIES | | |
| Purchase of property, plant and equipment | (227.33) | (94.07) |
| Sale of property, plant and equipment | 20.45 | - |
| Interest income | 1.55 | 0.56 |
| Net Cash Flow from / (used in) Investing Activities | (205.33) | (93.51) |
| C. CASH FLOW FROM FINANCING ACTIVITIES | | |
| Proceeds from issue of share capital | - | 463.40 |
| Proceeds from Non-current Borrowings | 449.00 | 167.00 |
| Repayment of Non-current Borrowings | - | (301.77) |
| Lease Payments | (15.75) | (4.72) |
| Finance cost paid | (0.18) | (6.22) |
| Net Cash Flow from / (used in) Financing Activities | 433.07 | 237.69 |
| Net Increase/(Decrease) in Cash and Cash Equivalents (A+B+C) | 9.77 | 19.09 |
| Opening Balance of Cash and Cash Equivalents | 2.89 | 11.52 |
| Closing Balance of Cash and Cash Equivalents | 12.66 | 30.61 |

Notes :

| Particulars | For the Period ended 30th September, 2022 | For the Period ended 30th September, 2021 |
|---|---|---|
| 1 Changes in liabilities arising from financing activities on account of Non-current and Current Borrowings: | | |
| Opening balance of liabilities arising from financing activities | - | 214.77 |
| Changes from financing cash flows | 449.00 | (214.77) |
| Closing balance of liabilities arising from financing activities | 449.00 | - |

2 Bracket indicates cash outflow.

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

4 The above statement cash flow has been prepared under the "Indirect Method" as set out in Ind AS 7 on Statement of Cash Flow.

As per our report of even date

For and on behalf of the Board of Directors

For PATHAK H.D. & ASSOCIATES LLP
Chartered Accountants
(Firm Registration no. 107783W / W100593)

Sreejith Kumar Palekudy Sukumaran
Whole time Director
(DIN 06590184)

Mukesh Mehta
Partner
Membership no. 43495



Rajesh Kumar Chaudhary
Director
(DIN 07425111)



Vinayak Patankar
Director
(DIN 07534225)

Place : Mumbai
Date : 14.12.2022

BOROSIL TECHNOLOGIES LIMITED

CONDENSED STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED 30TH SEPTEMBER, 2022

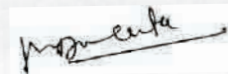
| A. Equity Share Capital | | | | | (Rs. in lakhs) |
|-------------------------|-----------------------|------------------------|------------------------|------------------------|----------------------------|
| Particulars | As at 1st April, 2021 | Changes during 2021-22 | As at 31st March, 2022 | Changes during 2022-23 | As at 30th September, 2022 |
| Equity Share Capital | 495.00 | 463.40 | 958.40 | - | 958.40 |

| B. Other Equity | | | | | (Rs. in lakhs) |
|--|---|-----------------------------|----------------------|--|--------------------|
| Particulars | Other Comprehensive Income | | Reserves and Surplus | | Total Other Equity |
| | Remeasurements of Defined Benefit Plans | Share Based Payment Reserve | Retained Earnings | | |
| Balance as at 1st April, 2021 | (0.43) | 4.29 | (113.41) | | (109.55) |
| Total Comprehensive Income for the year | (0.98) | - | (50.62) | | (51.60) |
| Option cancelled during the year (Refer note 36) | | (4.29) | 4.29 | | - |
| Balance as at 31st March, 2022 | (1.41) | - | (159.74) | | (161.15) |
| Total Comprehensive Income for the period | (0.50) | - | (307.58) | | (308.08) |
| Balance as at 30th September, 2022 | (1.91) | - | (467.32) | | (469.23) |

As per our report of even date

For and on behalf of the Board of Directors


For PATHAK H.D. & ASSOCIATES LLP
Chartered Accountants
(Firm Registration no. 107783W / W100593)

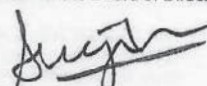


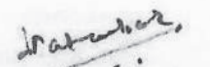
Mukesh Mehta
Partner
Membership no. 43495

Place : Mumbai
Date : 14.12.2022




Rajesh Kumar Chaudhary
Director
(DIN 07425111)


Sreejith Kumar Palekudy Sukumaran
Whole time Director
(DIN 06590184)


Vinayak Patankar
Director
(DIN 07534225)

BOROSIL TECHNOLOGIES LIMITED

Notes to the condensed financial statement for the period ended 30th September, 2022

Note 1 CORPORATE INFORMATION:

Borosil Technologies Limited ("the Company")(CIN U36999MH2009PLC197226) is a public limited Company domiciled and incorporated in India. The registered office of the Company is situated at 1101, Crescenzo, G-Block, Opp. MCA Club, Bandra Kurla Complex, Bandra (East), Mumbai 400 051.

The Company is a manufacturer of Scientific Instruments.

The financial statements of the Company for the period ended 30th September, 2022 were approved and adopted by the Board of Directors in their meeting held on 14th December, 2022.

Note 2 BASIS OF PREPARATION:

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards notified under the Companies (Indian Accounting Standards) Rules, 2015 (Ind AS).

The financial statements have been prepared on a historical cost basis, except for certain financial assets and liabilities, which are measured at fair value / amortised cost.

The 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 SIGNIFICANT ACCOUNTING POLICIES:

3.1 Property, Plant and Equipment:

Property, plant and equipment are carried at cost less accumulated depreciation and accumulated 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.

Depreciation on the property, plant and equipment is provided using straight line method over the useful life of assets as specified in schedule II to the Companies Act, 2013. Depreciation on property, plant and equipment which are added / disposed off during the period is provided on pro-rata basis with reference to the date of addition / deletion. Freehold land is not depreciated.

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

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

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

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

3.2 Intangible Assets :

Intangible assets are carried at cost less accumulated amortisation and accumulated 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 Company and the cost of the asset can be reliably measured.

Computer softwares are capitalised at the amounts paid to acquire the respective license for use and are amortised over the period of useful lives or period of three years, whichever is less. The assets' useful lives and method of amortisation 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 statement of profit and loss when the asset is derecognised.



3.3 Leases:

The Company 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 Company uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate. The Company 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 Company is reasonably certain to exercise that options; and periods covered by an option to terminate the lease if the Company is reasonably certain not to exercise that options. In assessing whether the company 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 Company to exercise the option to extend the lease, or not to exercise the option to terminate the lease. The Company 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.

The Company as a lessee

The Company's lease asset classes primarily consist of leases for land and buildings. The Company 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, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company 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, the Company 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 Company 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.

The Company as a lessor

Leases for which the Company 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 Company 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.



BOROSIL TECHNOLOGIES LIMITED

Notes to the condensed financial statement for the period ended 30th September, 2022

3.4 Inventories:

Inventories are valued at the lower of cost and net realizable value except scrap (cullet), which is valued at net realizable value. Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale. The cost of inventories comprises of cost of purchase, cost of conversion and other costs incurred in bringing the inventories to their respective present location and condition. Cost is computed on the weighted average basis.

3.5 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 Company's cash management.

3.6 Impairment of assets:

An asset is considered as impaired when at the date of Balance Sheet, there are indications of impairment and the carrying amount of the asset, or where applicable, the cash generating unit to which the asset belongs, exceeds its recoverable amount (i.e. the higher of the net asset selling price and value in use). The carrying amount is reduced to the recoverable amount and the reduction is recognized as an impairment loss in the statement of profit and loss. The impairment loss recognized in the prior accounting period is reversed if there has been a change in the estimate of recoverable amount. Post impairment, depreciation is provided on the revised carrying value of the impaired asset over its remaining useful life.

3.7 Discontinued operation and non-current assets (or disposal groups) held for sale:

Discontinued operation:

A discontinued operation is a component of the Company that has been disposed off 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 off 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 statement of profit or loss.

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 statement 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.



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

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

I) Financial assets -Initial recognition and measurement:

All financial assets are initially recognized at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets, which are not at fair value through profit or loss, are adjusted to the fair value on initial recognition. Financial assets are classified, at initial recognition, as financial assets measured at fair value or as financial assets measured at amortised cost.

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 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 Company's business model is to hold the financial asset to collect the contractual cash flow.

b) **Cash flow characteristics test:** The contractual terms of the financial asset give rise on specified dates to cash flow that are solely payments of principal and interest on the principal amount outstanding.

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

a) **Business model test:** The financial asset is held within a business model whose objective is achieved by both collecting contractual cash flow and selling financial assets.

b) **Cash flow characteristics test:** The contractual terms of the financial asset give rise on specified dates to cash flow that are solely payments of principal and interest on the principal amount outstanding.

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

Financial assets - Derecognition:

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

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

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 fair value due to the short maturity of these instruments.

Financial Liabilities - Financial guarantee contracts:

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



Financial Liabilities - Derecognition:

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another, from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit and loss.

3.9 Provisions, Contingent Liabilities, Contingent Assets and Commitments:

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event. It is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. If the effect of the time value of money is material, provisions are discounted using equivalent period government securities interest rate. Unwinding of the discount is recognised in the 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 Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made. Information on contingent liability is disclosed in the Notes to the 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.

3.10 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 and corresponding tax on dividend distribution is recognised directly in other equity.

3.11 Revenue recognition and other income:

Sale of goods:

The Company derives revenues primarily from sale of Scientific Instruments.

Revenue is recognized on satisfaction of performance obligation upon transfer of control of promised products or services to customers in an amount that reflects the consideration which the Company expects to receive in exchange for those products or services.

Revenue is measured based on the transaction price, which is the consideration, adjusted for discounts and claims, if any, as specified in the contract with the customer. Revenue is also net of indirect taxes in its statement of profit and loss.

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

The Company disaggregates revenue from contracts with customers by type of products and services, geography and timing of revenue recognition.

Other Income:

Incentives on exports and other Government incentives related to operations are recognised in the statement of profit or 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 Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

Dividend Income:

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

Rental income:

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



Notes to the condensed financial statement for the period ended 30th September, 2022

3.12 Foreign currency reinstatement and translation:

Transactions in foreign currencies are initially recorded by the Company at rates prevailing at the date of the transaction. Subsequently monetary items are translated at closing exchange rates as on balance sheet date and the resulting exchange difference recognised in statement of profit and loss. Differences arising on settlement of monetary items are also recognised in statement of profit and loss.

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 statement of profit and loss, within finance costs. All other finance gains / losses are presented in the 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.

3.13 Employee Benefits:

Short term employee benefits are recognized as an expense in the statement of profit and loss of the period 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 period in which employees have rendered services.

The cost of providing gratuity, a defined benefit plans, is determined using the Projected Unit Credit Method, on the basis of actuarial valuations carried out by third party actuaries at each Balance Sheet date. Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to other comprehensive income in the period in which they arise. Other costs are accounted in 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 period in which they occur. Remeasurements are not reclassified to statement of profit and loss in subsequent periods.

3.14 Share-based payments:

Certain employees of the company receive part of their remuneration in the form of share-based payment transactions, whereby employees render services in exchange for shares or rights over shares ('equity-settled transactions').

The resultant increase in equity is recorded in share based payment reserve.

The cost of equity-settled transactions with employees is measured at fair value at the date at which they are granted. The fair value of share awards are determined with the assistance of an external valuer and the fair value at the grant date is expensed on a proportionate basis over the vesting period based on the Company's estimate of shares that will eventually vest. The estimate of the number of awards 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.



3.15 Taxes on Income:

Income tax expense represents the sum of current tax (including income tax for earlier years) and deferred tax (including MAT credit entitlement). 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, unused tax credit 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, unused tax credit and allowances can be utilised. Deferred tax assets and liabilities are measured at the applicable tax rates. The carrying amount of deferred tax assets (including MAT credit entitlement) is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available against which the temporary differences can be utilised.

3.16 Borrowing Costs:

Borrowing costs specifically relating to the acquisition or construction of qualifying assets that necessarily takes a substantial period of time to get ready for its intended use are capitalized (net of income on temporarily deployment of funds) as part of the cost of such assets. Borrowing costs consist of interest and other costs that the Company 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 Company that are outstanding during the period, other than borrowings made specifically for the purpose of obtaining a qualifying asset. The amount of borrowing costs capitalized during a period does not exceed the amount of borrowing cost incurred during that period. All other borrowing costs are expensed in the period in which they occur.

3.17 Earnings per share:

Basic earnings per share is computed using the net profit or loss for the period attributable to the shareholders' and weighted average number of equity shares outstanding during the period.

Diluted earnings per share is computed using the net profit or loss for the period attributable to the shareholders' and weighted average number of equity and potential equity shares outstanding during the period including share options, convertible preference shares and debentures, except where the result would be anti-dilutive. Potential equity shares that are converted during the period 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.



3.18 Current and non-current classification:

The Company presents assets and liabilities in statement of financial position based on current/non-current classification.

The Company 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 Ministry of Corporate Affairs.

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 and liabilities are classified as non-current assets and liabilities. The Company has identified twelve months as its normal operating cycle.

3.19 Fair value measurement:

The Company 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 Company 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.

3.20 Offsetting financial instruments:

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 4 SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS:

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and 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 Company based on its assumptions and estimates on parameters available when the 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 Company. Such changes are reflected in the assumptions when they occur.

4.1 Property, plant and equipment and 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 Company's historical experience with similar assets and taking into account anticipated technological changes, whichever is more appropriate.

4.2 Income Tax:

The Company reviews at each balance sheet date the carrying amount of deferred tax assets (including Mat credit entitlement). The factors used in estimates may differ from actual outcome which could lead to an adjustment to the amounts reported in the financial statements. The Company has carry forward tax losses that are available for offset against future taxable profit. Deferred tax assets are recognised only to the extent that it is probable that taxable profit will be available against which the unused tax losses or tax credits can be utilised. This involves an assessment of when those assets are likely to reverse, and a judgement as to whether or not there will be sufficient taxable profits available to offset the assets. This requires assumptions regarding future profitability, which is inherently uncertain. To the extent assumptions regarding future profitability change, there can be an increase or decrease in the amounts recognised in respect of deferred tax assets and consequential impact in the statement of profit and loss.

4.3 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 Company as it is not possible to predict the outcome of pending matters with accuracy.

4.4 Impairment of financial assets:

The impairment provisions for financial assets are based on assumptions about risk of default and expected cash loss. The Company uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

4.5 Impairment of non-financial assets:

The Company 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 Company 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.



4.6 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.

4.7 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.

4.8 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.

4.9 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.

4.10 Classification of Leases

The Company 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 Company uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate. The Company 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 Company is reasonably certain to exercise that options; and periods covered by an option to terminate the lease if the Company is reasonably certain not to exercise that options. In assessing whether the company 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 Company to exercise the option to extend the lease, or not to exercise the option to terminate the lease. The Company 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.



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Notes to the condensed financial statement for the period ended 30th September, 2022

| Particulars | Note 5 - Property, plant and equipment | | | | (Rs. in lakhs) | |
|-----------------------------------|--|-----------------------|---------------------|-----------------------------------|------------------|--------------------------|
| | Right of use Building | Leasehold Improvement | Plant and Equipment | Own Assets Furniture and Fixtures | Office equipment | Capital Work in Progress |
| Gross Block As at 1st April, 2021 | 55.42 | 50.95 | 161.34 | 20.01 | 52.82 | 340.54 |
| Additions | - | - | 110.81 | 1.74 | 15.32 | 127.87 |
| Disposals / Transfers | - | - | - | - | - | - |
| As at 31st March, 2022 | 55.42 | 50.95 | 272.15 | 21.75 | 68.14 | 458.41 |
| Additions | 259.50 | 0.90 | 120.48 | 20.90 | 8.53 | 131.66 |
| Disposals / Transfers | - | 50.95 | 14.26 | 3.13 | 12.49 | 80.83 |
| As at 30th September, 2022 | 314.92 | 0.90 | 378.37 | 39.52 | 64.18 | 797.89 |
| DEPRECIATION | | | | | | |
| As at 1st April, 2021 | 51.16 | 28.97 | 12.04 | 1.39 | 23.65 | 117.21 |
| Depreciation for the year | 4.26 | 11.12 | 14.56 | 2.01 | 13.45 | 45.40 |
| Disposals | - | - | - | - | - | - |
| As at 31st March, 2022 | 55.42 | 40.09 | 26.50 | 3.40 | 37.10 | 162.61 |
| Depreciation for the period | 14.42 | 5.56 | 9.87 | 1.27 | 7.23 | 38.35 |
| Disposals | - | 45.62 | 5.03 | 0.56 | 8.87 | 60.08 |
| As at 30th September, 2022 | 69.84 | 0.03 | 31.44 | 4.11 | 35.46 | 140.88 |
| NET BLOCK : | | | | | | |
| As at 31st March, 2022 | - | 10.86 | 245.55 | 18.35 | 31.04 | 305.80 |
| As at 30th September, 2022 | 245.08 | 0.87 | 346.93 | 35.41 | 28.72 | 657.01 |

5.1 Details of Capital work in Progress (CWIP) as at 30th September, 2022 is as below :-

| A) CWIP ageing schedule as at 30th September, 2022 | Amount in CWIP for a period of | | | Total |
|--|--------------------------------|-----------|-------------------|--------|
| | Less than 1 year | 2-3 Years | More than 3 years | |
| Capital Work in Progress | 131.66 | - | - | 131.66 |
| Project in Progress | 131.66 | - | - | 131.66 |
| Total | 131.66 | - | - | 131.66 |

5.2 In accordance with the Indian Accounting Standard (Ind AS 36) on "Impairment of Assets", the management during the period carried out an exercise of identifying the assets that may have been impaired in accordance with the said Ind AS. On the basis of review carried out by the management, there was no impairment loss on property, plant and equipment during the period ended 30th September, 2022.

5.3 Refer note 33 for disclosure of contractual commitments for the acquisition of property, plant and equipment.



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Notes to the condensed financial statement for the period ended 30th September, 2022

Note 6 - Other Intangible Assets

| Particulars | (Rs. in lakhs) Other Intangible assets |
|-----------------------------------|--|
| Gross Block: | |
| As at 1st April, 2021 | 30.08 |
| Additions | 13.69 |
| Disposals / transfers | - |
| As at 31st March, 2022 | 43.77 |
| Additions | 5.56 |
| Disposals / transfers | - |
| As at 30th September, 2022 | 49.33 |
| AMORTISATION: | |
| As at 1st April, 2021 | 21.49 |
| Amortisation during the year | 7.33 |
| Disposals | - |
| As at 31st March, 2022 | 28.82 |
| Amortisation during the period | 3.88 |
| Disposals | - |
| As at 30th September, 2022 | 32.70 |
| NET BLOCK : | |
| As at 31st March, 2022 | 14.95 |
| As at 30th September, 2022 | 16.63 |

6.1 Other Intangible assets represents software other than self generated.



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Notes to the condensed financial statement for the period ended 30th September, 2022

Note 7 - Non-current financial assets - Loans

| Particulars | (Rs. in lakhs) | |
|---|-------------------------------|---------------------------|
| | As at 30th September, 2022 | As at 31st March, 2022 |
| Unsecured, Considered Good : Loan to Employees | - | 0.54 |
| Total | - | 0.54 |

Note 8 - Non-current financial assets - Others

| Particulars | (Rs. in lakhs) | |
|---|-------------------------------|---------------------------|
| | As at 30th September, 2022 | As at 31st March, 2022 |
| Unsecured, Considered Good : Security Deposits | 30.81 | 18.81 |
| Total | 30.81 | 18.81 |



BOROSIL TECHNOLOGIES LIMITED

Notes to the condensed financial statement for the period ended 30th September, 2022

Note 9 Income Tax

9.1 The major components of Income Tax Expenses / (Income) for the Period ended 30th September, 2022 and 30th September, 2021 are as follows:

| Particulars | (Rs. in lakhs) | |
|--|---|---|
| | For the Period ended 30th September, 2022 | For the Period ended 30th September, 2021 |
| Recognised in Statement in Profit and Loss : | | |
| Current Tax | - | - |
| Deferred Tax - Relating to origination and reversal of temporary differences | (7.96) | 0.10 |
| Total Tax Expenses / (Income) | (7.96) | 0.10 |

9.2 Reconciliation between tax expenses / (income) and accounting profit multiplied by tax rate for the Period ended 30th September, 2022 and period ended 30th September, 2021 :

| Particulars | (Rs. in lakhs) | |
|--|---|---|
| | For the Period ended 30th September, 2022 | For the Period ended 30th September, 2021 |
| Accounting profit / (loss) before tax | (315.54) | 0.34 |
| Applicable tax rate | 26.00% | 26.00% |
| Computed Tax Expenses / (Income) | (82.04) | 0.09 |
| Tax effect on account of: | | |
| Tax losses for which no deferred tax recognised | 72.41 | - |
| Expenses not allowed | 0.01 | (0.03) |
| Other deductions / allowances | 1.66 | 0.04 |
| Income tax expenses / (income) recognised in statement of profit and loss | (7.96) | 0.10 |

9.3 Deferred tax assets relates to the following:

| Particulars | (Rs. in lakhs) | | | |
|--|----------------------------|------------------------|---|---|
| | Balance Sheet | | Statement of profit and loss/other comprehensive income | |
| | As at 30th September, 2022 | As at 31st March, 2022 | For the Period Ended 30th September, 2022 | For the Period Ended 30th September, 2021 |
| Property, Plant and Equipment | (10.87) | (14.69) | 5.18 | 2.29 |
| Investments | - | - | - | - |
| Unabsorbed Depreciation Loss | 59.57 | 47.08 | (12.49) | 0.14 |
| Lease Liabilities | (1.61) | - | 1.61 | 0.21 |
| Disallowance Under Section 43B of the Income Tax Act, 1961 | 13.14 | 10.71 | (2.43) | (2.54) |
| Total | 51.23 | 43.10 | (8.13) | 0.10 |

9.4 Reconciliation of deferred tax assets (net):

| Particulars | (Rs. in lakhs) | |
|--|----------------------------|------------------------|
| | As at 30th September, 2022 | As at 31st March, 2022 |
| Opening balance | 43.10 | 25.49 |
| Deferred Tax credit recognised in statement of profit and loss | 7.96 | 16.26 |
| Deferred Tax credit recognised in OCI | 0.17 | 0.35 |
| Closing balance | 51.23 | 43.10 |

9.5 Amount and expiry date of unused tax losses for which no deferred tax asset is recognised

| Particulars | (Rs. in lakhs) | |
|--|----------------------------|------------------------|
| | As at 30th September, 2022 | As at 31st March, 2022 |
| Unused tax losses for which no deferred tax assets has been recognised | 316.41 | 39.95 |

Unused tax losses are available for set off for 8 years from the year in which losses arise. Above mentioned losses pertains to the Financial Year 2018-19, 2020-21, 2021-22 and 2022-23.



Note 10 - Other Non-current assets

| Particulars | (Rs. in lakhs) | |
|------------------------------|-------------------------------|---------------------------|
| | As at 30th September, 2022 | As at 31st March, 2022 |
| Unsecured, Considered Good : | | |
| Capital Advances | - | 0.75 |
| Prepaid Expenses | - | 0.18 |
| Total | - | 0.93 |

Note 11 - Inventories

| Particulars | (Rs. in lakhs) | |
|--------------------------------|-------------------------------|---------------------------|
| | As at 30th September, 2022 | As at 31st March, 2022 |
| Raw Material | 314.62 | 221.07 |
| Work-in-Progress | 17.37 | 77.77 |
| Finished Goods | 44.07 | 18.52 |
| Stores, Spares and Consumables | 0.25 | 0.49 |
| Packing Material | 7.32 | 8.17 |
| Total | 383.64 | 326.02 |

11.1 For method of valuation, refer note no. 3.4.

Note 12 - Current financial assets - Trade Receivable

| Particulars | (Rs. in lakhs) | |
|-------------------------------|-------------------------------|---------------------------|
| | As at 30th September, 2022 | As at 31st March, 2022 |
| Unsecured: Considered Good | 94.17 | 209.12 |
| Total | 94.17 | 209.12 |

12.1 Trade Receivables Ageing Schedule are as below :-

| Particulars | Not Due | Outstanding from due date of payment as at 30th September, 2022 | | | | | Total | (Rs. In Lakhs) |
|--------------|---------|---|----------------------|-------------|-------------|----------------------|--------------|----------------|
| | | Upto 6 Months | 6 Months - 1 Year | 1 - 2 Years | 2 - 3 Years | More than 3 years | | (Rs. In Lakhs) |
| | | Undisputed trade receivables – considered good | - | 94.17 | - | - | | - |
| Total | - | 94.17 | - | - | - | - | 94.17 | |

| Particulars | Not Due | Outstanding from due date of payment as at 31st March, 2022 | | | | | Total | (Rs. In Lakhs) |
|--------------|---------|---|----------------------|-------------|-------------|----------------------|---------------|----------------|
| | | Upto 6 Months | 6 Months - 1 Year | 1 - 2 Years | 2 - 3 Years | More than 3 years | | (Rs. In Lakhs) |
| | | Undisputed trade receivables – considered good | - | 209.12 | - | - | | - |
| Total | - | 209.12 | - | - | - | - | 209.12 | |

Note 13 - Cash and cash equivalent

| Particulars | (Rs. in lakhs) | |
|---|-------------------------------|---------------------------|
| | As at 30th September, 2022 | As at 31st March, 2022 |
| Balances with Banks in current accounts | 11.02 | 2.70 |
| Cash on Hand | 1.64 | 0.19 |
| Total | 12.66 | 2.89 |

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

| Particulars | (Rs. in lakhs) | |
|---|-------------------------------|---------------------------|
| | As at 30th September, 2022 | As at 31st March, 2022 |
| Balances with Banks in current accounts | 11.02 | 2.70 |
| Cash on Hand | 1.64 | 0.19 |
| Total | 12.66 | 2.89 |



BOROSIL TECHNOLOGIES LIMITED

Notes to the condensed financial statement for the period ended 30th September, 2022

Note 14 - Current financial assets - Loans

| Particulars | (Rs. in lakhs) | |
|--|-------------------------------|---------------------------|
| | As at 30th September, 2022 | As at 31st March, 2022 |
| Unsecured, Considered Good: Loan to Employees | 2.58 | 3.44 |
| Total | 2.58 | 3.44 |

Note 15 - Other Current Asset:

| Particulars | (Rs. in lakhs) | |
|--|-------------------------------|---------------------------|
| | As at 30th September, 2022 | As at 31st March, 2022 |
| Unsecured, Considered Good: Advances against supplies | 16.38 | 16.15 |
| Balance with Goods and Service Tax Authorities | 33.41 | 3.88 |
| Unamortised Portion - Loan To Employees | 0.02 | 0.05 |
| Others | 10.92 | 10.48 |
| Total | 60.73 | 30.56 |

15.1 Others includes mainly prepaid expenses.



BOROSIL TECHNOLOGIES LIMITED

Notes to the condensed financial statement for the period ended 30th September, 2022

Note 16 - Equity Share Capital

| Particulars | (Rs. in lakhs) | |
|--|----------------------------------|---------------------------|
| | As at 30th September, 2022 | As at 31st March, 2022 |
| Authorised | | |
| 1,00,00,000 (Previous year 1,00,00,000) Equity Shares of Rs. 10/- each | 1,000.00 | 1,000.00 |
| Total | 1,000.00 | 1,000.00 |
| Issued, Subscribed & Fully Paid up | | |
| 95,84,043 (Previous year 95,84,043) Equity Shares of Rs. 10/- each fully paid up | 958.40 | 958.40 |
| Total | 958.40 | 958.40 |

16.1 Reconciliation of number of Equity Shares outstanding at the beginning and at the end of the year / period :

| Particulars | As at 30th September, 2022 | | As at 31st March, 2022 | |
|--|----------------------------|------------|------------------------|------------|
| | (In Nos.) | (In lakhs) | (In Nos.) | (In lakhs) |
| Shares outstanding at the beginning of the year | 95,84,043 | 958.40 | 49,50,000 | 495.00 |
| Add: Issue of equity share capital (Refer note 16.2) | - | - | 46,34,043 | 463.40 |
| Shares outstanding at the end of the year / period | 95,84,043 | 958.40 | 95,84,043 | 958.40 |

16.2 During the previous year, the Company has issued 46,34,043 fully paid up equity shares of Rs. 10/- each on a right issue basis to its Holding Company, Borosil Limited.

16.3 Terms/Rights attached to Equity Shares :

The Company has only one class of shares referred to as equity shares having a par value of Rs.10/- per share. Holders of equity shares are entitled to one vote per share. The company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors, if any, is subject to the approval of the shareholders in the annual general meeting, except in case of interim dividend. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive any of the remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in the same proportion as the capital paid-up on the equity shares held by them bears to the total paid-up equity share capital of the Company.

16.4 Shares held by Holding Company

| Name of holding Company | As at 30th September, 2022 | | As at 31st March, 2022 | |
|--|----------------------------|--------------|------------------------|--------------|
| | No. of Shares held | % of Holding | No. of Shares held | % of Holding |
| Borosil Limited (including equity shares held jointly with the nominees) | 95,84,043 | 100.00% | 95,84,043 | 100.00% |

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

| Name of Shareholder | As at 30th September, 2022 | | As at 31st March, 2022 | |
|--|----------------------------|--------------|------------------------|--------------|
| | No. of Shares held | % of Holding | No. of Shares held | % of Holding |
| Borosil Limited (including equity shares held jointly with the nominees) | 95,84,043 | 100.00% | 95,84,043 | 100.00% |

16.6 Details of shares held by Promoter in the Company*:

| Name of Promoters | As at 30th September, 2022 | | As at 31st March, 2022 | |
|--|----------------------------|--------------|------------------------|--------------|
| | No. of Shares held | % of Holding | No. of Shares held | % of Holding |
| Borosil Limited (including equity shares held jointly with the nominees) | 95,84,043 | 100.00% | 95,84,043 | 100.00% |

* There is no change in promoters share holding during the period ended 30th September, 2022

16.7 There is no dividend paid or proposed during the period and during the previous year.



Notes to the condensed financial statement for the period ended 30th September, 2022

Note 17 - Other Equity

| Particulars | As at 30th | | (Rs. in lakhs) | |
|--|-----------------|-----------------|----------------|-----------------|
| | September, 2022 | September, 2022 | As at 31st | March, 2022 |
| Retained Earnings | | | | |
| As per Last Balance Sheet | (159.74) | | (113.41) | |
| Add: Option cancelled during the period / year (Refer note 36) | - | | 4.29 | |
| Add: Profit / (Loss) for the period / year | <u>(307.58)</u> | (467.32) | <u>(50.02)</u> | (159.74) |
| Share Based Payment Reserve | | | | |
| As per Last Balance Sheet | - | | 4.29 | |
| Less : Option cancelled during the period / year (Refer note 36) | <u>-</u> | - | <u>(4.29)</u> | - |
| Other Comprehensive Income (OCI) | | | | |
| As per Last Balance Sheet | (1.41) | | (0.43) | |
| Add: Movements in OCI (net) during the period / year | <u>(0.50)</u> | (1.91) | <u>(0.98)</u> | (1.41) |
| Total | | <u>(469.23)</u> | | <u>(161.15)</u> |

17.1 Nature and Purpose of Reserve:

1. Retained Earnings:

Retained Earnings: Retained earnings represents the accumulated profits / losses made by the Company over the years.

2. Other Comprehensive Income (OCI) :

OCI includes remeasurement of defined benefit plans.

Note 18 - Non-current financial liabilities - Borrowings

| Particulars | As at 30th | | (Rs. in lakhs) | |
|---|-----------------|-----------------|----------------|-------------|
| | September, 2022 | September, 2022 | As at 31st | March, 2022 |
| Unsecured Loan | | | | |
| Loan from a related party (Refer note 35) | | 449.00 | | - |
| Total | | <u>449.00</u> | | <u>-</u> |

18.1 Loan from a related party of Rs. 449.00 lakhs (Previous Year Nil) is repayable within 2 years from the date of said loan and it is carrying interest at the rate of 8% p.a.

Note 19 - Non-current financial liabilities - Lease liabilities

| Particulars | As at 30th | | (Rs. in lakhs) | |
|--------------------------|-----------------|-----------------|----------------|-------------|
| | September, 2022 | September, 2022 | As at 31st | March, 2022 |
| Lease liabilities | | | | |
| Total | | <u>160.55</u> | | <u>-</u> |

Note 20 - Non-current Liabilities - Provisions

| Particulars | As at 30th | | (Rs. in lakhs) | |
|--|-----------------|-----------------|----------------|--------------|
| | September, 2022 | September, 2022 | As at 31st | March, 2022 |
| Provisions for Employee Benefits: | | | | |
| Gratuity (Unfunded) | | 18.65 | | 15.06 |
| Total | | <u>18.65</u> | | <u>15.06</u> |

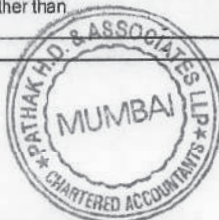
Note 21 - Current Financial Liabilities - Trade Payables

| Particulars | As at 30th | | (Rs. in lakhs) | |
|-------------------------------------|-----------------|-----------------|----------------|--------------|
| | September, 2022 | September, 2022 | As at 31st | March, 2022 |
| Micro, Small and Medium Enterprises | | 37.88 | | 56.49 |
| Others | | 17.06 | | 16.22 |
| Total | | <u>54.94</u> | | <u>72.71</u> |

21.1 Trade Payables Ageing Schedule are as below :-

| Particulars | Unbilled Due | Outstanding from due date of payment as at 30th September, 2022 | | | | | | (Rs. in Lakhs) |
|--|--------------|---|--------------|-------------|-------------|-------------------|--------------|----------------|
| | | Not Due | Upto 1 Year | 1 - 2 Years | 2 - 3 Years | More than 3 years | Total | |
| | | | | | | | | |
| Total outstanding dues of micro, small & medium Enterprises | - | 16.38 | 21.50 | - | - | - | 37.88 | |
| Total outstanding dues of Creditors other than micro, small & medium Enterprises | - | 7.30 | 9.76 | - | - | - | 17.06 | |
| Total | - | 23.68 | 31.25 | - | - | - | 54.94 | |

| Particulars | Unbilled Due | Outstanding from due date of payment as at 31st March, 2022 | | | | | | (Rs. in Lakhs) |
|--|--------------|---|--------------|-------------|-------------|-------------------|--------------|----------------|
| | | Not Due | Upto 1 Year | 1 - 2 Years | 2 - 3 Years | More than 3 years | Total | |
| | | | | | | | | |
| Total outstanding dues of micro, small & medium Enterprises | - | 43.32 | 13.17 | - | - | - | 56.49 | |
| Total outstanding dues of Creditors other than micro, small & medium Enterprises | - | 8.13 | 8.03 | 0.06 | - | - | 16.21 | |
| Total | - | 51.45 | 21.20 | 0.06 | - | - | 72.71 | |



Notes to the condensed financial statement for the period ended 30th September, 2022

- 21.2 Micro, Small and Medium Enterprises under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED 2006) have been determined based on the information as available with the Company and the details of amount outstanding due to them are as given below:

| Particulars | (Rs. in lakhs) | |
|--|-------------------------------|---------------------------|
| | As at 30th September, 2022 | As at 31st March, 2022 |
| a) the principal amount and the interest due thereon (to be shown separately) remaining unpaid to any supplier at the end of each accounting year; | | |
| i) Principal amount outstanding | 37.88 | 56.49 |
| ii) Interest thereon | 0.08 | 0.06 |
| 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; | 0.08 | 0.06 |
| 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. | - | - |

Note 22 - Current financial liabilities - Others

| Particulars | (Rs. in lakhs) | |
|---|-------------------------------|---------------------------|
| | As at 30th September, 2022 | As at 31st March, 2022 |
| Creditors for Capital Expenditure | 59.95 | - |
| Interest accrued but not due on borrowing | 5.90 | - |
| Interest accrued and due on Others | 0.08 | 0.06 |
| Other Payables | 90.46 | 43.65 |
| Total | 156.39 | 43.71 |

- 22.1 Other payables includes outstanding Liabilities for Salaries, Bonus, Other Provision for Expenses etc.

Note 23 - Other Current Liabilities

| Particulars | (Rs. in lakhs) | |
|-----------------------|-------------------------------|---------------------------|
| | As at 30th September, 2022 | As at 31st March, 2022 |
| Statutory liabilities | 8.95 | 6.31 |
| Total | 8.95 | 6.31 |

Note 24 - Current Provisions

| Particulars | (Rs. in lakhs) | |
|----------------------------------|-------------------------------|---------------------------|
| | As at 30th September, 2022 | As at 31st March, 2022 |
| Provisions for Employee Benefits | | |
| Gratuity (Unfunded) | 0.03 | 0.03 |
| Leave Encashment | 26.73 | 22.20 |
| Total | 26.76 | 22.23 |



Note 25 - Revenues from Operations

| Particulars | (Rs. in lakhs) | |
|-----------------------------|---|---|
| | For the Period Ended 30th September, 2022 | For the Period Ended 30th September, 2021 |
| Sale of Products | 400.81 | 583.95 |
| Net Revenue from Operations | <u>400.81</u> | <u>583.95</u> |

25.1 Disaggregated Revenue:
(i) Revenue based on Geography:

| Particulars | (Rs. in lakhs) | |
|-------------------------|---|---|
| | For the Period Ended 30th September, 2022 | For the Period Ended 30th September, 2021 |
| Domestic | 400.81 | 583.95 |
| Export | - | - |
| Revenue from Operations | <u>400.81</u> | <u>583.95</u> |

(ii) Revenue by Business Segment:

The company is primarily engaged in the business of manufacturing of Scientific Instruments, which is a single segment in terms of Ind AS 108 "Operating Segments" and hence, the requirement of disaggregation by type of goods and services is not applicable.

(iii) Reconciliation of Revenue from Operation with contract price:

| Particulars | (Rs. in lakhs) | |
|---|---|---|
| | For the Period Ended 30th September, 2022 | For the Period Ended 30th September, 2021 |
| Contract Price | 400.81 | 583.95 |
| Reduction towards variables considerations components | - | - |
| Revenue from Operations | <u>400.81</u> | <u>583.95</u> |

Note 26 - Other Income

| Particulars | (Rs. in lakhs) | |
|--|---|---|
| | For the Period Ended 30th September, 2022 | For the Period Ended 30th September, 2021 |
| Interest Income from financial assets measured at amortised cost | | |
| - Others | 1.87 | 0.73 |
| Rent Income | 0.68 | 0.80 |
| Miscellaneous income | 1.99 | - |
| Total | <u>4.54</u> | <u>1.53</u> |

Note 27 - Changes in Inventories of Work-in-Progress and Finished Goods

| Particulars | (Rs. in lakhs) | |
|---|---|---|
| | For the Period Ended 30th September, 2022 | For the Period Ended 30th September, 2021 |
| At the end of the Period / Year | | |
| Work-in-Progress | 17.37 | 85.12 |
| Finished Goods | 44.07 | 22.71 |
| | <u>61.44</u> | <u>107.83</u> |
| At the beginning of the Year | | |
| Work-in-Progress | 77.77 | 56.87 |
| Finished Goods | 18.52 | 14.89 |
| | <u>96.29</u> | <u>71.76</u> |
| Changes in Inventories of Work-in-Progress and Finished Goods | <u>34.85</u> | <u>(36.07)</u> |



BOROSIL TECHNOLOGIES LIMITED

Notes to the condensed financial statement for the period ended 30th September, 2022

Note 28 - Employee Benefits Expense

| Particulars | (Rs. in lakhs) | |
|---|---|---|
| | For the Period Ended 30th September, 2022 | For the Period Ended 30th September, 2021 |
| Salaries, Wages & allowances | 199.69 | 141.93 |
| Contribution to Provident and Other Funds | 11.08 | 8.01 |
| Share Based Payments (Refer Note 36) | 4.67 | 1.07 |
| Staff Welfare Expenses | 7.21 | 6.16 |
| Gratuity (Unfunded) | 2.93 | 3.19 |
| Total | 225.58 | 160.36 |

Note 29 - Finance Cost

| Particulars | (Rs. in lakhs) | |
|---|---|---|
| | For the Period Ended 30th September, 2022 | For the Period Ended 30th September, 2021 |
| Interest Expenses on financial liabilities measured at amortised cost | 5.92 | 9.01 |
| Interest Expenses on Finance lease liabilities | 3.31 | 0.06 |
| Total | 9.23 | 9.07 |

Note 30 - Depreciation and amortisation expenses

| Particulars | (Rs. in lakhs) | |
|--|---|---|
| | For the Period Ended 30th September, 2022 | For the Period Ended 30th September, 2021 |
| Depreciation of Property, Plant and Equipment (Refer note 5) | 38.35 | 24.29 |
| Amortisation of intangible assets (Refer note 6) | 3.88 | 4.37 |
| Total | 42.23 | 28.66 |

Note 31 - Other Expenses

| Particulars | (Rs. in lakhs) | |
|---|---|---|
| | For the Period Ended 30th September, 2022 | For the Period Ended 30th September, 2021 |
| Manufacturing Expenses | | |
| Stores, Spares and Consumable | 2.04 | 0.06 |
| Packing Materials Consumed | 9.02 | 7.71 |
| Processing Charges | 17.35 | 24.75 |
| Contract Labour Expenses | 39.02 | 21.91 |
| Product Development Expenses | 22.49 | 12.97 |
| Selling and Distribution Expenses | | |
| Sales Promotion and Advertisement Expenses | - | 3.85 |
| Administrative and General Expenses | | |
| Rent | 17.53 | 25.23 |
| Rates and Taxes | 0.03 | 0.03 |
| Other Repairs | 12.95 | 6.04 |
| Insurance | 5.92 | 3.10 |
| Legal & Professional Fees | 10.96 | 9.37 |
| Travelling | 22.12 | 5.19 |
| Payment to Auditors (Refer Note 31.1) | 1.75 | 1.38 |
| Loss on Sale of Property plant and equipments | 0.30 | - |
| Miscellaneous Expenses | 24.75 | 11.26 |
| Total | 187.13 | 132.86 |

31.1 Details of Payment to Auditors

| Particulars | (Rs. in lakhs) | |
|------------------------------------|---|---|
| | For the Period Ended 30th September, 2022 | For the Period Ended 30th September, 2021 |
| Payments to the auditor as: | | |
| For Statutory Audit | 1.50 | 1.38 |
| For Tax Audit | 0.25 | - |
| Total | 1.75 | 1.38 |



Note 32 - Earnings Per Equity share

| Particulars | For the Period Ended 30th September, 2022 | For the Period Ended 30th September, 2021 |
|---|---|---|
| Net profit/ (loss) after tax attributable to Equity Shareholders for Basic EPS and Diluted EPS (Rs. In Lakhs) | (307.58) | 0.24 |
| Share based payment | - | 0.79 |
| Net profit/ (loss) after tax attributable to Equity Shareholders for Diluted EPS | (307.58) | 1.03 |
| Weighted Average Number of Equity Shares Outstanding During the Year for Basic EPS and Diluted EPS (in Nos.) | 95,84,043 | 64,44,036 |
| Basic and Diluted Earning per share of Rs. 10 each (in Rs.) (not annualised) | (3.21) | 0.00 |
| Face Value per Equity Share (in Rs.) | 10.00 | 10.00 |



Notes to the condensed financial statement for the period ended 30th September, 2022

Note 33 - Contingent Liabilities and Commitments

33.1 There is no contingent liability as at 30th September, 2022 and as at 31st March, 2022.

33.2 Commitments

| Particulars | (Rs. in lakhs) | |
|--|----------------------------|------------------------|
| | As at 30th September, 2022 | As at 31st March, 2022 |
| Estimated amount of Contracts remaining to be executed on Capital Account not provided for (cash outflow is expected on execution of such capital contracts) | | |
| -- Related to property, plant and equipment | 4.65 | 7.10 |

33.3 Management is of the view that above commitments will not have impact on the financial position of the company.

Note 34 - Segment Information

The company is primarily engaged in manufacturing of Scientific Instruments used in laboratory. As there is one reportable segment, the disclosure as required as per accounting standard on "Segment Reporting" (Ind AS - 108) is not given.

34.1 Revenue from operation from outside india is Rs. Nil.

34.2 Revenue of Rs. 400.81 Lakhs (Previous period Rs. 583.95 Lakhs) from a customer represents more than 10% of the company's revenue for the period ended 30th September, 2022.

Note 35 - 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 periods, are as detail below:

35.1 List of Related Parties :

| | Name of the related party | Country of Incorporation | % of equity interest held by holding company | |
|--|---------------------------|--------------------------|--|------------------------|
| | | | As at 30th September, 2022 | As at 31st March, 2022 |
| | | | (a) Holding Company Borosil Limited | India |

(b) Key Management Personnel
Mr. Sreejith Palekudy Sukumaran Kumar - Whole time Director
Mr. Rejesh Kumar Chaudhary - Director
Mr. Vinayak Patankar - Director

35.2 Transactions with Related Parties :

| Name of Transactions | Name of the Related Party | (Rs. in lakhs) | |
|---|---------------------------------------|------------------|------------------|
| | | April to Sep.'22 | April to Sep.'21 |
| Transactions with holding company | | | |
| Sale of Goods | Borosil Limited | 400.81 | 583.95 |
| Rent Income | Borosil Limited | 0.66 | 0.80 |
| Interest Expenses | Borosil Limited | 5.89 | 9.12 |
| Purchase Of Goods | Borosil Limited | 8.07 | 26.21 |
| Rent Expenses | Borosil Limited | 0.66 | 0.66 |
| Unsecured Loan Taken | Borosil Limited | 449.00 | 167.00 |
| Unsecured Loan repaid | Borosil Limited | - | 381.77 |
| Issue of Equity Shares to | Borosil Limited | - | 463.40 |
| Transactions with other related parties: | | | |
| Directors Remuneration | Mr. Sreejith Palekudy Sukumaran Kumar | 39.61 | 28.95 |

| Name of Transactions | Name of the Related Party | (Rs. in lakhs) | |
|--|---------------------------|-----------------------|------------------------|
| | | As at 31st March 2022 | As at 31st March, 2021 |
| Balances with holding company | | | |
| Trade Receivable | Borosil Limited | 69.14 | 209.12 |
| Non-current financial liabilities - Borrowings | Borosil Limited | 449.00 | - |
| Interest accrued but not due | Borosil Limited | 5.90 | - |
| Current financial liabilities - Others | Borosil Limited | 4.78 | - |



Note 36 - Share Based Payments

Borosil Technologies Limited - Employee Stock Option Scheme 2019 ("ESOS 2019")

The Company had introduced Borosil Technologies Limited - Employee Stock Option Scheme 2019 ("ESOS 2019"), which was approved by the shareholders of the Company in their meeting held on 29th November, 2019 to provide equity settled tenure based stock options to specific employees of the Company. The Board of Directors of the Company had granted 3,15,957 options to an employee on 31st January, 2020. The exercise price of the option was Rs. 10 per share and the Exercise period was 5 years from the date of vesting of respective options. The vesting schedule of the options granted was 33%, 33% and 34% of the granted options after completion of 1st year, 2nd year and 3rd year respectively from the date of grant of options.

During the previous year, the said employee has surrendered the option granted to him and the Company has withdrawn the scheme. Accordingly, the Company has reversed the entire share based payment reserve of Rs. 4.29 Lakhs and transferred it to retained earnings during the year ended 31st March, 2022.

The details of stock options for the period ended 30th September, 2022 and for the year ended 31st March, 2022 is presented below:

| Particulars | ESOS 2019 | |
|--|-------------------------|---------------------|
| | 30th September, 2022 | 31st March, 2022 |
| Options as at 1st April | - | 3,15,957 |
| Options granted during the period / year | - | - |
| Options withdrawn during the period / year | - | (3,15,957) |
| Options forfeited during the period / year | - | - |
| Options exercised during the period / year | - | - |
| Options outstanding | - | - |

Employee Stock Option Scheme of Borosil Limited (BL)

During the period, Borosil Limited has granted 23,300 stock options (Previous period Nil) to the employees of the Company. With respect to the same, the Company has recognized total expenses of Rs. 4.67 lakhs (Previous period Rs. Nil) related to equity settled share-based payment transactions for the period ended 30th September, 2022. The liability recognised on account of this will be paid to BL upon exercise of the options by such employees of the Company.

Note 37 - Fair Values

37.1 Set out below is a comparison by class of the carrying amounts and fair value of the Company's financial assets and liabilities that are recognised in the financial

Financial Assets / Liabilities measured at amortised Cost:

| Particulars | (Rs. in lakhs) | | | |
|---|----------------------------|---------------|------------------------|---------------|
| | As at 30th September, 2022 | | As at 31st March, 2022 | |
| | Carrying Value | Fair Value | Carrying Value | Fair Value |
| Financial Assets : | | | | |
| Financial Assets designated at amortised cost:- | | | | |
| - Trade Receivable | 94.17 | 94.17 | 209.12 | 209.12 |
| - Cash and cash equivalents | 12.66 | 12.66 | 2.89 | 2.89 |
| - Loans | 2.58 | 2.58 | 3.98 | 3.98 |
| - Others | 30.81 | 30.81 | 18.81 | 18.81 |
| | 140.22 | 140.22 | 234.80 | 234.80 |
| Financial Liabilities: | | | | |
| Financial Liabilities designated at amortised cost:- | | | | |
| - Non Current Borrowings | 449.00 | 449.00 | - | - |
| - Lease Liabilities | 238.87 | 238.87 | - | - |
| - Trade Payable | 54.94 | 54.94 | 72.71 | 72.71 |
| - Other Financial Liabilities | 156.39 | 156.39 | 43.71 | 43.71 |
| | 899.20 | 899.20 | 116.42 | 116.42 |

37.2 Fair Valuation techniques

The Company maintains procedures to value financial assets or financial liabilities using the best and most relevant data available. The fair values of the financial assets and liabilities are included at the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The following methods and assumptions were used to estimate the fair values:

- Fair value of trade receivable, cash and cash equivalents, other bank balances, trade payables and other financial assets and liabilities are approximate at their carrying amounts largely due to the short-term maturities of these instruments.
- The fair values of Non-current Security Deposits are calculated based on discounted cash flow using a current lending rate. They are classified as level 3 fair values in the fair value hierarchy due to the inclusion of unobservable inputs including credit risk. The fair values of Non-Current Security Deposits are approximate at their carrying amount. The fair values of loan to employees are approximate at their carrying amount due to interest bearing features.
- The Company 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.



37.3 Fair value hierarchy

The Company 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 Group 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.

As per above hierarchy, the sole investment of the Company in mutual fund is grouped under Level 1.

Note 38 :- Financial Risk Management: - Objectives and Policies

The Company is exposed to market risk, credit risk and liquidity risk.

38.1 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. The company does not have price risk as the investments in liquid mutual fund units.

38.2 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 Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and other financial institutions. The Company considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis through each reporting period. To assess whether there is a significant increase in credit risk, the Company 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 Company. Where loans or receivables have been written off, the Company 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 Company 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 that no provision considered by the Company.

a) Trade Receivables:-

The Company extends credit to customers in normal course of business. The Company considers factors such as credit track record in the market and past dealings with the Company for extension of credit to customers. The Company monitors the payment track record of the customers. Outstanding customer receivables are regularly monitored. For a customer accounting for 10% or more of revenue in any of the years presented, refer note 34.2. The Company does not expect any material risk on account of non performance by any of the Company's counterparties.

b) Financial instruments and cash deposits:-

The Company 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 Company's finance department. Investment of surplus funds are also managed by finance department. The Company 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 and 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.

38.3 Liquidity risk.

Liquidity risk is the risk that the Company may not be able to meet its present and future cash and collateral obligations without incurring unacceptable losses. The Company's objective is to, at all times, maintain optimum levels of liquidity to meet its cash and collateral requirements. The Company 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 | Maturity | | | | | (Rs. in lakhs) |
|-----------------------------------|-----------|---------------|--------------|---------------|------------------|-----------------|
| | On demand | 0 - 3 Months | 3 - 6 Months | 6 - 12 months | More than 1 year | Carrying Amount |
| As at 31st March, 2022 | | | | | | |
| Trade Payable | - | 72.71 | - | - | - | 72.71 |
| Other financial liabilities | - | 39.79 | - | 3.92 | - | 43.71 |
| Total | - | 112.50 | - | 3.92 | - | 116.42 |
| As at 30th September, 2022 | | | | | | |
| Non Current Borrowings | - | - | - | - | 449.00 | 449.00 |
| Trade Payable | - | 54.94 | - | - | - | 54.94 |
| Lease Liabilities | - | 18.97 | 19.36 | 39.89 | 160.65 | 238.87 |
| Other financial liabilities | - | 154.38 | - | 2.01 | - | 156.39 |
| Total | - | 228.29 | 19.36 | 41.90 | 160.65 | 899.20 |

38.4 Competition and price risk

The Company 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 39: Lease

- (i) The disclosures under Ind AS – 116 "Leases" has been given below:
(ii) Following are the amounts recognised in Statement of Profit & Loss account:

| Particulars | (Rs. In lakhs) | |
|--|---|---|
| | For the period ended 30th September, 2022 | For the period ended 30th September, 2021 |
| Depreciation expense for right-of-use assets | 14.42 | 4.26 |
| Interest expense on lease liabilities | 3.31 | 0.06 |
| Total amount recognised | 17.73 | 4.32 |

- (iii) The following is the movement in lease liabilities during the period :

| Particulars | (Rs. In lakhs) | |
|--|---|---|
| | For the period ended 30th September, 2022 | For the period ended 30th September, 2021 |
| Opening Balance | - | 4.84 |
| Addition during the year (on adoption of IND AS 116) | 251.31 | - |
| Finance cost accrued during the period | 3.31 | 0.06 |
| Interest on security deposit | - | (0.86) |
| Payment of lease liabilities | (15.75) | (4.04) |
| Closing Balance | 238.87 | - |

- (iv) The following is the contractual maturity profile of lease liabilities:

| Particulars | (Rs. In lakhs) | |
|------------------------|---|---|
| | For the period ended 30th September, 2022 | For the period ended 30th September, 2021 |
| Less than one year | 78.22 | - |
| One year to five years | 180.65 | - |
| More than five years | - | - |
| Closing Balance | 238.87 | - |

- (v) Lease liabilities carry an effective interest rate of 8.00%. The average lease term is 3 years.

Note 40: Capital Management

For the purpose of Company's capital management, capital includes issued capital, all other equity reserves and debts. The primary objective of the Company's capital management is to maximise shareholders value. The Company manages its capital structure and makes adjustments in the light of changes in economic environment and the requirements of the financial covenants.

The Company monitors capital using gearing ratio, which is net debt divided by total capital (equity plus net debt). Net debt are non-current and current debts as reduced by cash and cash equivalents and current investments. Equity comprises all components including other comprehensive income.

| Particulars | (Rs. In lakhs) | |
|--|----------------------------|------------------------|
| | As at 30th September, 2022 | As at 31st March, 2022 |
| Total Debt | 440.00 | - |
| Less:- Cash and cash equivalent | 12.66 | 2.89 |
| Net Debt | 436.34 | - |
| Total Equity (Equity Share Capital plus Other Equity) | 489.17 | 797.25 |
| Total Capital (Total Equity plus net debt) | 925.51 | 797.25 |
| Gearing ratio | 47.15% | 0.00% |



Note 41: Ratio Analysis and its components

Ratio

| Particulars | 30th September, 2022 | 30th September, 2021 | % change from 30th September, 2021 to 30th September, 2022 | Reasons for deviations |
|---------------------------------|----------------------|----------------------|--|--|
| Current ratio | 1.70 | 5.14 | -66.84% | Primarily due to increase in Lease liabilities and creditors for Capital expenditures. |
| Debt- Equity Ratio | 0.92 | - | - | Due to Borrowings taken. |
| Debt Service Coverage Ratio | (27.75) | 0.10 | -29662.76% | Due to Borrowings taken and loss incurred during the period. |
| Return on Equity Ratio | -47.8% | 0.0% | -123199.43% | Due to loss incurred during the period. |
| Inventory Turnover Ratio | 1.13 | 1.46 | -22.57% | |
| Trade Receivable Turnover Ratio | 2.64 | 5.81 | -54.54% | Primarily due to increase in trade receivable. |
| Trade Payable Turnover Ratio | 3.65 | 3.92 | -6.99% | |
| Net Capital Turnover Ratio | 1.75 | 1.14 | 53.99% | Primarily due to increase in Lease liabilities and creditors for Capital expenditures. |
| Net Profit Ratio | -76.7% | 0.0% | -186617.04% | Due to loss incurred during the period. |
| Return on Capital Employed | -32.6% | 1.1% | -3049.89% | Due to loss incurred during the period. |
| Return on Investment | - | - | 0.00% | |

Components of Ratio

| Ratios | Numerator | Denominator |
|---------------------------------|---|--|
| Current ratio | Current Assets | Current Liabilities |
| Debt- 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 year |
| Return on Equity Ratio | Net profit after tax | Average Total Equity [(Opening Equity Share capital + Opening Other equity+Closing Equity Share Capital+Closing Other Equity)/2] |
| Inventory Turnover Ratio | Revenue from sales of products | Average Inventory (opening balance+ closing balance/2) |
| Trade Receivable Turnover Ratio | Revenue from operations | Average trade receivable (Opening balance + closing balance /2) |
| Trade Payable Turnover Ratio | Cost of Materials Consumed | Average trade payable (Opening balance + closing balance /2) |
| Net Capital Turnover Ratio | Revenue from operations | Working capital (Current asset - current liabilities) |
| Net Profit Ratio | Net profit after tax | Revenue from operations |
| Return on Capital Employed | Profit Before interest & Tax | Total Equity + Total Debts |
| 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 |

Note 42 Other Statutory Information

- i) There are no balance outstanding on account of any transaction with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.
- ii) The Company has not advanced or loaned or invested fund to any other persons or entities including foreign entities (intermediary) with the understanding that intermediary shall :
 - a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (ultimate beneficiary) or
 - b) provided any guarantee, security or the like to or on behalf of the ultimate beneficiaries.
- iii) The Company has not received any fund from any person or entities including foreign entities (funding party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
 - a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the funding party (ultimate beneficiaries) or
 - b) provide any guarantee, security or the like on behalf of the ultimate beneficiaries.
- iv) The Company does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income tax Act, 1961.



BOROSIL TECHNOLOGIES LIMITED

Notes to the condensed financial statement for the period ended 30th September, 2022

Note 43: The Board of Directors at its meeting held on 7th February 2022, has approved a Composite Scheme of Arrangement between the Borosil Limited ("BL") and Klass Pack Limited ("KPL"), a subsidiary of BL, and the Company ("Scheme") inter alia for: (a) reduction and reorganization of share capital of KPL; (b) demerger of Scientific and Industrial Product Business from BL into KPL and consequent issue of shares by KPL; and (c) amalgamation of the Company with KPL. The Appointed Date for the Scheme is 1st April 2022. Pursuant to the directions of National Company Law Tribunal, Mumbai Bench ("NCLT"), the Company is in the process of convening meeting of its unsecured creditors on 8th February 2023 for their approval on the Scheme. The requirement of convening meeting of shareholders of the Company has been dispensed with by NCLT. The Company has prepared interim condensed financial statements for the period ended 30th September 2022 as special purpose financial statements in connection with the above Scheme.

Note 44: The accounts for the period ended 30th September 2022 has been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard 34 (Ind AS - 34) Interim Financial Reporting as notified under section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules, 2015. The disclosure required by other Indian Accounting Standard are not given as Company's interim financial includes only condensed financial statements and selected explanatory notes rather than a complete set of financial statements.

Note 45: Previous year/period figures have been regrouped and rearranged wherever necessary. The figures for the period ended 30th September, 2021 are based on previous unaudited financial results.

As per our report of even date


For **PATHAK H.D. & ASSOCIATES LLP**
Chartered Accountants
(Firm Registration no. 107783W / W100593)



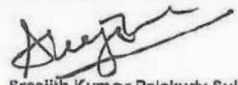
Mukesh Mehta
Partner
Membership no. 43495

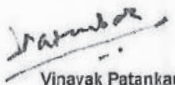
Place : Mumbai
Date : 14.12.2022




Rajesh Kumar Chaudhary
Director
(DIN 07425111)

For and on behalf of the Board of Directors


Sreejith Kumar Palekudy Sukumaran
Whole time Director
(DIN 06590184)


Vinayak Patankar
Director
(DIN 07534225)

BOROSIL®**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 6500

F +91 22 6740 6514

E borosil@borosil.com

W www.borosil.com

REPORT ADOPTED BY THE BOARD OF DIRECTORS OF BOROSIL LIMITED AT ITS MEETING HELD ON FEBRUARY 07, 2022 EXPLAINING THE EFFECT OF THE COMPOSITE SCHEME OF ARRANGEMENT AMONGST BOROSIL LIMITED AND KLASS PACK LIMITED AND BOROSIL TECHNOLOGIES LIMITED AND THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS ON THE EQUITY SHAREHOLDERS, KEY MANAGERIAL PERSONNEL, PROMOTERS AND NON-PROMOTER SHAREHOLDERS

1. The Board of Directors ("**Board**") of Borosil Limited ("**BL**" or "**Demerged Company**" or "**the Company**") at its meeting held on Monday, February 07, 2022, approved the Composite Scheme of Arrangement amongst the Company and Klass Pack Limited ("**KPL**" or "**Resulting Company**" or "**Transferee Company**") and Borosil Technologies Limited ("**BTL**" or "**Transferor Company**") and their respective shareholders and creditors under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 ("**Act**") ("**Scheme**").
2. Provisions of Section 232(2)(c) of the Act require the Board of the Demerged Company to adopt a report explaining the effect of the arrangement on each class of shareholders, key managerial personnel ("**KMPs**"), promoters and non-promoter shareholders of the Demerged Company laying out in particular the share exchange ratio and specifying any special valuation difficulties and the same is required to be circulated as part of the notice of the meeting(s) to be held for the purpose of approving the Scheme.
3. This report of the Board of the Demerged Company is accordingly being made in pursuance to the requirements of Section 232(2)(c) of the Act.
4. **Scheme details in brief:**
 - A. The Scheme *inter alia* provides for:
 - (i) reduction and reorganisation of share capital of the Resulting Company;
 - (ii) demerger, transfer and vesting of the Demerged Undertaking (*as defined in the Scheme*) from the Demerged Company into the Resulting Company on a *going concern basis*, the consequent issue of shares by the Resulting Company and reduction and cancellation of the existing paid-up share capital of the Resulting Company held by the Demerged Company; and
 - (iii) amalgamation of the Transferor Company with the Transferee Company.

B. Rationale for the Scheme

The rationale for the Scheme is as follows:

- a. *Given its diversified business, it has become imperative for the Demerged Company to reorient and reorganize itself in a manner that allows imparting greater focus on each of its businesses. With this repositioning, the Demerged Company is desirous of enhancing its operational efficiency while it continues with its consumer products business.*
- b. *The proposed demerger pursuant to this Scheme is expected, inter alia, to result in following benefits:*
 - (i) *value unlocking of scientific and industrial products business with ability to achieve valuation based on respective-risk return profile and cash flows;*
 - (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;*
 - (iii) *segregation and unbundling of the scientific and industrial products business of the Demerged Company into the Resulting Company, will enable enhanced focus on the Demerged Company and the Resulting Company for exploring opportunities in their respective business domains; and*
 - (iv) *focused management approach for pursuing the growth in the respective business' verticals and de-risk the businesses from each other.*
- c. *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:*
 - (i) *Streamline the corporate structure and consolidation of resources within the Transferee Company leading to greater synergies and operational synergy;*
 - (ii) *Opportunities for employees of the Transferor Company to grow in a wider field of business;*
 - (iii) *Optimal utilisation of resources and better management and administration; and*
 - (iv) *Reduction of administrative responsibilities, multiplicity of records and legal and regulatory compliances.*
- d. *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 as stated above, 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.*
- e. *The proposed restructuring is in the interest of the shareholders, creditors, employees, and other stakeholders of the Parties (as defined in the Scheme).*

C. Consideration under the Scheme

(i) Consideration for demerger

Upon the demerger, transfer and vesting of the Demerged Undertaking (*as defined in the Scheme*) from the Demerged Company into the Resulting Company, the Resulting Company shall, issue and allot, on a proportionate basis to the shareholders of the Demerged Company whose name is recorded in the register of members and records of the depository as members of the Demerged Company as on the Record Date (*as defined in the Scheme*), as under:

"3 (Three) fully paid up equity share of INR 1/- each of the Resulting Company (post proposed re-organisation of share capital) credited as fully paid up, for every 4 (Four) fully paid up equity share of INR 1/- each of the Demerged Company".

(ii) Consideration for amalgamation

Upon the demerger, transfer and vesting of the Demerged Undertaking, 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 and all equity shares of the Transferor Company held by the Transferee Company along with its nominees, shall stand cancelled.

5. The Board considered and took on record the following documents while approving the Scheme:

- (i) Draft Scheme;
- (ii) Share Entitlement Ratio Report dated February 07, 2022 issued by M/s. SSPA & Co., Chartered Accountants, Registered Valuer, determining the share exchange ratio in connection with the Scheme;
- (iii) Fairness Opinion dated February 07, 2022 issued by M/s. Keynote Financial Services Limited, SEBI Registered (Category I) Merchant Banker providing an opinion on the share exchange ratio mentioned in the Share Entitlement Ratio Report;
- (iv) Certificate dated February 07, 2022 of M/s. Chaturvedi & Shah LLP, Chartered Accountants, Statutory Auditors of the Company, confirming that the accounting treatment prescribed in the Scheme is in compliance with the applicable Accounting Standards notified under the Act and other generally accepted accounting principles;
- (v) Undertaking of the Company on non-applicability of conditions specified in Paragraph (A)10(b) of Part I of the SEBI Master Circular No. SEBI/HO/CFD/DIL1/CIR/P/2021/0000000665 dated November 23, 2021 ("**SEBI Master Circular**");
- (vi) Certificate dated February 07, 2022 of M/s. Chaturvedi & Shah LLP, Chartered Accountants, Statutory Auditors of the Company, in relation to non-applicability of conditions specified in Paragraph (A)(10)(b) of Part I of the SEBI Master Circular; and

- (vii) Report of the Audit Committee and Committee of Independent Directors of the Company dated February 07, 2022 recommending the Scheme.

6. Effect of the Scheme

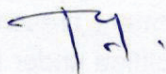
A. Equity shareholders (promoters and non-promoters) of the Company

- (i) In consideration for demerger of the Demerged Undertaking, the Resulting Company shall issue and allot its equity shares to the shareholders of the Demerged Company as specified in Paragraph 4.C.(i) above.
- (ii) The Registered Valuer has confirmed that no valuation difficulties were reported in determining the share exchange ratio.
- (iii) The equity shares of the Resulting Company will be listed on BSE Limited and the National Stock Exchange of India Limited, pursuant to the Scheme and subject to the applicable laws and receipt of requisite approvals.
- (iv) The Scheme is in the interest of the shareholders of the Demerged Company and will not have any adverse impact on them.

B. Key Managerial Personnel of the Company

- (i) Pursuant to the Scheme, there shall be no impact on the existing KMPs of the Company not forming part of the Demerged Undertaking. The KMPs, if any, forming part of the Demerged Undertaking shall become employees of the Resulting Company upon effectiveness of the Scheme.
- (ii) Further, none of the KMPs, have any interest in the Scheme except to the extent of the equity shares held by them, if any in the Demerged Company.

On behalf of the Board of Directors



Rajesh Kumar Chaudhary
Whole Time Director
DIN: 07425111

Date: February 07, 2022

Place: Mumbai

Glass Ampoules
Tubular Glass Vials



Klass Pack Limited

(A subsidiary of Borosil Ltd.)

CIN: U74999MH1991PLC061851

Registered Office : 1101, 11th Floor, Crescenzo, G-Block,
Plot No. C-38, Opp. MCA Club,
Bandra Kurla Complex, Bandra (East),
Mumbai - 400051, Maharashtra, India
T : +91 22 6740 6300 / F : +91 22 6740 6514

Factory : H-27, MIDC, Ambad, Nashik- 422 010
Maharashtra, India
T : +91 253 2382 404 / +91 253 2952 404
F : +91 253 2387907

E-mail : info.klasspack@borosil.com

REPORT ADOPTED BY THE BOARD OF DIRECTORS OF KCLASS PACK LIMITED AT ITS MEETING HELD ON FEBRUARY 07, 2022 EXPLAINING THE EFFECT OF THE COMPOSITE SCHEME OF ARRANGEMENT AMONGST BOROSIL LIMITED AND KCLASS PACK LIMITED AND BOROSIL TECHNOLOGIES LIMITED AND ITS RESPECTIVE SHAREHOLDERS AND CREDITORS ON THE EQUITY SHAREHOLDERS, KEY MANAGERIAL PERSONNEL, PROMOTERS AND NON-PROMOTER SHAREHOLDERS

1. The Board of Directors ("**Board**") of Klass Pack Limited ("**KPL**" or "**Resulting Company**" or "**Transferee Company**" or "**Company**") at its meeting held on Monday, February 07, 2022, approved the Composite Scheme of Arrangement amongst Borosil Limited ("**Demerged Company**") and the Company and Borosil Technologies Limited ("**BTL**" or "**Transferor Company**") and their respective shareholders and creditors under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 ("**Act**") ("**Scheme**").
 2. Provisions of Section 232(2)(c) of the Act require the Board of the Resulting Company to adopt a report explaining the effect of the arrangement on each class of shareholders, key managerial personnel ("**KMPs**"), promoters and non-promoter shareholders of the Resulting Company laying out in particular the share exchange ratio and specifying any special valuation difficulties and the same is required to be circulated as part of the notice of the meeting(s) to be held for the purpose of approving the Scheme.
 3. This report of the Board of the Resulting Company is accordingly being made in pursuance to the requirements of Section 232(2)(c) of the Act.
- 4. Scheme details in brief:**
- A. The Scheme *inter alia* provides for:
- (i) reduction and reorganisation of share capital of the Resulting Company;
 - (ii) demerger, transfer and vesting of the Demerged Undertaking (*as defined in the Scheme*) from the Demerged Company into the Resulting Company on a going concern basis, the consequent issue of shares by the Resulting Company and reduction and cancellation of the existing paid-up share capital of the Resulting Company held by the Demerged Company; and
 - (iii) amalgamation of the Transferor Company with the Transferee Company.

B. Rationale for the Scheme

The rationale for the Scheme is as under:

- a. *Given its diversified business, it has become imperative for the Demerged Company to reorient and reorganize itself in a manner that allows imparting greater focus on each of its businesses. With this repositioning, the Demerged Company is desirous of enhancing its operational efficiency while it continues with its consumer products business.*
- b. *The proposed demerger pursuant to this Scheme is expected, inter alia, to result in following benefits:*
 - (i) *value unlocking of scientific and industrial products business with ability to achieve valuation based on respective-risk return profile and cash flows;*
 - (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;*
 - (iii) *segregation and unbundling of the scientific and industrial products business of the Demerged Company into the Resulting Company, will enable enhanced focus on the Demerged Company and the Resulting Company for exploring opportunities in their respective business domains; and*
 - (iv) *focused management approach for pursuing the growth in the respective business' verticals and de-risk the businesses from each other.*
- c. *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:*
 - (i) *Streamline the corporate structure and consolidation of resources within the Transferee Company leading to greater synergies and operational synergy;*
 - (ii) *Opportunities for employees of the Transferor Company to grow in a wider field of business;*
 - (iii) *Optimal utilisation of resources and better management and administration; and*
 - (iv) *Reduction of administrative responsibilities, multiplicity of records and legal and regulatory compliances.*
- d. *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 as stated above, 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.*
- e. *The proposed restructuring is in the interest of the shareholders, creditors, employees, and other stakeholders of the Parties (as defined in the Scheme)."*

C. Consideration under the Scheme

(i) Consideration for demerger

Upon the demerger, transfer and vesting of the Demerged Undertaking (*as defined in the Scheme*) from the Demerged Company into the Resulting Company, the Resulting Company shall, issue and allot, on a proportionate basis to the shareholders of the Demerged Company whose name is recorded in the register of members and records of the depository as members of the Demerged Company as on the Record Date (*as defined in the Scheme*), as under:

“3 (Three) fully paid up equity share of INR 1/- each of the Resulting Company (post proposed re-organisation of share capital) credited as fully paid up, for every 4 (Four) fully paid up equity share of INR 1/- each of the Demerged Company”.

(ii) Consideration for amalgamation

Upon the demerger, transfer and vesting of the Demerged Undertaking, 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 and all equity shares of the Transferor Company held by the Transferee Company along with its nominees, shall stand cancelled.

5. The Board considered and took on record the following documents while approving the Scheme:

- (i) Draft Scheme;
- (ii) Share Entitlement Ratio Report dated February 07, 2022 issued by M/s. SSPA & Co., Chartered Accountants, Registered Valuer, determining the share exchange ratio in connection with the Scheme;
- (iii) Certificate dated February 07, 2022 of M/s. Pathak H.D. & Associates LLP, Chartered Accountants, Statutory Auditors of the Company, confirming that the accounting treatment prescribed in the Scheme is in compliance with the applicable Accounting Standards notified under the Act and other generally accepted accounting principles.

6. **Effect of the Scheme**

A. Equity shareholders (promoters and non-promoters) of the Company

- (i) No consideration will be issued by the Resulting Company to its shareholders for reduction and reorganisation of its equity share capital.
- (ii) In consideration for demerger of the Demerged Undertaking, the Resulting Company shall issue and allot its equity shares to the shareholders of the Demerged Company as specified

in Paragraph 4.C.(i) above.

- (iii) Upon demerger of the Demerged Undertaking and allotment of New Equity Shares (as defined in the Scheme) by the Resulting Company, the entire paid-up equity share capital of the Resulting Company held by the Demerged Company shall stand cancelled and the issued, subscribed and paid up equity capital of the Resulting Company to that effect shall stand cancelled and reduced. Further, upon listing of equity shares of the Resulting Company pursuant to the Scheme, the existing pre-scheme shareholders of the Company, except the Demerged Company, shall be categorised as 'public' shareholders'.
- (iv) The Registered Valuer has confirmed that no valuation difficulties were reported in determining the share exchange ratio.
- (v) The equity shares of the Company will be listed on BSE Limited and National Stock Exchange of India Limited, pursuant to the Scheme and subject to the applicable laws and receipt of requisite approvals.
- (vi) The Scheme is in the interest of the shareholders of the Resulting Company and will not have any adverse effect on them.

B. Key Managerial Personnel of the Resulting Company

- (i) Pursuant to the Scheme, there shall be no impact on the existing KMPs of the Resulting Company. The KMPs forming part of the Demerged Undertaking, if any, shall become employees of the Resulting Company upon effectiveness of the Scheme.
- (ii) It is clarified that the KMPs of the Resulting Company may change by appointments, retirements or resignations or to ensure compliance of the provisions of the Act, SEBI Listing Regulations and Memorandum and Articles of Association of such companies but the Scheme itself does not affect the office of KMPs of the Resulting Company.

On behalf of the Board of Directors



Vinayak Patankar

Director

DIN: 07534225

Date: February 07, 2022

Place: Mumbai


BOROSIL TECHNOLOGIES LIMITED

Formerly known as BOROSIL GLASS LIMITED

CIN No. : U36999MH2009PLC197226

Registered Office :

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

T : +91 22 6740 6300

REPORT ADOPTED BY THE BOARD OF DIRECTORS OF BOROSIL TECHNOLOGIES LIMITED AT ITS MEETING HELD ON FEBRUARY 07, 2022 EXPLAINING THE EFFECT OF THE COMPOSITE SCHEME OF ARRANGEMENT AMONGST BOROSIL LIMITED AND KASS PACK LIMITED AND BOROSIL TECHNOLOGIES LIMITED AND THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS ON THE EQUITY SHAREHOLDERS, KEY MANAGERIAL PERSONNEL, PROMOTERS AND NON-PROMOTER SHAREHOLDERS

1. The Board of Directors (“**Board**”) of Borosil Technologies Limited (“**BTL**” or “**Transferor Company**” or “**the Company**”) at its meeting held on Monday, February 07, 2022, approved the Composite Scheme of Arrangement amongst Borosil Limited (“**BL**” or “**Demerged Company**”) and Klass Pack Limited (“**KPL**” or “**Resulting Company**” or “**Transferee Company**”) and the Company and their respective shareholders and creditors under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 (“**Act**”) (“**Scheme**”).
2. Provisions of Section 232(2)(c) of the Act require the Board of the Transferor Company to adopt a report explaining the effect of the arrangement on each class of shareholders, key managerial personnel (“**KMPs**”), promoters and non-promoter shareholders of the Company laying out in particular the share exchange ratio and specifying any special valuation difficulties and the same is required to be circulated as part of the notice of the meeting(s) to be held for the purpose of approving the Scheme.
3. This report of the Board of the Transferor Company is accordingly being made in pursuance to the requirements of Section 232(2)(c) of the Act.
4. **Scheme details in brief:**
 - A. The Scheme *inter alia* provides for:
 - (i) reduction and reorganisation of share capital of the Resulting Company;
 - (ii) demerger, transfer and vesting of the Demerged Undertaking (*as defined in the Scheme*) from the Demerged Company into the Resulting Company on a going concern basis, the consequent issue of shares by the Resulting Company and reduction and cancellation of the existing paid-up share capital of the Resulting Company held by the Demerged Company; and
 - (iii) amalgamation of the Transferor Company with the Transferee Company.

B. Rationale for the Scheme

The rationale for the Scheme is as under:

- a. *Given its diversified business, it has become imperative for the Demerged Company to reorient and reorganize itself in a manner that allows imparting greater focus on each of its businesses. With this repositioning, the Demerged Company is desirous of enhancing its operational efficiency while it continues with its consumer products business.*
- b. *The proposed demerger pursuant to this Scheme is expected, inter alia, to result in following benefits:*
 - (i) *value unlocking of scientific and industrial products business with ability to achieve valuation based on respective-risk return profile and cash flows;*
 - (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;*
 - (iii) *segregation and unbundling of the scientific and industrial products business of the Demerged Company into the Resulting Company, will enable enhanced focus on the Demerged Company and the Resulting Company for exploring opportunities in their respective business domains; and*
 - (iv) *focused management approach for pursuing the growth in the respective business' verticals and de-risk the businesses from each other.*
- c. *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:*
 - (i) *Streamline the corporate structure and consolidation of resources within the Transferee Company leading to greater synergies and operational synergy;*
 - (ii) *Opportunities for employees of the Transferor Company to grow in a wider field of business;*
 - (iii) *Optimal utilisation of resources and better management and administration; and*
 - (iv) *Reduction of administrative responsibilities, multiplicity of records and legal and regulatory compliances.*
- d. *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 as stated above, 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.*
- e. *The proposed restructuring is in the interest of the shareholders, creditors, employees, and other stakeholders of the Parties (as defined in the Scheme)."*

C. Consideration under the Scheme

(i) Consideration for demerger

Upon the demerger, transfer and vesting of the Demerged Undertaking from the Demerged Company into the Resulting Company, the Resulting Company shall, issue and allot, on a proportionate basis to the shareholders of the Demerged Company whose name is recorded in the register of members and records of the depository as members of the Demerged Company as on the Record Date (*as defined in the Scheme*), as under:

"3 (Three) fully paid up equity share of INR 1/- each of the Resulting Company (post proposed re-organisation of share capital) credited as fully paid up, for every 4 (Four) fully paid up equity share of INR 1/- each of the Demerged Company".

(ii) Consideration for amalgamation

Upon the demerger, transfer and vesting of the Demerged Undertaking (*as defined in 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 and all equity shares of the Transferor Company held by the Transferee Company along with its nominees, shall stand cancelled.

D. Dissolution of the Transferor Company pursuant to the Scheme

Upon amalgamation of the Transferor Company with the Transferee Company, the Transferor Company shall stand dissolved without winding up. On and from the Effective Date (*as defined in the Scheme*), the name of the Transferor Company shall be struck off from the records of the concerned Registrar of Companies.

5. The Board considered and took on record the following documents while approving the Scheme:

- (i) Draft Scheme; and
- (ii) Share Entitlement Ratio Report dated February 07, 2022 issued by M/s. SSPA & Co., Chartered Accountants, Registered Valuer, determining the share exchange ratio in connection with the Scheme.

6. **Effect of the Scheme**

A. Equity shareholders (promoters and non-promoters) of the Company

- (i) Upon the demerger, transfer and vesting of the Demerged Undertaking, the Company will become a wholly owned subsidiary of the Transferee Company and the entire paid-up share capital of the Company will be held by the Transferee Company. Accordingly, upon

amalgamation of the Company with the Transferee Company, there shall be no issue of shares as consideration for the said amalgamation and all equity shares of the Transferor Company held by the Transferee Company along with its nominees, shall stand cancelled.

- (ii) Upon amalgamation of the Company with the Transferee Company, the Company shall stand dissolved without winding up. On and from the Effective Date (*as defined in the Scheme*), the name of the Company shall be struck off from the records of the concerned Registrar of Companies.
- (iii) The Scheme is in the interest of the shareholders of the Transferor Company and will not have any adverse effect on them.

B. Key Managerial Personnel of the Company

The KMP of the Company shall become employee of the Transferee Company upon effectiveness of the Scheme.

On behalf of the Board of Directors



Vinayak Patankar
Director
DIN: 07534225

Date: February 07, 2022

Place: Mumbai

SSPA & CO.
Chartered Accountants
 1st Floor, "Arjun", Plot No. 6 A,
 V. P. Road, Andheri (W),
 Mumbai - 400 058. INDIA.
 Tel : 91 (22) 2670 4376
 91 (22) 2670 3682
 Fax : 91 (22) 2670 3916
 Website : www.sspa.in

STRICTLY PRIVATE & CONFIDENTIAL

February 07, 2022

The Board of Directors
Borosil Limited
 1101, 11th Floor, Crescenzo, G-Block,
 Bandra Kurla Complex, Bandra (East),
 Mumbai – 400 051.

The Board of Directors
Klass Pack Limited
 1101, 11th Floor, Crescenzo, G-Block,
 Bandra Kurla Complex, Bandra (East),
 Mumbai – 400 051.

The Board of Directors
Borosil Technologies Limited
 1101, 11th Floor, Crescenzo, G-Block,
 Bandra Kurla Complex, Bandra (East),
 Mumbai – 400 051.

Dear Sir(s)/ Madam(s),

Re : Recommendation of:

- (a) Fair equity share entitlement ratio for the proposed demerger of 'Scientific and Industrial Products' Business of Borosil Limited into Klass Pack Limited;
- (b) Proposed amalgamation of Borosil Technologies Limited with Klass Pack Limited (post demerger of 'Scientific and Industrial Products' Business of Borosil Limited into Klass Pack Limited)

We refer to the engagement letter dated December 07, 2021, whereby, SSPA & Co., Chartered Accountants (hereinafter referred to as 'SSPA' or 'Valuer' or 'We') have been appointed by the Borosil Limited, Borosil Technologies Limited and Klass Pack Limited (hereinafter collectively referred to as 'the Companies') to issue a report containing the recommendation of fair equity share entitlement ratio for the proposed demerger of Scientific and Industrial Products Business (hereinafter referred to as 'Demerged Undertaking') of Borosil Limited (hereinafter referred to as 'BL') into Klass Pack Limited (hereinafter referred to as 'KPL' or Transferee Company) ('Proposed Demerger') and proposed amalgamation of Borosil Technologies Limited (hereinafter referred to as 'BTL' or 'Transferor Company') with KPL (post demerger of Demerged Undertaking) ('Proposed Amalgamation'). Proposed Demerger and Proposed Amalgamation are hereinafter collectively referred to as 'Proposed Restructuring'. Further, management of BL, BTL and KPL are hereinafter collectively referred to as the 'Management'.



1. SCOPE AND PURPOSE OF THIS REPORT

1.1 The Board of Directors of KPL, BL and BTL are considering a proposal for Proposed Restructuring pursuant to a Composite Scheme of Arrangement between the Companies and their respective shareholders and creditors under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 read with Section 2(1B), section 2(19AA) and other applicable provisions of the Income Tax Act (hereinafter collectively referred to as the 'Scheme').

Subject to necessary approvals, Demerged Undertaking of BL (including investments in KPL and BTL) would be demerged into KPL and subsequent to demerger, BTL would be amalgamated with KPL with effect from the Appointed Date of April 01, 2022 ('Appointed Date').

1.2 In consideration for the Proposed Demerger, equity shareholders of BL would be issued equity shares of KPL.

1.3 In this regard, we have been appointed by the Companies to carry out the relative valuation of equity shares of the Companies and to recommend the fair equity share entitlement ratio for the proposed demerger of Demerged Undertaking of BL into KPL and recommendation for proposed amalgamation of BTL with KPL (post demerger of Demerged Undertaking of BL). The report is being furnished by SSPA in the capacity of Registered Valuer under Section 247 of the Companies Act, 2013.

1.4 For the purpose of this valuation, the bases of value is 'Relative Value' and the valuation is based on the 'Going Concern' premise. For the purpose of this valuation, February 04, 2022, has been considered as the 'Valuation Date'.

1.5 The report sets out our recommendations of the fair equity share entitlement ratio and discusses the methodologies and approaches considered for arriving at the relative values of the equity shares of the Companies for the purpose of recommendation of the share entitlement ratio.

2. BRIEF BACKGROUND

2.1. BOROSIL LIMITED

BL has its registered office at 1101, 11th Floor, Crescenzo, G-Block, opposite MCA Club, Bandra Kurla Complex, Bandra (East), Mumbai – 400051. BL presently has manufacturing plants near Jaipur in Rajasthan, Bharuch District of Gujarat and Tarapur in Maharashtra. BL currently operates the businesses through two divisions: manufacturing and trading of (i)



Scientific & Industrial Products and (ii) Consumer Products. The shares of BL are listed on BSE Limited ('BSE') and the National Stock Exchange of India Limited ('NSE'). BL holds 100% equity stake in BTL and holds ~82.49% in KPL.

2.2. DEMERGED UNDERTAKING OF BOROSIL LIMITED

The Demerged Undertaking of BL consists of 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 & industrial and consumer products. Demerged Undertaking includes 100% equity stake in BTL and 82.49% equity stake in KPL.

2.3. BOROSIL TECHNOLOGIES LIMITED

BTL is engaged in the business of manufacturing of scientific instruments.

BTL is a wholly owned subsidiary of Borosil Limited.

The issued and paid-up equity share capital of Transferor Company as on March 31, 2021 is INR 495 lakhs comprising of 49,50,000 equity shares of face value of INR 10 each.

2.4. KLASS PACK LIMITED

KPL is engaged in the business of manufacturing and supply of pharmaceutical vials and ampoules to the pharmaceutical industry for over 15 years and has its manufacturing facilities at Nashik, Maharashtra.

We have been informed that KPL is considering reduction and reorganization of its equity share capital through a Scheme, wherein the face value of the equity shares of the KPL shall be reduced from INR 100 each to INR 10 each such that, the issued, subscribed and paid up equity share capital of KPL is reduced from the present amount of INR 16,32,94,900 divided into 16,32,949 equity shares of INR 100 each fully paid to INR 1,63,29,490 divided into 16,32,949 equity shares of INR 10 each fully paid up.

Subsequently, upon reduction of face value of the equity shares of KPL, every 1 equity share of KPL of face value of INR 10 each shall be further split into 10 equity shares of INR 1 each, such that the issued, subscribed and paid up equity share capital of KPL shall be INR 1,63,29,490 divided into 1,63,29,490 equity shares of INR 1 each fully paid up.

3. REGISTERED VALUER - SSPA & CO., CHARTERED ACCOUNTANTS

SSPA & Co., Chartered Accountants, is a partnership firm, located at 1st Floor, "Arjun", Plot



No. 6A, V. P. Road, Andheri (West), Mumbai - 400 058, India. SSPA is engaged in providing various corporate consultancy services.

SSPA is a firm of practicing Chartered Accountants registered with The Institute of Chartered Accountants of India ('ICAI'). SSPA is also registered with the Insolvency and Bankruptcy Board of India ('IBBI'), as a Registered Valuer for asset class – 'Securities or Financial Assets' with Registration No. IBBI/RV-E/06/2020/126.

4. SOURCES OF INFORMATION

The valuation exercise is based on the following information which has been received from the Management and any information available in the public domain:

- (a) Audited financial statements of BL, BTL and KPL for FY 2020-21.
- (b) Management certified profitability statement for nine months period ended December 31, 2021 ('9ME Dec21') and statement of assets and liabilities as at December 31, 2021 pertaining to the Demerged Undertaking of BL.
- (c) Audited financial statements of BTL and KPL for 9ME Dec21.
- (d) Financial Projections of Demerged Undertaking of BL, BTL and KPL for three months period ended March 31, 2022 and from FY 2022-2023 to FY 2025-26.
- (e) Draft Composite Scheme of Arrangement.
- (f) Discussions with the Management on various issues relevant to valuation including prospects and outlook of the business, expected growth rate, and other relevant information relating to future expected profitability, etc.
- (g) Such other information and explanations as we required and which have been provided by the Management including Management Representations.

5. SCOPE LIMITATIONS, ASSUMPTIONS, QUALIFICATIONS, EXCLUSIONS, AND DISCLAIMERS

- 5.1. Our report is subject to the scope and limitations detailed hereinafter. As such the report is to be read in totality, and not in parts, in conjunction with the relevant documents referred to herein and in the context of the purpose for which it is made. Further, our report on the recommendation of fair equity share entitlement ratio and recommendation for the Proposed Amalgamation for the Proposed Restructuring is in accordance with ICAI Valuation Standards 2018 issued by The Institute of Chartered Accountants of India.
- 5.2. Valuation is not a precise science and the conclusions arrived at will be subjective and dependent on the exercise of individual judgment. There is, therefore, no indisputable single



value. While we have provided an assessment of value by applying certain formulae which are based on the information available, others may place a different value.

- 5.3. The report assumes that the Companies comply fully with relevant laws and regulations applicable in its area of operations and usage unless otherwise stated, and that the Companies will be managed in a competent and responsible manner. Further, as specifically stated to the contrary, this report has given no consideration to matters of a legal nature, including issues of legal title and compliance with local laws, and litigations and other contingent liabilities that are not recorded/reflected in the balance sheet provided to us.
- 5.4. The draft of the present report was circulated to the Management (excluding the recommended fair equity share entitlement ratio and recommendation for Proposed Amalgamation) for confirming the facts stated in the report and to confirm that the information or facts stated are not erroneous.
- 5.5. Valuation analysis and results are specific to the purpose of valuation and the Valuation Date mentioned in the report and is as per agreed terms of our engagement.
- 5.6. For the purpose of this exercise, we were provided with both written and verbal information including information detailed hereinabove in para 'Sources of Information'. Further, the responsibility for the accuracy and completeness of the information provided to us by the Companies / auditors / consultants, is that of the Companies. Also, with respect to explanations and information sought from the Companies, we have been given to understand by the Management that they have not omitted any relevant and material information about the Companies. The Management have indicated to us that they have understood that any omissions, inaccuracies or misstatements may materially affect our valuation analysis/conclusions.
- 5.7. Our work does not constitute an audit, due diligence, or certification of these information referred to in this report including information sourced from public domain. Accordingly, we are unable to and do not express an opinion on the fairness or accuracy of any financial information referred to in this report and consequential impact on the present exercise. However, we have evaluated the information provided to us by the Companies through broad inquiry, analysis, and review. However, nothing has come to our attention to indicate that the information provided/ obtained was materially misstated / incorrect or would not afford reasonable grounds upon which to base the report.
- 5.8. Our recommendation is based on the estimates of future financial performance as projected by the Management, which represents their view of reasonable expectation at the point of



time when they were prepared, after giving due considerations to commercial and financial aspects of the Companies and the industry in which the Companies operate and taking into account the current economic scenario and business disruptions caused on account of spread of COVID-19 pandemic. But such information and estimates are not offered as assurances that the particular level of income or profit will be achieved, or events will occur as predicted. Actual results achieved during the period covered by the prospective financial statements may vary from those contained in the statement and the variation may be material. The fact that we have considered the projections in this exercise of valuation should not be construed or taken as our being associated with or a party to such projections.

- 5.9. We have relied on data from external sources also to conclude the valuation. These sources are believed to be reliable and therefore, we assume no liability for the truth or accuracy of any data, opinions, or estimates furnished by others that have been used in this analysis. Where we have relied on data, opinions, or estimates from external sources, reasonable care has been taken to ensure that such data has been correctly extracted from those sources and/or reproduced in its proper form and context.
- 5.10. A valuation of this nature involves consideration of various factors including those impacted by prevailing market trends in general and industry trends in particular. This report is issued on the understanding that the Management has drawn our attention to all the matters, which they are aware of concerning the financial position of the Companies and any other matter, which may have an impact on our opinion, on the value of the shares of the Companies including any significant changes that have taken place or are likely to take place in the financial position of the Companies. Events and transactions occurring after the date of this report may affect the report and assumptions used in preparing it and we do not assume any obligation to update, revise or reaffirm this report.
- 5.11. We are independent of the Companies and have no current or expected interest in the Companies or its assets. The fee paid for our services in no way influenced the results of our analysis.
- 5.12. Our report is not, nor should it be construed as our opining or certifying the compliance with the provisions of any law including companies, competition, taxation, and capital market related laws or as regards any legal implications or issues arising in India or abroad from the Proposed Restructuring.
- 5.13. Any person/ party intending to provide finance/ divest/ invest in the shares/convertible instruments/ business of the Companies shall do so after seeking their own professional



advice and after carrying out their own due diligence procedures to ensure that they are making an informed decision.

- 5.14. The decision to carry out the Proposed Restructuring (including consideration thereof) lies entirely with the parties concerned and our work and our finding shall not constitute a recommendation as to whether or not the parties should carry out the Proposed Restructuring.
- 5.15. Our Report is meant for the purpose mentioned in Para 1 only and should not be used for any purpose other than the purpose mentioned therein. It is exclusively for the use of the Companies and may be submitted to regulatory/ statutory authority for obtaining requisite approvals. The Report should not be copied or reproduced without obtaining our prior written approval for any purpose other than the purpose for which it is prepared. In no event, regardless of whether consent has been provided, shall SSPA assume any responsibility to any third party to whom the report is disclosed or otherwise made available.
- 5.16. SSPA nor its partners, managers, employees make any representation or warranty, express or implied, as to the accuracy, reasonableness, or completeness of the information, based on which the valuation is carried out. We owe responsibility only to the Companies that have appointed us under the terms of the Engagement Letters. We will not be liable for any losses, claims, damages, or liabilities arising out of the actions taken, omissions, or advice given by any other person. In no event shall we be liable for any loss, damages, cost, or expenses arising in any way from fraudulent acts, misrepresentations, or wilful default on part of the client or companies, their directors, employees, or agents.

6. PROPOSED DEMERGER OF DEMERGED UNDERTAKING OF BL INTO KPL

6.1. VALUATION APPROACH AND METHODOLOGIES

6.2. For the purpose of valuation, generally following approaches can be considered, viz;

- (a) the 'Market' approach
- (b) the 'Income' approach; and
- (c) the 'Cost' approach;

Each of the aforesaid approaches proceeds on different fundamental assumptions which have greater or lesser relevance and at times even no relevance, to a given situation. Thus, the approach to be adopted for a particular valuation exercise must be judiciously chosen.

6.3. COST APPROACH

The Cost approach reflects the amount that would be required currently to replace the



service capacity of an asset; often referred to as current replacement cost. In the present case, the business of Demerged Undertaking of BL and business of KPL are intended to be continued on a 'going concern basis' and there is no intention to dispose-off the assets, therefore the 'Cost' approach is not adopted for the present valuation exercise.

6.4. Considering the above, we have thought fit to consider a combination of 'Market' approach and 'Income' approach for valuation of equity shares of Demerged Undertaking of BL and KPL.

6.5. MARKET APPROACH

6.5.1. In the present case, the equity shares of Demerged Undertaking of BL are not separately listed and equity shares of KPL are also not listed on any stock exchanges. Therefore, we have thought fit to consider Comparable Companies' Multiple ('CCM') Method for valuation of equity shares of Demerged Undertaking of BL and KPL under the 'Market' approach.

6.5.2. COMPARABLE COMPANIES' MULTIPLE METHOD

Under CCM method, the value of Demerged Undertaking of BL and KPL is determined by using multiples derived from valuations of listed comparable companies. This valuation is based on the principle that market valuations, taking place between informed buyers and informed sellers, incorporate all factors relevant to valuation. Relevant multiples need to be chosen carefully and adjusted for material differences, if any.

In the present case, Enterprise Value (EV) to Earnings before Interest Tax Depreciation and Amortization (EBITDA) multiples of comparable listed companies are used to arrive at EV of Demerged Undertaking of BL and KPL.

To the value so arrived, appropriate adjustments have been made for cash & cash equivalents, value of investments and amount to be received on exercise of ESOP's to arrive at the equity value.

The equity value as arrived above is divided by the diluted number of equity shares in case of Demerged Undertaking of BL and revised number of equity shares after considering the re-organisation of share capital (as mentioned in para 2.4 of this report) in case of KPL, to arrive at the value per share of Demerged Undertaking of BL and KPL.

6.6. INCOME APPROACH

6.6.1. Under the 'Income' approach, Demerged Undertaking of BL and KPL are valued using the 'Discounted Cash Flow' ('DCF') Method.

6.6.2. Under the DCF method, the projected free cash flows from business operations after considering fund requirements for projected capital expenditure and incremental working



capital are discounted at the Weighted Average Cost of Capital ('WACC'). The sum of the discounted value of such free cash flows and the discounted value of perpetuity is the value of the business.

- 6.6.3. The free cash flows represent the cash available for distribution to both the owners and the creditors of the business. The free cash flows are determined by adding back to profit before tax (i) interest on loans, if any, (ii) depreciation and amortizations (non-cash charge), and (iii) any non-operating item. The cash flow is adjusted for outflows on account of (i) capital expenditure, (ii) incremental working capital requirements and (iii) tax.
- 6.6.4. WACC is considered as the most appropriate discount rate in the DCF Method since it reflects both the business and the financial risk of the company. In other words, WACC is the weighted average of cost of equity and cost of debt.
- 6.6.5. To the value so arrived, appropriate adjustments have been made for cash & cash equivalents, value of investments and amount to be received on exercise of ESOP's to arrive at the equity value.
- 6.6.6. The equity value as arrived above is divided by the diluted number of equity shares in case of Demerged Undertaking of BL and revised number of equity shares after considering the re-organisation of share capital (as mentioned in para 2.4 of this report) in case of KPL, to arrive at the value per share of Demerged Undertaking of BL and KPL.

7. RECOMMENDATION OF FAIR EQUITY SHARE ENTITLEMENT RATIO

- 7.1. The fair basis of demerger of Demerged Undertaking of BL into KPL would have to be determined after taking into consideration all the factors and methodologies mentioned hereinabove. Though different values have been arrived at under different methods, for the purposes of recommending an entitlement ratio it is necessary to arrive at a single value for the equity shares of Demerged Undertaking of BL and KPL. It is however important to note that in doing so, we are not attempting to arrive at the absolute values of the shares of each company. Our exercise is to work out relative value of shares of Demerged Undertaking of BL and KPL to facilitate the determination of an entitlement ratio. For this purpose, it is necessary to give appropriate weightage to the values arrived at under each approach.
- 7.2. As mentioned above, we have considered a combination of CCM Method under 'Market' approach and DCF Method under 'Income' approach for arriving at the value per equity share of Demerged Undertaking of BL and for KPL. The values under each of the approaches is given in the table below:



| Valuation Approach | KPL | | Demerged Undertaking of BL | |
|---------------------------------------|-----------------------|---------|----------------------------|---------|
| | Value per Share (INR) | Weights | Value per Share (INR) | Weights |
| Asset Approach * | NA | NA | NA | NA |
| Income Approach | 151.66 | 50% | 113.63 | 50% |
| Market Approach | 150.02 | 50% | 113.89 | 50% |
| Fair Value per Equity Share | 150.84 | | 113.76 | |
| Equity Share Entitlement Ratio | 1.33 | | | |

NA = Not Applied / Not Applicable

* Since, the business of Demerged Undertaking of BL and the business of KPL are both intended to be continued on a 'going concern basis' and there is no intention to dispose-off the assets, therefore the 'Asset' approach is not adopted for the present valuation exercise.

- 7.3. The fair equity share entitlement ratio has been arrived on the basis of a relative valuation of equity shares of Demerged Undertaking of BL and KPL based on the approaches explained herein earlier and considering various qualitative factors relevant to the companies and the business dynamics and growth potential of the businesses, having regard to information base, management representation and perceptions, key underlying assumptions and limitations.
- 7.4. In the ultimate analysis, valuation will have to involve the exercise of judicious discretion and judgment taking into account all the relevant factors. There will always be several factors, e.g. present and prospective competition, the yield on comparable securities and market sentiments, etc., which are not evident from the face of the balance sheets but which will strongly influence the worth of a share. This concept is also recognized in judicial decisions. For example, Viscount Simon Bd in Gold Coast Selection Trust Ltd. vs. Humphrey reported in 30 TC 209 (House of Lords) and quoted with approval by the Supreme Court of India in the case reported in 176 ITR 417 as under:
- 'If the asset takes the form of fully paid shares, the valuation will take into account not only the terms of the agreement but a number of other factors, such as prospective yield, marketability, the general outlook for the type of business of the company which has allotted the shares, the result of a contemporary prospectus offering similar shares for subscription, the capital position of the company, so forth. There may also be an element of value in the fact that the holding of the shares gives control of the company. If the asset is difficult to value, but is nonetheless of a money value, the best valuation possible must be made. Valuation is an art, not an exact science. Mathematical certainty is not demanded, nor indeed is it possible.'*



7.5. In light of the above and on consideration of all the relevant factors and circumstances as discussed and outlined hereinabove earlier in this report, in our opinion:

The fair equity share entitlement ratio for the proposed demerger of Demerged Undertaking of BL into KPL is as under:

3 (Three) equity shares of KPL of INR 1 each fully paid up (post proposed re-organisation of share capital) for every 4 (Four) equity shares of BL of INR 1 each fully paid up.

8. PROPOSED AMALGAMATION OF BTL WITH KPL

On completion of proposed Demerger of Demerged Undertaking of BL into KPL, BTL will become a wholly owned subsidiary of KPL i.e entire paid-up share capital of BTL will be held by KPL.

Upon the effective date, pursuant to amalgamation of BTL with KPL, the entire shareholding of KPL in BTL will be cancelled. Pursuant to the amalgamation, there would be no change in the paid-up share capital of KPL. Since there is no impact on the shareholding pattern of KPL, no valuation of KPL and of BTL is required.

Accordingly, valuation approaches as indicated in the format as prescribed by circular number NSE/CML/2017/12 of NSE and LIST/COMP/02/2017-18 of BSE have not been undertaken as they are not relevant in the instant case.

Thus, upon the proposed amalgamation of BTL with KPL, no equity shares shall be issued to the shareholders of BTL.

Thanking you,
Yours faithfully,

For SSPA & CO.

Chartered Accountants

ICAI Firm registration number: 128851W

IBBI Registered Valuer No.: IBBI/RV-E/06/2020/126

Parag S. Ved



Parag Ved, Partner

Registered Valuer No.: IBBI/RV/06/2018/ 10092

ICAI Membership No. 102432

UDIN: 22102432AAPUUR4881

Place: Mumbai

Private and Confidential

KEYNOTE



February 07, 2022

The Board of Directors

Borosil Limited

1101, 11th Floor, Crescenzo, G-Block,
Bandra Kurla Complex, Bandra (East),
Mumbai – 400 051

The Board of Directors

Klass Pack Limited

1101, 11th Floor, Crescenzo, G-Block,
Bandra Kurla Complex, Bandra (East),
Mumbai – 400 051

The Board of Directors

Borosil Technologies Limited

1101, 11th Floor, Crescenzo, G-Block,
Bandra Kurla Complex, Bandra (East),
Mumbai – 400 051

Dear Sir(s)/Madam(s),

Reg: Fairness Opinion in connection with the Composite Scheme of Arrangement amongst Borosil Limited ("BL" or "Demerged Company") and Klass Pack Limited ("KPL" or "Resulting Company" or "Transferee Company") and Borosil Technologies Limited ("BTL" or "Transferor Company") and their respective shareholders and creditors ('Scheme')

Keynote Financial Services Limited ("Keynote" or "we" or "us") is a Category I Merchant Banker registered with Securities Exchange Board of India ("SEBI"). We understand that the Board of Directors of Borosil Limited ("BL") is contemplating a demerger of its Scientific and Industrial Products Business ("Demerged Undertaking") (as defined in the Scheme) into Klass Pack Limited ("KPL") ("Proposed Demerger") and it is also proposed to amalgamate Borosil Technologies Limited ("BTL") with KPL ("Proposed Merger") as part of composite scheme of arrangement under Sections 230 to 232 of the Companies Act, 2013 ("Scheme"). Proposed Demerger and Proposed Merger are hereinafter referred to as "Proposed Restructuring".

In connection with the aforesaid, we have been requested by the management of BL to issue a Fairness Opinion, as to the fairness of the valuation of the Proposed Restructuring as on February 04, 2022 ("Valuation Date"). We have perused the documents / information provided by you in respect of the said Scheme and the Valuation Report as issued by M/s. SSPA & Co., Chartered Accountants dated February 07, 2022.



KEYNOTE

Company Profile:

Borosil Limited

BL is a public company incorporated under the provisions of the Companies Act, 1956. BL is engaged in the business of manufacturing and trading of scientific and industrial products and consumer products. The equity shares of BL are listed on BSE Limited and the National Stock Exchange of India Limited.

The Scientific and Industrial Products Business of BL means the business 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 & industrial and consumer products.

Klass Pack Limited

KPL is a public company incorporated under the provisions of the Companies Act, 1956. KPL 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. BL holds ~82.49% of the issued, subscribed and paid up equity share capital of KPL.

Borosil Technologies Limited

BTL is a public company incorporated under the provisions of the Companies Act, 1956. BTL is engaged in the business of manufacturing of scientific instruments. BTL is a wholly owned subsidiary of BL.

Rationale of the Proposed Restructuring:

1. Given its diversified business, it has become imperative for the Demerged Company to reorient and reorganize itself in a manner that allows imparting greater focus on each of its businesses. With this repositioning, the Demerged Company is desirous of enhancing its operational efficiency while it continues with its consumer products business.
2. The proposed demerger pursuant to this Scheme is expected, *inter alia*, to result in following benefits:
 - (i) value unlocking of scientific and industrial products business with ability to achieve valuation based on respective-risk return profile and cash flows;
 - (ii) attracting business specific investors and potential strategic partners and providing better flexibility in accessing capital, focused strategy and utilization for sustained growth and thereby enable de-leveraging of the respective businesses in the longer-term;



KEYNOTE

- (iii) segregation and unbundling of the scientific and industrial products business of the Demerged Company into the Resulting Company, will enable enhanced focus on the Demerged Company and the Resulting Company for exploring opportunities in their respective business domains; and
 - (iv) focused management approach for pursuing the growth in the respective business' verticals and de-risk the businesses from each other.
3. 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:
 - (i) Streamline the corporate structure and consolidation of resources within the Transferee Company leading to greater synergies and operational synergy;
 - (ii) Opportunities for employees of the Transferor Company to grow in a wider field of business;
 - (iii) Optimal utilization of resources and better management and administration; and
 - (iv) Reduction of administrative responsibilities, multiplicity of records and legal and regulatory compliances.
4. 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 as stated above, 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.
5. The proposed restructuring is in the interest of the shareholders, creditors, employees, and other stakeholders of the Parties.

Our Recommendation:

As stated in the Valuation Report by M/s. SSPA & Co., Chartered Accountants, they have recommended the following equity share entitlement ratio for the Proposed Demerger:

"3 (Three) equity share of KPL of INR 1 each fully paid up (post proposed re-organisation of share capital) for every 4 (Four) equity shares of BL of INR 1 each fully paid up."

Further, as per the Scheme, the face value of Equity Shares of KPL will get reduced from the present amount of INR 16,32,94,900 divided into 16,32,949 equity shares of INR 100 each fully paid to INR 1,63,29,490 divided into 16,32,949 equity shares of INR 10 each fully paid up. Immediately upon such reduction, every 1 equity share of KPL of face value of INR 10 each shall be further split into 10 equity shares of INR 1 each, such that the issued, subscribed and paid up equity share capital of KPL shall be INR 1,63,29,490 divided into 1,63,29,490 equity shares of INR 1 each fully paid up. Hence, as part of this capital reduction and reorganization, the number of equity shares shall change from 16,32,949 to 1,63,29,490.



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After the Proposed Demerger, BTL will become a wholly-owned subsidiary of KPL i.e. entire paid-up share capital of BTL will be held by KPL. Upon the effective date, pursuant to merger of BTL with KPL, the entire shareholding of KPL in BTL will be cancelled and no equity shares shall be issued to the shareholders of BTL as consideration upon its merger with KPL.

The aforesaid shall be pursuant to the Scheme and shall be subject to receipt of approval from any competent authority as may be applicable and other statutory approvals as may be required. The detailed terms and conditions of the Proposed Restructuring are more fully set forth in the Scheme. Keynote has issued the Fairness Opinion with the understanding that Scheme shall not be materially altered and the parties hereto agree that the Fairness Opinion would not stand good in case the final Scheme alters the Proposed Restructuring.

Based on the information, data made available to us, to the best of our knowledge and belief, the Equity Share Entitlement Ratio as recommended by M/s. SSPA & Co., Chartered Accountants in relation to the proposed Composite Scheme of Arrangement is fair to the equity shareholders of BL, KPL and BTL in our opinion.

Sources of Information:

For arriving at the Fairness Opinion set forth below, we have relied upon the following sources of information:

- Valuation Report by M/s. SSPA & Co., Chartered Accountants dated February 07, 2022.
- Composite Scheme of Arrangement between BL, BTL and KPL.
- Annual reports for FY 2019-2020 and FY 2020-2021 of BL, KPL and BTL.
- Audited Financial Statements as at 31st December 2021 for KPL and BTL.
- Limited Review Financial Statements for 9 months ended 31st December 2021 of BL.
- Management Projections from FY 2021-2022 to FY 2025-2026 for Demerged Undertaking, BTL and KPL.

In addition to the above, we have also obtained such other information and explanations, which were considered relevant for the purpose of our Analysis from the management of BL.

Exclusions and Limitations:

We have assumed and relied upon, without independent verification, the accuracy and completeness of all information that was publicly available or provided or otherwise made available to us by the companies for the purpose of this opinion. Our work does not constitute an audit or certification or due diligence of the working results, financial statements, financial estimates or estimates of value to be realized for the assets of the companies. We have solely relied upon the information provided to us by the companies. We have not reviewed any books or records of the companies (other than those provided or made available to us). We have not assumed any obligation to conduct, nor have we conducted any physical inspection or title



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verification of the properties or facilities of the companies and neither express any opinion with respect thereto nor accept any responsibility therefore. We have not made any independent valuation or appraisal of the assets or liabilities of the companies. We have not reviewed any internal management information statements or any non-public reports, and, instead, with your consent we have relied upon information which was publicly available or provided or otherwise made available to us by the companies for the purpose of this opinion. We are not experts in the evaluation of litigation or other actual or threaten claims and hence have not commented on the effect of such litigation or claims on this opinion. We are not legal, tax, regulatory or actuarial advisors. We are financial advisors only and have relied upon, without independent verification, the assessment of the companies with respect to these matters. In addition, we have assumed that the Scheme will be approved by the regulatory authorities and that the Proposed Restructuring will be consummated substantially in accordance with the terms set forth in the Scheme.

We understand that the management of the companies during our discussion with them would have drawn our attention to all such information and matters which may have an impact on our analysis and opinion. We have assumed that in the course of obtaining necessary regulatory or other consents or approvals, no restrictions will be imposed that will have a material adverse effect on the benefits of the Proposed Restructuring that the companies may have contemplated. Our opinion is necessarily based on financial, economic, market and other conditions as they currently exist and on the information made available to us as of the date hereof. It should be understood that although subsequent developments may affect this opinion, we do not have any obligation to update, revise or reaffirm this opinion. In arriving at our opinion, we are not authorized to solicit, and did not solicit, interests for any party with respect to the acquisition, business combination or other extra-ordinary transaction involving the companies or any of their assets, nor did we negotiate with any other party in this regard.

We have acted as a financial advisor to the companies for providing a Fairness Opinion and will receive a fee for our services.

In the ordinary course of business, Keynote is engaged in securities trading, securities brokerage and investment activities, as well as providing investment banking and investment advisory services. In the ordinary course of its trading, brokerage and financing activities, any member of Keynote may at any time hold long or short positions, and may trade or otherwise effect transactions, for its own account or the accounts of customers, in debt or equity securities or senior loans of any company that may be involved in the Proposed Restructuring.

The Fairness Opinion is addressed only to the Board of Directors of BL and is for the purpose of submission to the Stock Exchanges under the SEBI Circular. Further, the Fairness Opinion may be disclosed on the website of the companies and the Stock Exchanges and also be made part of the explanatory statement to be circulated to the shareholders and / or creditors of the Company. The Fairness Opinion should be read in totality and not in parts. The Fairness Opinion shall not otherwise be disclosed or referred to publicly or to any other third party without Keynote's prior written consent. If this Fairness Opinion is used by any person other than whom it is addressed or for any purpose other than the purpose state hereinabove, then we will not be liable for any consequences thereof.

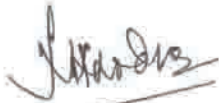


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We express no opinion whatever and make no recommendation at all as to the companies' underlying decision to effect to the Proposed Restructuring or as to how the holders of equity shares or preference shares or secured or unsecured creditors of the companies should vote at their respective meetings, if any, held in connection with the Proposed Restructuring. We do not express and should not be deemed to have expressed any views on any other terms of Proposed Restructuring. We also express no opinion and accordingly accept no responsibility for or as to the prices at which the equity shares of the companies will trade following the announcement of the Proposed Restructuring or as to the financial performance of the companies following the consummation of the Proposed Restructuring.

In no circumstances however, will Keynote Financial Services Limited or its associates, directors or employees accept any responsibility or liability to any third party and in the unforeseen event of any such responsibility or liability being imposed on Keynote Financial Services Limited or its associates, directors or employees by any third party, the companies and their affiliates shall indemnify them.

For Keynote Financial Services Limited



Nipun Lodha

Exec. Vice President and Head Corporate Finance

Place: MUMBAI



**APPLICABLE INFORMATION OF KCLASS PACK LIMITED IN THE FORMAT SPECIFIED FOR
ABRIDGED PROSPECTUS**

This is an abridged prospectus containing information pertaining to the unlisted company, Klass Pack Limited (“Resulting Company” or “Transferee Company” or “Company” or “KPL”), involved in the Composite Scheme of Arrangement amongst Borosil Limited (“Demerged Company” or “BL”) and Klass Pack Limited (“Resulting Company” or “Transferee Company” or “Company” or “KPL”) and Borosil Technologies Limited (“Transferor Company” or “BTL”) and their respective shareholders and creditors under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 (the “Act”) (hereinafter referred to as the “Scheme”) in the format specified for abridged prospectus as provided in SEBI Circular No. SEBI/HO/CFD/SSEP/CIR/P/2022/14 dated February 04, 2022 read with Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018.

This Abridged Prospectus has been prepared in connection with the Scheme, pursuant to SEBI Master Circular No. SEBI/HO/CFD/DIL1/CIR/P/2021/0000000665 dated November 23, 2021. This Abridged Prospectus should be read together with the Scheme.

THIS ABRIDGED PROSPECTUS CONTAINS 14 PAGES. PLEASE ENSURE THAT YOU HAVE RECEIVED ALL THE PAGES.

You may download the Scheme from the website of BL i.e., www.borosil.com or the website of the stock exchanges where the equity shares of BL are listed i.e., BSE Limited (“BSE”) and National Stock Exchange of India Limited (“NSE”) (BSE and NSE together hereinafter referred as the “Stock Exchanges”)

(Capitalised terms not defined herein shall have the meanings ascribed to them under the Scheme)

KCLASS PACK LIMITED

CIN: U74999MH1991PLC061851; Date of Incorporation: May 29, 1991

| Registered office | Corporate office | Contact person | Email and Telephone | Website |
|--|--|-----------------------|---|----------------|
| 1101, 11 th Floor, Crescenzo, G Block, Plot No. C - 38, Opp. MCA Club, Bandra Kurla Complex, Bandra (E), Mumbai – 400 051 | 1101, 11 th Floor, Crescenzo, G Block, Plot No. C - 38, Opp. MCA Club, Bandra Kurla Complex, Bandra (E), Mumbai – 400 051 | Mr. Chaitanya Chauhan | Email: kpl.secretarial@borosil.com Telephone: (022) 6740 6300 | Not Applicable |

NAMES OF PROMOTERS OF THE COMPANY (KCLASS PACK LIMITED): (i) Borosil Limited; (ii) Shiv Ganga Caterers Private Limited; (iii) Mr. Prashant Amin; (iv) Mrs. Shweta Amin; (v) Mr. Gangadhar Amin; (vi) Mrs. Pramila Amin; and (vii) Mr. Pravesh Amin

Details of Offer to Public

| Type of Issue (Fresh/ OFS/ Fresh & OFS) | Fresh Issue Size (by no. of shares or by amount in Rs) | OFS Size (by no. of shares or by amount in Rs) | Total Issue Size (by no. of shares or by amount in Rs) | Issue Under 6(1)/ 6(2) | Share Reservation | | |
|---|--|--|--|------------------------|-------------------|-----|-----|
| | | | | | QIB | NII | RII |
| Not applicable | | | | | | | |

OFS: Offer for Sale

SCHEME DETAILS AND LISTING

DETAILS OF THE COMPOSITE SCHEME OF ARRANGEMENT

The Composite Scheme of Arrangement amongst Borosil Limited (“Demerged Company” or “BL”) and Klass Pack Limited (“Resulting Company” or “Transferee Company” or “KPL” or “Company”) and Borosil Technologies Limited (“Transferor Company” or “BTL”) and their respective shareholders and creditors under

Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 (the “Act”) (hereinafter referred to as the “Scheme”/ “Scheme of Arrangement”) provides for the (i) reduction and reorganisation of share capital of the Resulting Company; (ii) the demerger, transfer and vesting of the Demerged Undertaking (as defined in the Scheme) from the Demerged Company into the Resulting Company on a *going concern* basis, the consequent issue of shares by the Resulting Company and reduction and cancellation of the existing paid-up share capital of the Resulting Company held by the Demerged Company; and (iii) amalgamation of the Transferor Company with the Transferee Company. The Scheme also provides for various other matters consequent and incidental thereto. The Appointed Date for the Scheme is April 01, 2022 or such other date as may be decided by the Board of Directors of the companies involved in the Scheme.

Consideration for the demerger of the Demerged Company into the Resulting Company

Upon the demerger, transfer and vesting of the Demerged Undertaking (*as defined in the Scheme*) from the Demerged Company into the Resulting Company, the Resulting Company shall, issue and allot, on a proportionate basis to the shareholders of the Demerged Company whose name is recorded in the register of members and records of the depository as members of the Demerged Company as on the Record Date (*as defined in the Scheme*), as under:

“3 (Three) fully paid up equity share of INR 1/- each of the Resulting Company (post proposed re-organisation of share capital) credited as fully paid up, for every 4 (Four) fully paid up equity share of INR 1/- each of the Demerged Company”

Consideration for amalgamation of the Transferor Company with the Transferee Company:

Upon the demerger, transfer and vesting of the Demerged Undertaking (as defined in 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 and all equity shares of the Transferor Company held by the Transferee Company along with its nominees, shall stand cancelled.

Dissolution of the Transferor Company

Upon amalgamation of the Transferor Company with the Transferee Company, the Transferor Company shall stand dissolved without winding up. On and from the Effective Date (*as defined in the Scheme*), the name of the Transferor Company shall be struck off from the records of the concerned ROC.

Listing of Equity Shares of Resulting Company

Upon the Scheme becoming effective, pursuant to the Scheme and subject to the applicable laws and receipt of requisite approvals, the equity shares of the Resulting Company will be listed on BSE Limited and the National Stock Exchange of India Limited.

Details of OFS by Promoter(s)/ Promoter Group/ Other Selling Shareholders (upto a maximum of 10 selling shareholders)

| Name | Type | No of Shares offered/ Amount in Rs | WACA in Rs per Equity | Name | Type | No of Shares offered/ Amount in Rs | WACA in Rs per Equity |
|-----------------------|------|------------------------------------|-----------------------|------|------|------------------------------------|-----------------------|
| Not applicable | | | | | | | |

P: Promoter; PG: Promoter Group; OSS: Other Selling shareholder; WACA: Weighted Average Cost of Acquisition shall be calculated on fully diluted basis.

| Price Band, Minimum Bid Lot & Indicative Timelines | |
|---|--|
| Price Band* | |

| | |
|--|-----------------------|
| Minimum Bid Lot Size | Not applicable |
| Bid/Offer Open On | |
| Bid/Closes Open On | |
| Finalisation of Basis of Allotment | |
| Initiation of Refunds | |
| Credit of Equity Shares to Demat accounts of Allottees | |
| Commencement of trading of Equity Shares | |

*For details of *price band and basis of offer price*, please refer to price band advertisement and page xx of RHP- **Not applicable**

Details of WACA of all shares transacted over the trailing eighteen months from the date of RHP- Not applicable

| Period | Weighted Average Cost of Acquisition (in Rs.) | Upper End of the Price Band is 'X' times the WACA | Range of acquisition price Lowest Price- Highest Price (in Rs.) |
|--|---|---|---|
| Trailing Eighteen Month from the date of RHP | Not applicable | | |

WACA: Weighted Average Cost of Acquisition shall be calculated on a fully diluted basis for the trailing eighteen months from the date of RHP

RISKS IN RELATION TO THE FIRST OFFER

The face value of the Equity Shares is 'x'. The Floor Price, Cap Price and Offer Price are determined by our Company and the Selling Shareholders, in consultation with the BRLMs, on the basis of the assessment of market demand for the Equity Shares by way of the Book Building Process, as stated under "Basis for Offer Price" on page xx should not be considered to be indicative of the market price of the Equity Shares after listing. No assurance can be given regarding the frequency of trading in the Equity Shares nor regarding the price at which the Equity Shares will be traded after listing- **Not applicable**

GENERAL RISKS

Investment in equity & equity-related securities involve a degree of risk and investors should not invest any funds in this 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 this Issue. For taking an investment decision, investors must rely on their own examination of the Issuer and this Issue, including the risks involved. The Equity Shares have not been recommended or approved by the Securities and Exchange Board of India ("SEBI"), nor does, SEBI guarantee the accuracy or adequacy of the contents of the Scheme of Amalgamation or Abridged Prospectus. – **Not applicable as the offer is not for the public at large and no investment by the public is required in the Company.**

Specified attention of the investors is invited to the section titled "Internal Risk Factors" on page 11 of this Abridged Prospectus.

PROCEDURE

You may obtain a physical copy of the Bid-cum-Application Form and the RHP from the stock exchange, syndicate members, registrar to the issue, share transfer agents, depository participants, stock brokers, underwriters, bankers to the issue, investors' associations or Self Certified Syndicate Banks - **Not applicable as the issue of equity shares by the Resulting Company is only to the shareholders of the Demerged Company pursuant to the Scheme.**

If you wish to know about processes and procedures applicable to this issue, you may request for a copy of the RHP and/or the General Information Document (GID) from the BRLM's or download it from the websites of the Stock Exchanges i.e. www.nseindia.com; www.bseindia.com; and the BRLMs (websites to be specified) - **Not applicable as the issue of equity shares by the Resulting Company is only to the shareholders of the Demerged Company pursuant to the Scheme.**

| PRICE INFORMATION OF BRLM's* | | | | |
|------------------------------|-------------------------|---|---|---|
| Issue Name | Name of Merchant Banker | +/- % change in closing price, (+/- % change in closing benchmark)- 30th calendar days from | +/- % change in closing price, (+/- % change in closing benchmark)- 90th calendar days from | +/- % change in closing price, (+/- % change in closing benchmark) - 180th calendar days from |
| | | +1% (+5%) | -2% (-5%) | |
| Not applicable | | | | |

*Disclosures subject to recent 7 issues (initial public offerings) in current financial year and two preceding financial years managed by each Merchant Banker with common issues disclosed once.

| | |
|--|-----------------------|
| Name of BRLM and contact details (telephone and email id) of each BRLM | Not applicable |
| Name of Syndicate Members | |

In case of issues by Small and Medium Enterprises under Chapter IX, details of the market maker to be included- **Not applicable**

| | |
|--|-----------------------|
| Name of Registrar to the Issue and contact details (telephone and email id) | Not applicable |
| Name of Statutory Auditor | |
| Name of Credit Rating Agency and the rating or grading obtained, if any | |
| Name of Debenture trustee, if any. | |
| Self-Certified Syndicate Banks | |
| Non Syndicate Registered Brokers | |
| Details regarding website address(es)/ link(s) from which the investor can obtain list of registrar to issue and share transfer agents, depository participants and stock brokers who can accept application from investor (as applicable) | |

| PROMOTERS OF THE ISSUER COMPANY (KLASS PACK LIMITED) | | | |
|--|-------------------------------------|--------------------------------|---|
| Sr. No. | Name | Individual / Corporate / Trust | Experience & Educational Qualification |
| 1. | Borosil Limited | Body Corporate | Experience: Borosil Limited ("BL") is a public company incorporated on November 25, 2010 in India under the provisions of Companies Act, 1956. Its registered office is situated at 1101, 11th Floor, Crescenzo, G-Block, Plot No C-38, Opp. MCA Club, Bandra Kurla Complex, Bandra (East), Mumbai – 400 051, Maharashtra, India. It is registered with Registrar of Companies, Mumbai, Maharashtra bearing Corporate Identification Number (CIN): L36100MH2010PLC292722. The equity shares of BL are publicly traded on the Stock Exchanges, namely, BSE Limited and National Stock Exchange of India Limited. BL is the holding company of Klass Pack Limited. BL is engaged in the business of manufacturing and trading of Scientific and Industrial Products (SIP) and Consumer Products (CP). SIP consists of laboratory glassware, instruments, disposable plastics, liquid handling systems and explosion proof lighting glassware. CP consists of microwavable and flameproof kitchenware, glass tumblers, hydra bottles, tableware and dinner ware, appliances, storage products and steel serve fresh. |
| 2. | Shiv Ganga Caterers Private Limited | Body Corporate | Experience: Shiv Ganga Caterers Private Limited ("SGCPL") is a private limited company incorporated on March 27, 1991 in India under the provisions of Companies Act, 1956. Its registered office is situated at Hotel Shivsagar, Shree Mangal Apartment, Near. Grand Ashwin |

| | | | |
|----|--------------------------------------|------------|--|
| | | | Hotel, Agra Road, Ashwin Nagar, Nashik – 422 009, Maharashtra, India. It is registered with the Registrar of Companies, Mumbai, Maharashtra bearing Corporate Identification Number (CIN): U15100MH1991PTC060978. SG CPL is engaged in food and catering / hospitality business which spreads across restaurants, hotels, inns, resorts, holiday homes, hostels, business and industries, corporate catering, educational institutions, health care sectors and so on. |
| 3. | Mr. Prashant Amin DIN - 00626079 | Individual | Experience and Educational Qualification: Mr. Prashant Amin, a Commerce Graduate and Post Graduate Diploma in Family Business Management, has more than 22 years of experience in the field of product development in Glass Ampoules and Glass Vials. Mr. Prashant Amin is currently the Managing Director of Klass Pack Limited. |
| 4. | Mrs. Shweta Amin DIN - 00651041 | Individual | Experience and Educational Qualification: Mrs. Shweta Amin, a Science Graduate and Post Graduate Diploma in Human Resource and Industrial Relation, has more than 18 years of experience in the field of product development in Glass Ampoules and Glass Vials. Mrs. Shweta Amin is currently the Whole Time Director of Klass Pack Limited. |
| 5. | Mr. Gangadhar Amin DIN - 00625847 | Individual | Experience and Educational Qualification: Mr. Gangadhar Amin, an Art's Graduate, has more than 25 years of experience in pharmaceutical packaging industry. He also has more than four decades of experience in the field of catering and hospitality industry that spreads across resorts, hotels, guest houses and so on. |
| 6. | Mrs. Pramila Amin DIN - 00626140 | Individual | Experience and Educational Qualification: Mrs. Pramila Amin with qualification of Higher Secondary Education, is actively involved in the field of catering and hospitality industry along with her husband Mr. Gangadhar Amin. |
| 7. | Mr. Pravesh Amin DIN - 00626121 | Individual | Experience and Educational Qualification: Mr. Pravesh Amin, a qualified Master of Business Administration (MBA) in the field of Human Resource and Marketing, has more than 18 years of experience in the field of catering and hospitality industry that spreads across resorts, hotels, guest houses and so on. |

BUSINESS OVERVIEW AND STRATEGY OF KCLASS PACK LIMITED

Company Overview

Klass Pack Limited (“KPL”) was incorporated on May 29, 1991 under the provisions of the Companies Act, 1956 under the name of ‘Klass Pack Private Limited’. The name of ‘Klass Pack Private Limited’ was changed to ‘Klass Pack Limited’ upon conversion of the company from private limited to public limited on June 19, 2018. The registered office of the Company is situated at 1101, 11th Floor, Crescenzo, G Block, Plot No. C - 38, Opp. MCA Club, Bandra Kurla Complex, Bandra (E), Mumbai – 400 051. KPL is a subsidiary of Borosil Limited. The main objects of KPL as per its Memorandum of Association are to do business as manufactures, importers, wholesalers, retailers, dealers, etc. of scientific and laboratory glasswares, pharmaceutical glasswares, industrial glassware, pharmaceutical primary tubular glass packaging ampoules and vials and all other scientific and industrial products used in laboratories, industries, households, educational, research and healthcare institutes.

KPL is primarily engaged in pharma packaging business. It manufactures USP Type 1 tubular glass vials and ampoules which are marketed and sold to pharma companies. Its products cater to packaging of Injectable formulations, Ophthalmic, Dental products and sample carrier for Analytical Instruments. The products are manufactured at Company’s own manufacturing facilities located in Nashik, Maharashtra, India. Apart from the existing product range, the Company is also exploring new opportunities in pre-filled syringes, cartridges and siliconised vials. The Company’s products are sold not only in domestic markets but also in many international markets.

Product/Service Offering:

The Company is primarily engaged in manufacturing of pharmaceutical Glass Ampoules and Tubular Glass Vials that is widely used as primary packaging material by pharmaceuticals companies for their life saving drugs.

Revenue segmentation by product/service offering (based on financials as on September 30, 2022):

- Glass Ampoules: 41.54%
- Tubular Glass Vials: 58.46%

Geographies Served: Primarily North & Central America, South America, Europe, Middle East, Asia and North Africa.

Revenue segmentation by geographies (based on financials as on September 30, 2022):

- Asia including India: 87.02%
- Europe: 8.87%
- Middle East & North Africa: 2.53%
- South America: 1.40%
- North & Central America: 0.18%

Key Performance Indicators

| Particulars | (Rs. in lakh) | | | |
|--|--|-----------------------------------|-----------------------------------|-----------------------------------|
| | For the half year ended September 30, 2022 | For the year ended March 31, 2022 | For the year ended March 31, 2021 | For the year ended March 31, 2020 |
| Revenue from Operations | 4,650.55 | 10,619.97 | 6,519.45 | 4,905.73 |
| Profit before finance costs, depreciation, amortization expense and tax ("EBITDA") | 530.52 | 1,780.47 | 732.23 | 281.03 |
| Net Profit/ (Loss) before tax | 189.91 | 1,132.00 | 148.51 | (316.55) |
| Net Profit/ (Loss) after tax | 139.87 | 856.75 | 122.74 | (219.34) |
| EBITDA Margin (Note No. 1) | 11.41% | 16.77% | 11.23% | 5.73% |
| Net Profit Margin (Note No. 2) | 3.01% | 8.07% | 1.88% | (4.47)% |
| Return on Net worth (Note No. 3) | 1.71% | 10.67% | 2.37% | (4.34)% |
| Return on Capital Employed (Note No. 4) | 2.07% | 12.71% | 3.02% | (3.35)% |
| Return on Equity Ratio (Note No. 5) | 1.52% | 11.10% | 1.97% | (4.07)% |

Notes:

1. EBITDA Margin % is calculated by applying formula: EBITDA divided by Revenue from Operations and multiplied by 100
2. Net Profit Margin % is calculated by applying formula: Net Profit/ (Loss) after tax divided by Revenue from Operations and multiplied by 100
3. Return on Net worth % is calculated by applying formula : Net Profit/ (Loss) after tax divided by Net worth and multiplied by 100
4. Return on Capital Employed % is calculated by applying formula : Profit before Interest and Tax divided by aggregate of Total Equity plus Total Debts and multiplied by 100
5. Return on Equity Ratio is calculated by applying formula: Net Profit/ (Loss) after tax divided by Average Total Equity [(Opening equity share capital plus Opening other equity plus Closing equity share capital plus Closing other equity)/2] multiplied by 100

Client Profile or Industries Served: Mainly pharmaceutical industry

Revenue segmentation in terms of top 5/10 clients or Industries (based on financials as on September 30, 2022):

- Glass Ampoules: Top 10 customers contribute 31.18% of revenue.
- Tubular Glass Vials: Top 10 customers contribute 43.59% of revenue.

Intellectual Property, if any: Not Applicable

Market Share: 9.2% for FY 2021-22

(Above market share % is calculated based on the management assessment of the Tubular Glass Packaging market)

Manufacturing plant, if any:

- H-27, MIDC, Ambad, Nashik – 422 010
- Gat. 277-279, 287-295 and 302, Village Gonde Dumala, Tal. Igatpuri, Dist. Nashik – 422 403

Employee Strength: 183 employees on payroll (as on October 31, 2022)

Note:

- (1) The quantitative statements shall be substantiated with Key Performance Indicators (KPIs) and other quantitative factors.
- (2) No qualitative statements shall be made which cannot be substantiated with KPIs.
- (3) Information provided in the table should not exceed 1000 words.

| BOARD OF DIRECTORS OF KCLASS PACK LIMITED | | | | |
|--|--|---|--|---|
| Sr. No. | Name | Designation (Independent / Whole time / Executive / Nominee) | Experience and Educational Qualification | Other Directorships (as on December 31, 2022) |
| 1 | Mr. Shreevar Kheruka DIN - 01802416 | Non-Executive Director - Chairman | Experience and Educational Qualification: Mr. Shreevar Kheruka, Bachelor of Science in Economics with concentrations in Finance and Entrepreneurship and Bachelor of Arts in International Relations, has more than 16 years of corporate experience in the areas of General Management, Strategy & Business, Governance, Finance and Risk. Mr. Shreevar Kheruka is the Managing Director and Chief Executive Officer of Borosil Limited. Mr. Shreevar Kheruka has led Borosil Limited through a period of substantial growth. Leveraging, a business crisis Mr. Shreevar introduced a new business model that relied on Borosil's brand equity, strong distribution network and customer centricity. Under Mr. Shreevar's leadership, Borosil Limited is evolving from a single product and single brand organization to a multi-product, multi-brand, multi-channel and international consumer centric organization. | Indian Companies: <ul style="list-style-type: none"> • Borosil Limited • Borosil Renewables Limited • Croton Trading Private Limited • Window Glass Limited • Median Marketing Private Limited • All India Glass Manufacturers' Federation Foreign Companies: <ul style="list-style-type: none"> • Laxman AG |
| 2 | Mr. P. K. Kheruka DIN - 00016909 | Non-Executive Director | Experience and Educational Qualification: Mr. P. K. Kheruka holds a bachelor's degree in Commerce. He has over five decades of experience in the glass industry in the areas of General Management, Strategy & Business, Governance, Finance & Risk. He possesses multi-faceted experience in strategy formulation and implementation, setting up of projects, planning and execution, etc. He has experience in technical matters pertaining to soda lime, | Indian Companies: <ul style="list-style-type: none"> • Borosil Limited • Borosil Renewables Limited • Croton Trading Private Limited • Window Glass Limited • All India Glass Manufacturers' Federation • CAPEXIL |

| | | | | |
|---|--|------------------------|--|--|
| | | | flat glass, as well as borosilicate drawn, blown and pressed glass. He has deep knowledge of glass marketing scenario in domestic as well as international markets. He is the Executive Chairman of Borosil Renewables Limited and also Non-Executive Chairman of Borosil Limited. | Foreign Companies: NIL |
| 3 | Mr. Prashant Amin DIN - 00626079 | Managing Director | Experience and Educational Qualification: Mr. Prashant Amin, a Commerce Graduate and Post Graduate Diploma in Family Business Management, has more than 22 years of experience in the field of product development in Glass Ampoules and Glass Vials. | Indian Companies: NIL Foreign Companies: NIL |
| 4 | Mrs. Shweta Amin DIN - 00651041 | Whole Time Director | Experience and Educational Qualification: Mrs. Shweta Amin, a Science Graduate and Post Graduate Diploma in Human Resource and Industrial Relation, has more than 18 years of experience in the field of product development in Glass Ampoules and Glass Vials. | Indian Companies: NIL Foreign Companies: NIL |
| 5 | Mr. Vinayak Patankar DIN - 07534225 | Non-Executive Director | Experience and Educational Qualification: Mr. Vinayak Patankar, M.Sc. in Chemistry, has more than 29 years of experience particularly in the field of Sales, Marketing and Operations. Currently, he is the Chief Operating Officer of Scientific & Industrial Products division of Borosil Limited. | Indian Companies: • Borosil Technologies Limited Foreign Companies: NIL |
| 6 | Mr. Raj Kumar Jain DIN - 00026544 | Independent Director | Experience and Educational Qualification: Mr. Raj Kumar Jain is a Practising Chartered Accountant with wide experience in Statutory Audit, Concurrent Audit, Revenue Audit, Stock Audit and specialization in Investigation Audit. | Indian Companies: • Welspun Investments And Commercials Limited • Welspun Steel Limited • Altius Finserv Private Limited • Borosil Renewables Limited Foreign Companies: NIL |
| 7 | Mr. Rahul Dev DIN - 06400766 | Independent Director | Experience and Educational Qualification: Mr. Rahul Dev holds Diploma in Hospitality Management and has done IMD Advanced Management Program from IIM Bangalore (Executive Certification Course). He started as a trainee in 1994, working with his father at | Indian Companies: • Datwyler Pharma Packaging India Private Limited Foreign Companies: NIL |

| | | | | |
|--|--|--|--|--|
| | | | <p>Top Syringe Manufacturing Company in Mumbai, India, a joint venture with Top Japan. In 2003, he joined Kaisha Manufacturing Pvt. Ltd, now Schott Kaisha, a joint venture between Schott Germany and Kaisha. As VP - Prefillable Syringes and Cartridges, he was instrumental in setting up India's first and only Sterile Prefill Syringe system (PFS) plant; he also introduced the concept of Sterile Ready to Use or Fill, Vials and Cartridges to Indian pharma companies. Mr. Rahul was also one of the three members chosen as Global Specialists for Schott Pharmaceutical systems worldwide for Sterile Prefill Syringe systems. Since 2011, Mr. Rahul has been with Datwyler Sealing Solutions, as Site Director responsible for the set-up and operations of its new plant in MIDC SEZ, Satara, India. After successfully setting up / commissioning India operations, he was responsible for Datwyler India as Vice President India and Managing Director. Since November 2019 he is responsible for Datwyler Healthcare Solution as Sr. VP. Global Operations reporting to CEO of Datwyler Healthcare Solutions. Since April 2022 he is also responsible as Site Director of Belgium plant in addition to his Global Operations role.</p> | |
|--|--|--|--|--|

OBJECTS OF THE ISSUE

Details of means of finance – Not applicable

The fund requirements for each of the objects of the Issue are stated as follows: (Rs. in crores)

| Sr. No. | Objects of the Issue | Total estimate cost | Amount Deployed till | Amount to be financed from Net Proceeds | Estimated Net Proceeds Utilization | |
|----------------|----------------------|---------------------|----------------------|---|------------------------------------|-----------|
| | | | | | Fiscal 20 | Fiscal 20 |
| Not applicable | | | | | | |

Details and reasons for non-deployment or delay in deployment of proceeds or changes in utilization of issue proceeds of past public issues/ rights issue, if any, of the Company in the preceding 10 years - Not applicable

Name of monitoring agency, if any - Not applicable

Terms of Issuance of Convertible Security, if any

| | |
|---|-----------------------|
| Convertible securities being offered by the Company | Not applicable |
| Face Value / Issue Price per Convertible securities | |
| Issue Size | |
| Interest on Convertible Securities | |
| Conversion Period of Convertible Securities | |
| Conversion Price for Convertible Securities | |
| Conversion Date for Convertible Securities | |
| Details of Security created for CCD | |

Rationale for the Scheme:

1. Given its diversified business, it has become imperative for the Demerged Company to reorient and reorganize itself in a manner that allows imparting greater focus on each of its businesses. With this repositioning, the Demerged Company is desirous of enhancing its operational efficiency while it continues with its consumer products business.
2. The proposed demerger pursuant to this Scheme is expected, inter alia, to result in following benefits:
 - (i) value unlocking of scientific and industrial products business with ability to achieve valuation based on respective-risk return profile and cash flows;
 - (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;
 - (iii) segregation and unbundling of the scientific and industrial products business of the Demerged Company into the Resulting Company, will enable enhanced focus on the Demerged Company and the Resulting Company for exploring opportunities in their respective business domains; and
 - (iv) focused management approach for pursuing the growth in the respective business' verticals and de-risk the businesses from each other.
3. 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:
 - (i) Streamline the corporate structure and consolidation of resources within the Transferee Company leading to greater synergies and operational synergy;
 - (ii) Opportunities for employees of the Transferor Company to grow in a wider field of business;
 - (iii) Optimal utilisation of resources and better management and administration; and
 - (iv) Reduction of administrative responsibilities, multiplicity of records and legal and regulatory compliances.
4. 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 as stated above, 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.
5. The proposed restructuring is in the interest of the shareholders, creditors, employees, and other stakeholders of the Parties (*as defined in the Scheme*).

Shareholding Pattern of Klass Pack Limited

(based on shareholding data of Klass Pack Limited and Borosil Limited as on December 31, 2022)

| Sr. No. | Particulars | Pre-Scheme | | Post-Scheme (indicative) | |
|---------|-----------------------------|---|-------------|---|-------------|
| | | Number of shares (face value of Rs. 100 each) | % Holding | Number of shares (face value of Re. 1 each) | % Holding |
| 1. | Promoter and Promoter Group | 16,32,949 | 100% | 6,03,08,078 | 68.03 |
| 2. | Public | - | - | 2,83,36,215 | 31.97 |
| | Total | 16,32,949 | 100% | 8,86,44,293 | 100% |

Number/ amount of equity shares proposed to be sold by selling shareholders, if any- Not applicable

AUDITED FINANCIALS OF KLASS PACK LIMITED

(Rs. in lakh, except as stated otherwise)

| Particulars | For the half year ended September 30, 2022 | For the year ended March 31, 2022 | For the year ended March 31, 2021 | For the year ended March 31, 2020 |
|---|--|-----------------------------------|-----------------------------------|-----------------------------------|
| | STANDALONE | | | |
| Total income from operations (Net) (Note No. 1) | 4,650.55 | 10,619.97 | 6,519.45 | 4,905.73 |
| Net Profit/ (Loss) before tax and extraordinary items | 189.91 | 1,132.00 | 148.51 | (316.55) |
| Net Profit/ (Loss) after tax and extraordinary items | 139.87 | 856.75 | 122.74 | (219.34) |
| Equity Share Capital | 1,632.95 | 1,632.95 | 1,396.74 | 1,396.74 |
| Reserves and Surplus (Note no. 2) | 6,535.21 | 6,395.34 | 3,774.80 | 3,652.06 |
| Net worth (Note no. 3) | 8,168.16 | 8,028.29 | 5,171.54 | 5,048.80 |
| Basic earnings per share (Rs.) (Note no. 4) | 8.57 | 58.94 | 8.79 | (17.30) |
| Diluted earnings per share (Rs.) (Note no. 4) | 8.57 | 58.94 | 8.79 | (17.30) |
| Return on net worth (%) (Note no. 5) | 1.71% | 10.67% | 2.37% | (4.34)% |
| Net asset value per share (Rs.) (Note no. 6) | 569.24 | 560.37 | 449.90 | 441.00 |

Notes:

1. 'Total Revenue from Operations' is given under the head 'Total income from operations (Net)'
2. Reserves and Surplus excludes Other Comprehensive Income.
3. Net worth is as per the definition of net worth given in Section 2(57) of the Companies Act, 2013.
4. Basic and Diluted earnings per share for the half year ended September 30, 2022 is not annualised.
5. Return on Net worth % is calculated by applying formula : Net Profit/ (Loss) after tax and extraordinary items divided by Net worth and multiplied by 100
6. Net asset value per share (Rs.) is calculated by applying formula : Net worth divided by Number of equity shares outstanding
7. Consolidated financial statements were not applicable, as Klass Pack Limited did not have any subsidiary.

INTERNAL RISK FACTORS

The below-mentioned risks are the top risk factors:

1. Supply Chain Management

Due to COVID there are many restrictions, hence sourcing of raw materials and export of goods to multiple geographies become challenging. These factors also create risk of overstocking / building of inventories and working capital blockages.

2. Our inability to effectively manage our growth or to successfully implement our business plan and growth strategy could have an adverse effect on our business, results of operations and financial condition

Our inability to manage our expansion effectively and execute our growth strategy in a timely manner, or within budget estimates, or our inability to meet the expectations of our customers and other stakeholders could have an adverse effect on our business, results of operations and financial condition. Our future prospects will depend on our ability to grow our business and operations further. The development of such future business could be affected by many factors, including general political and economic conditions in India, government policies or strategies in respect of specific industries, prevailing interest rates, price of equipment and construction materials, fuel supply and currency exchange rates. Failure to manage growth effectively could have an adverse effect on our business and results of operations.

3. Our services and operations are subject to operational risks such as breakdown of equipments, accidents, and labour disputes

If any of these risks were to materialize, our business and results of operations could be adversely affected. Any malfunction or break-down of our machinery or equipments may adversely affect our production capacity. Consequently, this may result in breach of our contractual obligations to our customers. Any breach of our obligations may result in termination of our contracts with our customers, which could have an adverse effect on our business, results of operations and financial condition.

4. Our success depends in large part upon our management team and skilled personnel and our ability to attract and retain such persons

The loss of key personnel may have an adverse effect on our business, results of operations, financial condition and growth prospects. Our performance depends on the continued service of our management team and skilled personnel. The loss of key personnel may have a material adverse effect on our business, prospects, financial condition and results of operations.

5. We are exposed to the risk of delays or non-payment by our customers, which may also result in cash flow mismatches

The financial condition of our customers may be affected by the performance of their business which in turn may affect our sales.

6. Compliance Risk

Any non-compliance with the regulatory and other laws of land may lead to penalties and fines.

7. Quality of goods sold

The Company is expected to maintain quality standard in its manufacturing operations. Any non-adherence to approved quality practise and procedures may expose it to adverse consequences.

8. Our performance and growth are dependent on the factors affecting the Indian economy.

Our performance and the growth are dependent on the performance of the Indian economy, which, in turn, depends on various factors. The Indian economy has been affected by global economic uncertainties, volatility in interest rates, currency exchange rates, commodity and electricity prices, adverse conditions affecting agriculture and various other macroeconomic factors as well as regulatory changes. Any downturn in the macroeconomic environment in India could materially and adversely affect the business, prospects, financial condition, results of operations and cash flows.

9. Forex – Currency

The Company is exposed to risks arising out of changes in foreign exchange rates. Foreign currency exposure, if not managed well can result in financial losses.

SUMMARY OF OUTSTANDING LITIGATIONS, CLAIMS AND REGULATORY ACTION
(Status as on October 31, 2022)

A. Total number of outstanding litigations against the company (i.e. Klass Pack Limited) and amount involved

| Name of Entity | Criminal Proceedings | Tax Proceedings | Statutory or Regulatory Proceedings | Disciplinary actions by the SEBI or Stock Exchanges against our Promoters | Material Civil Litigations | Aggregate amount involved (Rs in crores) |
|-----------------------|----------------------|-----------------|-------------------------------------|---|----------------------------|--|
| Company | | | | | | |
| By the Company | Nil | Nil | Nil | Nil | Nil | Nil |
| Against the Company | Nil | Nil | Nil | Nil | Nil | Nil |
| Directors | | | | | | |
| By our Directors | Nil | Nil | Nil | Nil | Nil | Nil |
| Against the Directors | Nil | 1 ¹ | Nil | Nil | Nil | 0.09 ¹ |
| Promoters | | | | | | |
| By Promoters | 100 | Nil | Nil | Nil | 8 | 23.92 |
| Against Promoters | Nil | 2 | 3 | Nil | 10 ² | 67.24 ² |
| Subsidiaries | | | | | | |
| By Subsidiaries | NA | NA | NA | NA | NA | NA |
| Against Subsidiaries | NA | NA | NA | NA | NA | NA |

Notes:

1. Appeal preferred by Mr. Shreevar Kheruka before Commissioner of Income Tax Appeals against the order of Assistant Commissioner of Income Tax disallowing dividend income exemption. Tax amount involved in the appeal is Rs. 0.09 crore
2. Includes one matter involving an amount of Rs. 60 crore which is an alternate relief to be awarded only if plaintiffs are successful in their claim and primary relief cannot be granted to them. Borosil Limited is the second defendant in the said matter and in case of adverse outcome, the amount is to be paid jointly or severally by the Defendants.

- B. Brief details of top 5 material outstanding litigations against the company (i.e. Klass Pack Limited) and amount involved – Nil
- C. Regulatory Action, if any - disciplinary action taken by SEBI or stock exchanges against the Promoters in last 5 financial years including outstanding action, if any (200 - 300 word limit in total) - Nil
- D. Brief details of outstanding criminal proceedings against Promoters (200 - 300-word limit in total) – Nil (There are no outstanding criminal proceedings filed against the Promoters of the Company)

ANY OTHER IMPORTANT INFORMATION AS PER BRLM / ISSUER COMPANY

The Scheme has been approved by the Board of Directors of Klass Pack Limited at its meeting held on February 07, 2022. Following documents can be downloaded from the website of BL i.e., www.borosil.com.

- Composite Scheme of Arrangement
- Memorandum and Articles of Association of Klass Pack Limited
- Share Entitlement Ratio Report dated February 07, 2022 issued by M/s. SSPA & Co., Chartered Accountants (ICAI Firm Registration No. 128851W) (Registration No. IBBI/RV-E/06/2020/126), Registered Valuer recommending the share exchange ratio
- Fairness Opinion Report dated February 07, 2022 issued by M/s. Keynote Financial Services Limited, an Independent SEBI Registered Merchant Banker on the share exchange ratio
- Audited financial statements of Klass Pack Limited for year ended March 31, 2022
- Audited Condensed Financial Statements of Klass Pack Limited for the half year ended September 30, 2022
- Certificate of the Statutory Auditor of Klass Pack Limited, confirming that the accounting treatment prescribed

under the Scheme is in compliance with Section 133 of the Act and other Generally Accepted Accounting Principles in India

DECLARATION BY THE COMPANY

We hereby declare that all relevant provisions of ~~the Companies Act, 1956~~, the Companies Act, 2013 and the guidelines/ regulations issued by the Government of India or the guidelines/ regulations issued by the Securities and Exchange Board of India, established under Section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be have been complied with and no statement made in the Abridged Prospectus is contrary to the provisions of ~~the Companies Act, 1956~~, the Companies Act, 2013, the Securities and Exchange Board of India Act, 1992 or rules made or guidelines or regulation issued there under, as the case may be.

We further certify that all statements in the Abridged Prospectus are true and correct.

For **Klass Pack Limited**

C.H. Chauhan

Chaitanya Chauhan
Company Secretary
ACS-51896

Place: Mumbai

Date: January 03, 2023

KEYNOTE

Private and Confidential

January 03, 2023

The Board of Directors
Borosil Limited
1101, Crescenzo, G-Block,
Opp. MCA Club, Bandra-Kurla Complex,
Bandra East, Mumbai – 400 051.

The Board of Directors
Klass Pack Limited
1101, Crescenzo, G-Block,
Opp. MCA Club, Bandra-Kurla Complex,
Bandra East, Mumbai – 400 051.

Dear Sir/Madam,

Ref: Abridged Prospectus of Klass Pack Limited
Sub: Due Diligence Certificate for the Abridged Prospectus of Klass Pack Limited

This has reference to the Composite Scheme of Arrangement under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 amongst Borosil Limited (“Demerged Company” or “BL”) and Klass Pack Limited (“Resulting Company” or “Transferee Company” or “KPL” or “Company”) and Borosil Technologies Limited (“Transferor Company” or “BTL”) and their respective shareholders and creditors (“Composite Scheme”).

This has further reference to our engagement with the Demerged Company for *inter-alia* certifying the accuracy and adequacy of disclosures pertaining to the Resulting Company made in the abridged prospectus dated January 03, 2023, prepared by the Resulting Company in terms of the requirement specified in the SEBI Circular No. CFD/DIL3/CIR/2017/21 dated March 10, 2017, as amended from time to time, read with SEBI Master Circular No. SEBI/HO/CFD/DIL1/CIR/P/2021/0000000665 dated November 23, 2021, as amended from time to time.

We, as SEBI registered Merchant Banker(s) state and confirm as follows in respect of above proposed Composite Scheme:

- (1) We have examined various documents including those relating to litigation, including outstanding litigation, claims and regulatory actions and other material while finalizing the Abridged Prospectus as mentioned above;
- (2) On the basis of such examination and the discussions with the Resulting Company, its directors and other officers, other agencies, and independent verification of the statements concerning the objects of the Composite Scheme and the contents of the documents and other papers furnished by the Resulting Company, WE CONFIRM that:
 - (a) the Abridged Prospectus is in conformity with the documents, materials and papers relevant to the Composite Scheme;

Page 1 of 2

Keynote Financial Services Limited

The Ruby, 9th Floor, Senapati Bapat Marg, Dadar (West), Mumbai 400028
Tel : 91 22 6826 6000 Fax : 91 22 6826 6088 Email : info@keynoteindia.net Website : www.keynoteindia.net
CIN – L67120MH1993PLC072407

all material legal requirements relating to the Composite Scheme as also the regulations, guidelines, instructions, etc. framed / issued by the SEBI, the Central Government and any other competent authority in this behalf have been duly complied with; and

the disclosures made in the Abridged Prospectus are true, fair and adequate to enable the investors to make a well informed decision as to the proposed Composite Scheme and such disclosures are in accordance with the requirements provided in SEBI Circular No. SEBI/HO/CFD/SSEP/CIR/P/2022/14 dated February 04, 2022 read with Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, to the extent applicable, the Companies Act, 2013, and other applicable provisions / legal requirements.

The above confirmation is based on the information furnished and explanations provided to us by the management of the Resulting Company assuming the same is complete and accurate in all material aspects on an as is basis. We have relied upon financials, information and representations furnished to us on an as is basis and have not carried out an audit of such information. Our scope of work does not constitute an audit of financial information and accordingly we are unable to and do not express an opinion on the fairness of any such financial information referred to in the Abridged Prospectus. This certificate is a specific purpose certificate issued in terms of the SEBI requirements and hence, it should not be used for any other purpose or transaction. The certificate is not, nor should it be construed to be, a certification of compliance of the Scheme with the provisions of the applicable Law including company, taxation and securities markets related laws or as regards to any legal implications or issues arising thereon, except for the purpose expressly mentioned herein.

We express no opinion whatsoever and make no recommendation at all as to the Resulting Company's underlying decision to effect the Composite Scheme or as to how the equity shareholders of the Demerged Company and the unsecured creditors of the Demerged Company, the Resulting Company and the Transferor Company should vote at their respective meetings held in connection with the proposed Composite Scheme. We do not express and should not be deemed to have expressed any views on any other terms of the Composite Scheme or its success. We also express no opinion, and accordingly, accept no responsibility for or as to the financial performance of the Resulting Company, the Transferor Company and the Demerged Company following the consummation of the Composite Scheme. We express no opinion whatsoever and make no recommendations at all (and accordingly take no responsibility) as to whether shareholders / investors should buy, sell or hold any stake in the Demerged Company or the Resulting Company or any of their related parties (holding company/ subsidiaries/ associates, etc.)

For **Keynote Financial Services Limited**



Name: Uday S. Patil
Designation: Director – Investment Banking
SEBI Registration Number: INM000003606

Page 2 of 2

Keynote Financial Services Limited

The Ruby, 9th Floor, Senapati Bapat Marg, Dadar (West), Mumbai 400028

Tel : 91 22 6826 6000 Fax : 91 22 6826 6088 Email : info@keynoteindia.net Website : www.keynoteindia.net

CIN – L67120MH1993PLC072407

APPLICABLE INFORMATION OF BOROSIL TECHNOLOGIES LIMITED IN THE FORMAT SPECIFIED FOR ABRIDGED PROSPECTUS

This is an abridged prospectus containing information pertaining to the unlisted company, Borosil Technologies Limited (“Transferor Company” or “Company” or “BTL”), involved in the Composite Scheme of Arrangement amongst Borosil Limited (“Demerged Company” or “BL”) and Klass Pack Limited (“Resulting Company” or “Transferee Company” or “KPL”) and Borosil Technologies Limited (“Transferor Company” or “Company” or “BTL”) and their respective shareholders and creditors under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 (the “Act”) (hereinafter referred to as the “Scheme”) in the format specified for abridged prospectus as provided in SEBI Circular No. SEBI/HO/CFD/SSEP/CIR/P/2022/14 dated February 04, 2022 read with Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018.

This Abridged Prospectus has been prepared in connection with the Scheme, pursuant to SEBI Master Circular No. SEBI/HO/CFD/DIL1/CIR/P/2021/0000000665 dated November 23, 2021. This Abridged Prospectus should be read together with the Scheme.

THIS ABRIDGED PROSPECTUS CONTAINS 11 PAGES. PLEASE ENSURE THAT YOU HAVE RECEIVED ALL THE PAGES.

You may download the Scheme from the website of BL i.e., www.borosil.com or the website of the stock exchanges where the equity shares of BL are listed i.e., BSE Limited (“BSE”) and National Stock Exchange of India Limited (“NSE”) (BSE and NSE together hereinafter referred as the “Stock Exchanges”)

(Capitalised terms not defined herein shall have the meanings ascribed to them under the Scheme)

BOROSIL TECHNOLOGIES LIMITED

CIN: U36999MH2009PLC197226; Date of Incorporation: November 23, 2009

| Registered office | Corporate office | Contact person | Email and Telephone | Website |
|--|--|----------------------------|---|----------------|
| 1101, 11 th Floor, Crescenzo, G Block, Plot No. C - 38, Opp. MCA Club, Bandra Kurla Complex, Bandra (E), Mumbai – 400 051 | 1101, 11 th Floor, Crescenzo, G Block, Plot No. C - 38, Opp. MCA Club, Bandra Kurla Complex, Bandra (E), Mumbai – 400 051 | Mr. Rajesh Kumar Chaudhary | Email: btl.secretarial@borosil.com Telephone: (022) 6740 6300 | Not Applicable |

NAMES OF PROMOTERS OF THE COMPANY (BOROSIL TECHNOLOGIES LIMITED): BOROSIL LIMITED

Details of Offer to Public

| Type of Issue (Fresh/ OFS/ Fresh & OFS) | Fresh Issue Size (by no. of shares or by amount in Rs) | OFS Size (by no. of shares or by amount in Rs) | Total Issue Size (by no. of shares or by amount in Rs) | Issue Under 6(1)/ 6(2) | Share Reservation | | |
|---|--|--|--|------------------------|-------------------|-----|-----|
| | | | | | QIB | NII | RII |
| Not applicable | | | | | | | |

OFS: Offer for Sale

SCHEME DETAILS AND LISTING

DETAILS OF THE COMPOSITE SCHEME OF ARRANGEMENT

The Composite Scheme of Arrangement amongst Borosil Limited (“Demerged Company” or “BL”) and Klass Pack Limited (“Resulting Company” or “Transferee Company” or “KPL”) and Borosil Technologies Limited (“Transferor Company” or “Company” or “BTL”) and their respective shareholders and creditors under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 (the “Act”) (hereinafter referred to as the

“Scheme”/ “Scheme of Arrangement”) provides for the (i) reduction and reorganisation of share capital of the Resulting Company; (ii) the demerger, transfer and vesting of the Demerged Undertaking (as defined in the Scheme) from the Demerged Company into the Resulting Company on a *going concern* basis, the consequent issue of shares by the Resulting Company and reduction and cancellation of the existing paid-up share capital of the Resulting Company held by the Demerged Company; and (iii) amalgamation of the Transferor Company with the Transferee Company. The Scheme also provides for various other matters consequent and incidental thereto. The Appointed Date for the Scheme is April 01, 2022 or such other date as may be decided by the Board of Directors of the companies involved in the Scheme.

Consideration for the demerger of the Demerged Company into the Resulting Company

Upon the demerger, transfer and vesting of the Demerged Undertaking (*as defined in the Scheme*) from the Demerged Company into the Resulting Company, the Resulting Company shall, issue and allot, on a proportionate basis to the shareholders of the Demerged Company whose name is recorded in the register of members and records of the depository as members of the Demerged Company as on the Record Date (*as defined in the Scheme*), as under:

“3 (Three) fully paid up equity share of INR 1/- each of the Resulting Company (post proposed re-organisation of share capital) credited as fully paid up, for every 4 (Four) fully paid up equity share of INR 1/- each of the Demerged Company”

Consideration for amalgamation of the Transferor Company with the Transferee Company:

Upon the demerger, transfer and vesting of the Demerged Undertaking (*as defined in 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 and all equity shares of the Transferor Company held by the Transferee Company along with its nominees, shall stand cancelled.

Dissolution of the Transferor Company

Upon amalgamation of the Transferor Company with the Transferee Company, the Transferor Company shall stand dissolved without winding up. On and from the Effective Date (*as defined in the Scheme*), the name of the Transferor Company shall be struck off from the records of the concerned ROC.

Listing of Equity Shares of Resulting Company

Upon the Scheme becoming effective, pursuant to the Scheme and subject to the applicable laws and receipt of requisite approvals, the equity shares of the Resulting Company will be listed on BSE Limited and the National Stock Exchange of India Limited.

Details of OFS by Promoter(s)/ Promoter Group/ Other Selling Shareholders (upto a maximum of 10 selling shareholders)

| Name | Type | No of Shares offered/ Amount in Rs | WACA in Rs per Equity | Name | Type | No of Shares offered/ Amount in Rs | WACA in Rs per Equity |
|-----------------------|------|---------------------------------------|--------------------------|------|------|---------------------------------------|-----------------------------|
| Not applicable | | | | | | | |

P: Promoter; PG: Promoter Group; OSS: Other Selling shareholder; WACA: Weighted Average Cost of Acquisition shall be calculated on fully diluted basis.

| Price Band, Minimum Bid Lot & Indicative Timelines | |
|---|-----------------------|
| Price Band* | Not applicable |
| Minimum Bid Lot Size | |

| | |
|--|--|
| Bid/Offer Open On | |
| Bid/Closes Open On | |
| Finalisation of Basis of Allotment | |
| Initiation of Refunds | |
| Credit of Equity Shares to Demat accounts of Allottees | |
| Commencement of trading of Equity Shares | |

*For details of *price band and basis of offer price*, please refer to price band advertisement and page xx of RHP- **Not applicable**

Details of WACA of all shares transacted over the trailing eighteen months from the date of RHP- Not applicable

| Period | Weighted Average Cost of Acquisition (in Rs.) | Upper End of the Price Band is 'X' times the WACA | Range of acquisition price Lowest Price- Highest Price (in Rs.) |
|--|---|---|---|
| Trailing Eighteen Month from the date of RHP | Not applicable | | |

WACA: Weighted Average Cost of Acquisition shall be calculated on a fully diluted basis for the trailing eighteen months from the date of RHP

RISKS IN RELATION TO THE FIRST OFFER

The face value of the Equity Shares is 'x'. The Floor Price, Cap Price and Offer Price are determined by our Company and the Selling Shareholders, in consultation with the BRLMs, on the basis of the assessment of market demand for the Equity Shares by way of the Book Building Process, as stated under "Basis for Offer Price" on page xx should not be considered to be indicative of the market price of the Equity Shares after listing. No assurance can be given regarding the frequency of trading in the Equity Shares nor regarding the price at which the Equity Shares will be traded after listing- **Not applicable**

GENERAL RISKS

Investment in equity & equity-related securities involve a degree of risk and investors should not invest any funds in this 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 this Issue. For taking an investment decision, investors must rely on their own examination of the Issuer and this Issue, including the risks involved. The Equity Shares have not been recommended or approved by the Securities and Exchange Board of India ("SEBI"), nor does, SEBI guarantee the accuracy or adequacy of the contents of the Scheme of Amalgamation or Abridged Prospectus. – **Not applicable**

Specified attention of the investors is invited to the section titled "Internal Risk Factors" on page 9 of this Abridged Prospectus.

PROCEDURE

You may obtain a physical copy of the Bid-cum-Application Form and the RHP from the stock exchange, syndicate members, registrar to the issue, share transfer agents, depository participants, stock brokers, underwriters, bankers to the issue, investors' associations or Self Certified Syndicate Banks - **Not applicable**

If you wish to know about processes and procedures applicable to this issue, you may request for a copy of the RHP and/or the General Information Document (GID) from the BRLM's or download it from the websites of the Stock Exchanges i.e. www.nseindia.com; www.bseindia.com; and the BRLMs (websites to be specified) - **Not applicable**

PRICE INFORMATION OF BRLM's*

| Issue Name | Name of Merchant Banker | +/- % change in closing price, (+/- % change in closing benchmark)- 30th calendar days from | +/- % change in closing price, (+/- % change in closing benchmark)- 90th calendar days from | +/- % change in closing price, (+/- % change in closing benchmark) - 180th calendar days from |
|-----------------------|-------------------------|---|---|---|
| | | +1% (+5%) | -2% (-5%) | |
| Not applicable | | | | |

*Disclosures subject to recent 7 issues (initial public offerings) in current financial year and two preceding financial years managed by each Merchant Banker with common issues disclosed once.

| | |
|--|-----------------------|
| Name of BRLM and contact details (telephone and email id) of each BRLM | Not applicable |
| Name of Syndicate Members | |

In case of issues by Small and Medium Enterprises under Chapter IX, details of the market maker to be included- **Not applicable**

| | |
|--|-----------------------|
| Name of Registrar to the Issue and contact details (telephone and email id) | Not applicable |
| Name of Statutory Auditor | |
| Name of Credit Rating Agency and the rating or grading obtained, if any | |
| Name of Debenture trustee, if any. | |
| Self-Certified Syndicate Banks | |
| Non Syndicate Registered Brokers | |
| Details regarding website address(es)/ link(s) from which the investor can obtain list of registrar to issue and share transfer agents, depository participants and stock brokers who can accept application from investor (as applicable) | |

PROMOTERS OF THE ISSUER COMPANY (BOROSIL TECHNOLOGIES LIMITED)

| Sr. No. | Name | Individual / Corporate / Trust | Experience & Educational Qualification |
|---------|-----------------|--------------------------------|---|
| 1. | Borosil Limited | Body Corporate | <p>Experience: Borosil Limited (“BL”) is a public company incorporated on November 25, 2010 in India under the provisions of Companies Act, 1956. Its registered office is situated at 1101, 11th Floor, Crescenzo, G-Block, Plot No C-38, Opp. MCA Club, Bandra Kurla Complex, Bandra (East), Mumbai – 400 051, Maharashtra, India. It is registered with Registrar of Companies, Mumbai, Maharashtra bearing Corporate Identification Number (CIN): L36100MH2010PLC292722. The equity shares of BL are publicly traded on the Stock Exchanges, namely, BSE Limited and National Stock Exchange of India Limited. BL is the holding company of Borosil Technologies Limited. BL is engaged in the business of manufacturing and trading of Scientific and Industrial Products (SIP) and Consumer Products (CP). SIP consists of laboratory glassware, instruments, disposable plastics, liquid handling systems and explosion proof lighting glassware. CP consists of microwavable and flameproof kitchenware, glass tumblers, hydra bottles, tableware and dinner ware, appliances, storage products and steel serve fresh.</p> |

BUSINESS OVERVIEW AND STRATEGY OF BOROSIL TECHNOLOGIES LIMITED

Company Overview

Borosil Technologies Limited (“BTL”) was incorporated on November 23, 2009 under the provisions of the Companies Act, 1956 under the name Borosil Glass Limited. Thereafter, the name of the Company was changed to Borosil Technologies Limited with effect from March 15, 2018. BTL is a wholly owned subsidiary of Borosil Limited. The registered office of the Company is situated at 1101, 11th Floor, Crescenzo, G Block, Plot No. C - 38, Opp. MCA Club, Bandra Kurla Complex, Bandra (E), Mumbai – 400 051. The main objects of BTL as per its Memorandum of Association are to carry on business of manufacturers, producers, exporters, importers, etc. of all types of glass used in the laboratories, industries, households, educational, research and healthcare institutes.

BTL is engaged in the business of manufacturing laboratory equipments / instruments. These equipment / instruments are sold exclusively to Borosil Limited which markets the same under the brand 'LabQuest'. BTL's wide range of equipments are useful to sectors such as nutrition & environment, Lab Essentials, Life Sciences and Process Chemistry. BTL's products offer customers the option of an indigenously designed and produced, value for money instrumentation range which can be used as a substitute for imported equipments without any compromise in performance or reliability. BTL has its own manufacturing facility in Pune.

Product/Service Offering:

BTL is engaged in the business of manufacturing laboratory equipment / instruments. The product portfolio of the Company can be classified into four broad categories which are:

1. Nutrition & Environment
2. Lab Essentials
3. Life Science
4. Process Chemistry

Revenue segmentation by product/service offering:

1. Nutrition & Environment: 44%
2. Lab Essentials: 36%
3. Life Science: 8%
4. Process Chemistry: 12%

Geographies Served: India

Revenue segmentation by geographies: 100 % in India

Key Performance Indicators

| Particulars | <i>(Rs in lakh)</i> | | | |
|--|--|-----------------------------------|-----------------------------------|-----------------------------------|
| | For the half year ended September 30, 2022 | For the year ended March 31, 2022 | For the year ended March 31, 2021 | For the year ended March 31, 2020 |
| Revenue from Operations | 400.81 | 1,321.01 | 649.30 | 432.00 |
| Profit before finance costs, depreciation, amortization expense and tax ("EBITDA") | (264.08) | (5.14) | 15.21 | 31.60 |
| Net Loss before tax | (315.54) | (66.88) | (60.06) | (31.41) |
| Net Loss after tax | (307.58) | (50.62) | (46.28) | (22.96) |
| EBITDA Margin (Note No. 1) | (65.89)% | (0.39)% | 2.34% | 7.31% |
| Net Profit Margin (Note No. 2) | (76.74)% | (3.83)% | (7.13)% | (5.31)% |
| Return on Net worth (Note No. 3) | (62.63)% | (6.34)% | (11.99)% | (5.36)% |
| Return on Capital Employed (Note No. 4) | (32.65)% | (7.26)% | (8.52)% | (6.22)% |
| Return on Equity Ratio (Note No. 5) | (47.82)% | (8.56)% | (11.38)% | (5.23)% |

Notes:

1. EBITDA Margin % is calculated by applying formula: EBITDA divided by Revenue from Operations and multiplied by 100
2. Net Profit Margin % is calculated by applying formula: Net Profit/ (Loss) after tax divided by Revenue from Operations and multiplied by 100
3. Return on Net worth % is calculated by applying formula : Net Profit/ (Loss) after tax divided by Net worth and multiplied by 100
4. Return on Capital Employed % is calculated by applying formula : Profit before Interest and Tax divided by aggregate of Total Equity plus Total Debts and multiplied by 100
5. Return on Equity Ratio is calculated by applying formula: Net Profit/ (Loss) after tax divided by Average Total Equity [(Opening equity share capital plus Opening other equity plus Closing equity share capital plus Closing other equity)/2] multiplied by 100

Client Profile or Industries Served: BTL's equipment / instruments are sold exclusively to Borosil Limited which markets the same under the brand 'LabQuest'.

Revenue segmentation in terms of top 5/10 clients or Industries: 100% revenue from sales to Borosil Limited

Intellectual Property, if any: Applied for Patent in Bottle Top Dispenser

Manufacturing plant, if any:

- Plot No. 7 Sr. No. 234,235, & 245, Indialand Global Industrial Park, Hinjewadi, Phase 1 Pune – 411 057

Employee Strength: 51 employees on payroll (as on October 31, 2022)

Note:

(1) The quantitative statements shall be substantiated with Key Performance Indicators (KPIs) and other quantitative factors.

(2) No qualitative statements shall be made which cannot be substantiated with KPIs.

(3) Information provided in the table should not exceed 1000 words.

| BOARD OF DIRECTORS OF BOROSIL TECHNOLOGIES LIMITED | | | | |
|---|---|---|--|--|
| Sr. No. | Name | Designation (Independent / Whole time / Executive / Nominee) | Experience and Educational Qualification | Other Directorships (as on December 31, 2022) |
| 1 | Mr. Sreejith Kumar Palekudy Sukumaran DIN - 06590184 | Whole-time Director | Experience and Educational Qualification: Mr. Sreejith Kumar Sukumaran, B. Tech. in Mechanical Engineering and Post Graduate in Industrial Design, is a new product development professional having led multi-disciplinary teams of professionals with global experience in market driven product development, industrial design, electromechanical system integration, embedded and plastics engineering. His experiences span product categories of Medical & Scientific Devices, Industrial Equipments, Consumer Electronics and Automobiles. | Indian Companies: NIL Foreign Companies: NIL |
| 2 | Mr. Rajesh Kumar Chaudhary DIN - 07425111 | Non-Executive Director | Experience and Educational Qualification: Mr. Rajesh Kumar Chaudhary, Chartered Accountant has around 24 years of rich experience in Corporate Sector, mainly in areas of accounts, finance, commercial management and general management. Mr. Rajesh Kumar Chaudhary is a Whole-Time Director in Borosil Limited. | Indian Companies: Borosil Limited Foreign Companies: Nil |
| 3 | Mr. Vinayak Patankar DIN - 07534225 | Non-Executive Director | Experience and Educational Qualification: Mr. Vinayak Patankar, M.Sc. in Chemistry, has more than 29 years of experience particularly in the field of Sales, Marketing and Operations. Currently, he is the Chief Operating Officer of Scientific & Industrial Products division of Borosil Limited. | Indian Companies: Klass Pack Limited Foreign Companies: NIL |

OBJECTS OF THE ISSUE

Details of means of finance – Not applicable

The fund requirements for each of the objects of the Issue are stated as follows: (Rs. in crores)

| Sr. No. | Objects of the Issue | Total estimate cost | Amount Deployed till | Amount to be financed from Net Proceeds | Estimated Net Proceeds Utilization | |
|-----------------------|----------------------|---------------------|----------------------|---|------------------------------------|-----------|
| | | | | | Fiscal 20 | Fiscal 20 |
| Not applicable | | | | | | |

Details and reasons for non-deployment or delay in deployment of proceeds or changes in utilization of issue proceeds of past public issues/ rights issue, if any, of the Company in the preceding 10 years - Not applicable

Name of monitoring agency, if any - Not applicable

Terms of Issuance of Convertible Security, if any

| | |
|---|-----------------------|
| Convertible securities being offered by the Company | Not applicable |
| Face Value / Issue Price per Convertible securities | |
| Issue Size | |
| Interest on Convertible Securities | |
| Conversion Period of Convertible Securities | |
| Conversion Price for Convertible Securities | |
| Conversion Date for Convertible Securities | |
| Details of Security created for CCD | |

Rationale for the Scheme:

1. Given its diversified business, it has become imperative for the Demerged Company to reorient and reorganize itself in a manner that allows imparting greater focus on each of its businesses. With this repositioning, the Demerged Company is desirous of enhancing its operational efficiency while it continues with its consumer products business.
2. The proposed demerger pursuant to this Scheme is expected, inter alia, to result in following benefits:
 - (i) value unlocking of scientific and industrial products business with ability to achieve valuation based on respective-risk return profile and cash flows;
 - (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;
 - (iii) segregation and unbundling of the scientific and industrial products business of the Demerged Company into the Resulting Company, will enable enhanced focus on the Demerged Company and the Resulting Company for exploring opportunities in their respective business domains; and
 - (iv) focused management approach for pursuing the growth in the respective business' verticals and de-risk the businesses from each other.
3. 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:
 - (i) Streamline the corporate structure and consolidation of resources within the Transferee Company leading to greater synergies and operational synergy;
 - (ii) Opportunities for employees of the Transferor Company to grow in a wider field of business;
 - (iii) Optimal utilisation of resources and better management and administration; and
 - (iv) Reduction of administrative responsibilities, multiplicity of records and legal and regulatory compliances.
4. 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 as stated above, 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.

5. The proposed restructuring is in the interest of the shareholders, creditors, employees, and other stakeholders of the Parties (as defined in the Scheme).

Shareholding Pattern of Borosil Technologies Limited:

(based on shareholding data as on December 31, 2022)

| Sr. No. | Particulars | Pre-Scheme | | Post-Scheme | |
|---------|-----------------------------|--|-------------|---|-----------|
| | | Number of shares (face value of Rs. 10/- each) | % Holding | Number of shares | % Holding |
| 1. | Promoter and Promoter Group | 95,84,043* | 100% * | Not applicable <i>(Post Scheme, Transferor Company will be dissolved without winding up.)</i> | |
| 2. | Public | - | - | | |
| | Total | 95,84,043 | 100% | | |

* Includes 6 nominee individual shareholders holding 1 equity share each on behalf of Borosil Limited.

Number/ amount of equity shares proposed to be sold by selling shareholders, if any- Not applicable

AUDITED FINANCIALS OF BOROSIL TECHNOLOGIES LIMITED

(Rs in lakh, except as stated otherwise)

| Particulars | For the half year ended September 30, 2022 | For the year ended March 31, 2022 | For the year ended March 31, 2021 | For the year ended March 31, 2020 |
|---|--|-----------------------------------|-----------------------------------|-----------------------------------|
| | STANDALONE | | | |
| Total income from operations (Net) (Note no. 1) | 400.81 | 1,321.01 | 649.30 | 432.00 |
| Net Profit/ (Loss) before tax and extraordinary items | (315.54) | (66.88) | (60.06) | (31.41) |
| Net Profit/ (Loss) after tax and extraordinary items | (307.58) | (50.62) | (46.28) | (22.96) |
| Equity Share Capital | 958.40 | 958.40 | 495.00 | 495.00 |
| Reserves and Surplus (Note no. 2) | (467.32) | (159.74) | (109.55) | (66.48) |
| Net worth (Note no. 3) | 491.08 | 798.66 | 385.88 | 428.52 |
| Basic earnings per share (Rs.) (Note no. 4) | (3.21) | (0.63) | (0.93) | (0.46) |
| Diluted earnings per share (Rs.) (Note no. 4) | (3.21) | (0.63) | (0.93) | (0.46) |
| Return on net worth (%) (Note no. 5) | (62.63)% | (6.34)% | (11.99)% | (5.36)% |
| Net asset value per share (Rs.) (Note no. 6) | 5.10 | 8.32 | 7.79 | 8.65 |

Notes:

1. 'Total Revenue from Operations' is given under the head 'Total income from operations (Net)'.
2. Reserves and Surplus excludes Other Comprehensive Income.
3. Net worth is as per the definition of net worth given in Section 2(57) of the Companies Act, 2013.
4. Basic and Diluted earnings per share for the half year ended September 30, 2022 is not annualised.
5. Return on Net worth % is calculated by applying formula : Net Profit/ (Loss) after tax and extraordinary items divided by Net worth and multiplied by 100
6. Net asset value per share (Rs.) is calculated by applying formula : Net worth divided by Number of equity shares outstanding
7. Consolidated financial statements were not applicable, as Borosil Technologies Limited did not have any subsidiary.

INTERNAL RISK FACTORS

The below-mentioned risks are the top risk factors:

1. Our inability to effectively manage our growth or to successfully implement our business plan and growth strategy could have an adverse effect on our business, results of operations and financial condition

Our inability to manage our expansion effectively and execute our growth strategy in a timely manner, or within budget estimates, or our inability to meet the expectations of our customers and other stakeholders could have an adverse effect on our business, results of operations and financial condition. Failure to manage growth effectively could have an adverse effect on the business and results of operations.

2. Our success depends in large part upon our management team and skilled personnel and our ability to attract and retain such persons

The loss of key personnel may have an adverse effect on our business, results of operations, financial condition and growth prospects. Our performance depends on the continued service of our management team and skilled personnel. The loss of key personnel may have a material adverse effect on our business, prospects, financial condition and results of operations.

3. Compliance Risk

Any non-compliance with the regulatory and other laws of land may lead to penalties and fines.

4. Quality of products

The Company is expected to maintain quality standard in its manufacturing operations. Any non-adherence to approved quality practise and procedures may expose it to adverse consequences.

5. Operational risks associated with manufacturing industry

Similar to other companies in the manufacturing sector, the Company is exposed to a number of operational risks that can have a material adverse effect on our business, results of operations and financial condition.

SUMMARY OF OUTSTANDING LITIGATIONS, CLAIMS AND REGULATORY ACTION (Status as on October 31, 2022)

A. Total number of outstanding litigations against the company (i.e. Borosil Technologies Limited) and amount involved

| Name of Entity | Criminal Proceedings | Tax Proceedings | Statutory or Regulatory Proceedings | Disciplinary actions by the SEBI or Stock Exchanges against our Promoters | Material Civil Litigations | Aggregate amount involved (Rs in crores) |
|-----------------------|----------------------|-----------------|-------------------------------------|---|----------------------------|--|
| Company | | | | | | |
| By the Company | Nil | Nil | Nil | Nil | Nil | Nil |
| Against the Company | Nil | Nil | Nil | Nil | Nil | Nil |
| Directors | | | | | | |
| By our Directors | Nil | Nil | Nil | Nil | Nil | Nil |
| Against the Directors | Nil | Nil | Nil | Nil | Nil | Nil |

| Name of Entity | Criminal Proceedings | Tax Proceedings | Statutory or Regulatory Proceedings | Disciplinary actions by the SEBI or Stock Exchanges against our Promoters | Material Civil Litigations | Aggregate amount involved (Rs in crores) |
|----------------------|----------------------|-----------------|-------------------------------------|---|----------------------------|--|
| Promoters | | | | | | |
| By Promoters | 100 | Nil | Nil | Nil | 8 | 23.92 |
| Against Promoters | Nil | 2 | 3 | Nil | 10 ¹ | 67.24 ¹ |
| Subsidiaries | | | | | | |
| By Subsidiaries | NA | NA | NA | NA | NA | NA |
| Against Subsidiaries | NA | NA | NA | NA | NA | NA |

Notes:

1. *Includes one matter involving an amount of Rs. 60 crore which is an alternate relief to be awarded only if plaintiffs are successful in their claim and primary relief cannot be granted to them. Borosil Limited is the second defendant in the said matter and in case of adverse outcome, the amount is to be paid jointly or severally by the Defendants.*
- B. Brief details of top 5 material outstanding litigations against the company (i.e. Borosil Technologies Limited) and amount involved – **Nil**
- C. Regulatory Action, if any - disciplinary action taken by SEBI or stock exchanges against the Promoters in last 5 financial years including outstanding action, if any (200 - 300 word limit in total) - **Nil**
- D. Brief details of outstanding criminal proceedings against Promoters (200 - 300-word limit in total) – **Nil** (There are no outstanding criminal proceedings filed against the Promoter of the Company)

ANY OTHER IMPORTANT INFORMATION AS PER BRLM / ISSUER COMPANY

The Scheme has been approved by the Board of Directors of Borosil Technologies Limited at its meeting held on February 07, 2022. Following documents can be downloaded from the website of BL i.e., www.borosil.com.

- Composite Scheme of Arrangement.
- Memorandum and Articles of Association of Borosil Technologies Limited.
- Share Entitlement Ratio Report dated February 07, 2022 issued by M/s. SSPA & Co., Chartered Accountants (ICAI Firm Registration No. 128851W) (Registration No. IBBI/RV-E/06/2020/126), Registered Valuer recommending the share exchange ratio
- Audited financial statements of Borosil Technologies Limited for the year ended March 31, 2022.
- Audited Condensed Financial Statements of Borosil Technologies Limited for the half year ended September 30, 2022.

DECLARATION BY THE COMPANY

We hereby declare that all relevant provisions of ~~the Companies Act, 1956~~, the Companies Act, 2013 and the guidelines/ regulations issued by the Government of India or the guidelines/ regulations issued by the Securities and Exchange Board of India, established under Section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be have been complied with and no statement made in the Abridged Prospectus is contrary to the provisions of ~~the Companies Act, 1956~~, the Companies Act, 2013, the Securities and Exchange Board of India Act, 1992 or rules made or guidelines or regulation issued there under, as the case may be.

We further certify that all statements in the Abridged Prospectus are true and correct.

For Borosil Technologies Limited



Rajesh Kumar Chaudhary
Director (DIN: 07425111)

Place: Mumbai

Date: January 03, 2023

KEYNOTE

Private and Confidential

January 03, 2023

The Board of Directors
Borosil Limited
1101, Crescenzo, G-Block,
Opp. MCA Club, Bandra-Kurla Complex,
Bandra East, Mumbai – 400 051.

The Board of Directors
Borosil Technologies Limited
1101, Crescenzo, G-Block,
Opp. MCA Club, Bandra-Kurla Complex,
Bandra East, Mumbai – 400 051.

Dear Sir/Madam,

Ref: Abridged Prospectus of Borosil Technologies Limited
Sub: Due Diligence Certificate for the Abridged Prospectus of Borosil Technologies Limited

This has reference to the Composite Scheme of Arrangement under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 amongst Borosil Limited (“Demerged Company” or “BL”) and Klass Pack Limited (“Resulting Company” or “Transferee Company” or “KPL”) and Borosil Technologies Limited (“Transferor Company” or “Company” or “BTL”) and their respective shareholders and creditors (“Composite Scheme”).

This has further reference to our engagement with the Demerged Company for *inter-alia* certifying the accuracy and adequacy of disclosures pertaining to the Transferor Company made in the abridged prospectus dated January 03, 2023, prepared by the Transferor Company in terms of the requirement specified in the SEBI Circular No. CFD/DIL3/CIR/2017/21 dated March 10, 2017, as amended from time to time, read with SEBI Master Circular No. SEBI/HO/CFD/DIL1/CIR/P/2021/0000000665 dated November 23, 2021, as amended from time to time.

We, as SEBI registered Merchant Banker(s) state and confirm as follows in respect of above proposed Composite Scheme:

- (1) We have examined various documents including those relating to litigation, including outstanding litigation, claims and regulatory actions and other material while finalizing the Abridged Prospectus as mentioned above;
- (2) On the basis of such examination and the discussions with the Transferor Company, its directors and other officers, other agencies, and independent verification of the statements concerning the objects of the Composite Scheme and the contents of the documents and other papers furnished by the Transferor Company, WE CONFIRM that:
 - (a) the Abridged Prospectus is in conformity with the documents, materials and papers relevant to the Composite Scheme;
 - (b) all material legal requirements relating to the Composite Scheme as also the regulations, guidelines, instructions, etc. framed / issued by the SEBI, the Central Government and any other competent authority in this behalf have been duly complied with; and

Page 1 of 2

Keynote Financial Services Limited

The Ruby, 9th Floor, Senapati Bapat Marg, Dadar (West), Mumbai 400028
Tel : 91 22 6826 6000 Fax : 91 22 6826 6088 Email : info@keynoteindia.net Website : www.keynoteindia.net
CIN – L67120MH1993PLC072407

the disclosures made in the Abridged Prospectus are true, fair and adequate to enable the investors to make a well informed decision as to the proposed Composite Scheme and such disclosures are in accordance with the requirements provided in SEBI Circular No. SEBI/HO/CFD/SSEP/CIR/P/2022/14 dated February 04, 2022 read with Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, to the extent applicable, the Companies Act, 2013, and other applicable provisions / legal requirements.

The above confirmation is based on the information furnished and explanations provided to us by the management of the Transferor Company assuming the same is complete and accurate in all material aspects on an as is basis. We have relied upon financials, information and representations furnished to us on an as is basis and have not carried out an audit of such information. Our scope of work does not constitute an audit of financial information and accordingly we are unable to and do not express an opinion on the fairness of any such financial information referred to in the Abridged Prospectus. This certificate is a specific purpose certificate issued in terms of the SEBI requirements and hence, it should not be used for any other purpose or transaction. The certificate is not, nor should it be construed to be, a certification of compliance of the Scheme with the provisions of the applicable Law including company, taxation and securities markets related laws or as regards to any legal implications or issues arising thereon, except for the purpose expressly mentioned herein.

We express no opinion whatsoever and make no recommendation at all as to the Transferor Company's underlying decision to effect the Composite Scheme or as to how the equity shareholders of the Demerged Company and the unsecured creditors of the Demerged Company, the Resulting Company and the Transferor Company should vote at their respective meetings held in connection with the proposed Composite Scheme. We do not express and should not be deemed to have expressed any views on any other terms of the Composite Scheme or its success. We also express no opinion, and accordingly, accept no responsibility for or as to the financial performance of the Resulting Company, the Transferor Company and the Demerged Company following the consummation of the Composite Scheme. We express no opinion whatsoever and make no recommendations at all (and accordingly take no responsibility) as to whether shareholders / investors should buy, sell or hold any stake in the Demerged Company or the Resulting Company or any of their related parties (holding company/ subsidiaries/ associates, etc.)

For **Keynote Financial Services Limited**



Name: **Uday S. Patil**

Designation: **Director – Investment Banking**

SEBI Registration Number: **INM000003606**

Page 2 of 2

Keynote Financial Services Limited

The Ruby, 9th Floor, Senapati Bapat Marg, Dadar (West), Mumbai 400028

Tel : 91 22 6826 6000 Fax : 91 22 6826 6088 Email : info@keynoteindia.net Website : www.keynoteindia.net

CIN – L67120MH1993PLC072407



DCS/AMAL/MJ/IP/2430/2022-23

"E-Letter"

August 01, 2022

The Company Secretary,
Borosil Ltd.
 1101, Crescenzo, G-Block, 11th Floor,
 Opp.MCA Club, Bandra Kurla Complex,
 Bandra East,, Mumbai- 400051.

Dear Sir,

Sub: Observation letter regarding the Composite Scheme of Arrangement amongst Borosil Limited and Klass Pack Limited and Borosil Technologies Limited and their respective Shareholders and Creditors.

We are in receipt of the Composite Scheme of Arrangement of Borosil Limited as required under SEBI Circular No. CFD/DIL3/CIR/2017/21 dated March 10, 2017; SEBI vide its letter dated August 01, 2022 has inter alia given the following comment(s) on the draft scheme of Arrangement:

- a) "Company shall disclose all details of ongoing adjudication & recovery proceedings, prosecution initiated and all other enforcement action taken, if any, against the Company, its promoters and directors, before Hon'ble NCLT and shareholders, while seeking approval of the scheme."
- b) "Company shall ensure that additional information, if any, submitted by the Company after filing the scheme with the stock exchange, from the date of receipt of this letter is displayed on the websites of the listed company and the stock exchanges."
- c) "Company shall ensure compliance with the said circular issued from time to time."
- d) "The entities involved in the Scheme shall duly comply with various provisions of the Circular and ensure that all the liabilities of the transferor Companies are transferred to the transferee Company."
- e) "Company is advised that the information pertaining to all the Unlisted Companies involved in the Scheme shall be included in the format specified for abridged prospectus as provided in Part E of Schedule VI of the ICDR Regulations, 2018, in the explanatory statement or notice or proposal accompanying resolution to be passed, which is sent to the shareholders for seeking approval."
- f) "Company shall ensure that the financials in the scheme including financials considered for valuation report are not for period more than 6 months old."
- g) "Company is advised that the details of the proposed scheme under consideration as provided by the Company to the Stock Exchange shall be prominently disclosed in the notice sent to the Shareholders."
- h) "Company is advised that the proposed equity shares to be issued in terms of the Scheme shall mandatorily be in demat form only."
- i) "Company shall ensure that the "Scheme" shall be acted upon subject to the applicant complying with the relevant clauses mentioned in the scheme document."
- j) "No changes to the draft scheme except those mandated by the regulators/ authorities / tribunals shall be made without specific written consent of SEBI."



BSE Limited (Formerly Bombay Stock Exchange Ltd.)
 Floor 6, P. J. Towers, Dalal Street, Mumbai 400 001, India.
 T: +91 22 2272 1233 | E: corp.com@bseindia.com | www.bseindia.com
 Corporate Identity Number: U67130MH2005PL155900

- k) "Company is advised that the observations of SEBI/Stock Exchanges shall be incorporated in the petition to be filed before Hon'ble NCLT and the company is obliged to bring the observations to the notice of Hon'ble NCLT."
- l) "Company is advised to comply with all applicable provisions of the Companies Act, 2013, rules and regulations issued thereunder including obtaining the consent from the creditors for the proposed scheme."
- m) "It is to be noted that the petitions are filed by the company before Hon'ble NCLT after processing and communication of comments/observations on draft scheme by SEBI/stock exchange. Hence, the company is not required to send notice for representation as mandated under section 230(5) of Companies Act, 2013 to SEBI again for its comments / observations / representations."

Accordingly, based on aforesaid comment offered by SEBI, the company is hereby advised:

- To provide additional information, if any, (as stated above) along with various documents to the Exchange for further dissemination on Exchange website.
- To ensure that additional information, if any, (as stated aforesaid) along with various documents are disseminated on their (company) website.
- To duly comply with various provisions of the circulars.

In light of the above, we hereby advise that we have no adverse observations with limited reference to those matters having a bearing on listing/de-listing/continuous listing requirements within the provisions of Listing Agreement, so as to enable the company to file the scheme with Hon'ble NCLT. Further, where applicable in the explanatory statement of the notice to be sent by the company to the shareholders, while seeking approval of the scheme, it shall disclose Information about unlisted companies involved in the format prescribed for abridged prospectus as specified in the circular dated March 10, 2017.

However, the listing of equity shares of Klass Pack Limited shall be subject to SEBI granting relaxation under Rule 19(2)(b) of the Securities Contract (Regulation) Rules, 1957 and compliance with the requirements of SEBI circular. No. CFD/DIL3/CIR/2017/21 dated March 10, 2017. Further, Klass Pack Limited shall comply with SEBI Act, Rules, Regulations, directions of the SEBI and any other statutory authority and Rules, Byelaws, and Regulations of the Exchange.

The Company shall fulfill the Exchange's criteria for listing the securities of such company and also comply with other applicable statutory requirements. However, the listing of shares of Klass Pack Limited is at the discretion of the Exchange. In addition to the above, the listing of Klass Pack Limited pursuant to the Scheme of Arrangement shall be subject to SEBI approval and the Company satisfying the following conditions:

1. To submit the Information Memorandum containing all the information about Klass Pack Limited in line with the disclosure requirements applicable for public issues with BSE, for making the same available to the public through the website of the Exchange. Further, the company is also advised to make the same available to the public through its website.
2. To publish an advertisement in the newspapers containing all Klass Pack Limited in line with the details required as per the aforesaid SEBI circular no. CFD/DIL3/CIR/2017/21 dated March 10, 2017. The advertisement should draw a specific reference to the aforesaid Information Memorandum available on the website of the company as well as BSE.
3. To disclose all the material information about Klass Pack Limited on a continuous basis so as to make the same public, in addition to the requirements if any, specified in Listing Agreement for disclosures about the subsidiaries.

4. The following provisions shall be incorporated in the scheme:
- I. The shares allotted pursuant to the Scheme shall remain frozen in the depository system till listing/trading permission is given by the designated stock exchange.”
 - II. “There shall be no change in the shareholding pattern of Klass Pack Limited between the record date and the listing which may affect the status of this approval.”

Further you are also advised to bring the contents of this letter to the notice of your shareholders, all relevant authorities as deemed fit, and also in your application for approval of the scheme of Arrangement.

Kindly note that as required under Regulation 37(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the **validity of this Observation Letter shall be Six Months from the date of this Letter**, within which the scheme shall be submitted to the NCLT.

The Exchange reserves its right to withdraw its ‘No adverse observation’ at any stage if the information submitted to the Exchange is found to be incomplete / incorrect / misleading / false or for any contravention of Rules, Bye-laws and Regulations of the Exchange, Listing Agreement, Guidelines/Regulations issued by statutory authorities.

Please note that the aforesaid observations does not preclude the Company from complying with any other requirements.

Further, it may be noted that with reference to Section 230 (5) of the Companies Act, 2013 (Act), read with Rule 8 of Companies (Compromises, Arrangements and Amalgamations) Rules 2016 (Company Rules) and Section 66 of the Act read with Rule 3 of the Company Rules wherein pursuant to an Order passed by the Hon’ble National Company Law Tribunal, a Notice of the proposed scheme of compromise or arrangement filed under sections 230-232 or Section 66 of the Companies Act 2013 as the case may be **is required to be served upon the Exchange seeking representations or objections if any.**

In this regard, with a view to have a better transparency in processing the aforesaid notices served upon the Exchange, the Exchange has **already introduced an online system of serving such Notice along with the relevant documents of the proposed schemes through the BSE Listing Centre.**

Any service of notice under Section 230 (5) or Section 66 of the Companies Act 2013 seeking Exchange’s representations or objections if any, **would be accepted and processed through the Listing Centre only and no physical filings would be accepted.** You may please refer to circular dated February 26, 2019 issued to the company.

Yours faithfully,
Sd/-

Rupal Khandelwal
Assistant General Manager



National Stock Exchange Of India Limited

Ref: NSE/LIST/30179_II

August 01, 2022

The Company Secretary
Borosil Limited
1101, 11th Floor, Crescenzo, G-Block, Plot No,
C-38, Opp. MCA Club. Bandra Kurla Complex,
Bandra (East), Mumbai - 40005.

Kind Attn.: Ms. Anshu Agarwal

Dear Madam,

Sub: Observation Letter for Draft Composite scheme of arrangement amongst Borosil Limited (“Demerged Company”) and Klass Pack Limited (“Resulting Company” or “Transferee Company”) and Borosil Technologies Limited (“Transferor Company”) and their respective shareholders and Creditors.

We are in receipt of Draft Composite scheme of arrangement amongst Borosil Limited (“Demerged Company”) and Klass Pack Limited (“Resulting Company” or “Transferee Company”) and Borosil Technologies Limited (“Transferor Company”) and their respective shareholders and Creditors vide application dated February 25, 2022.

Based on our letter reference no. NSE/LIST/30179 dated May 19, 2022, submitted to SEBI and pursuant to SEBI Master circular no. SEBI/HO/CFD/DIL1/CIR/P/2021/0000000665 dated November 23, 2021 and Regulation 94(2) SEBI (LODR) Regulations 2015, kindly find following comments on the draft scheme:

- a. *Company shall ensure disclosure of all details of ongoing adjudication & recovery proceedings, prosecution initiated, and all other enforcement action taken, if any, against the Company, its promoters and directors, before Hon'ble NCLT and shareholders, while seeking approval of the scheme.*
- b. *Company shall ensure that additional information, if any, submitted by the Company after filing the Scheme with the Stock Exchanges, from the date of receipt of this letter is displayed on the websites of the listed company and the Stock Exchanges.*
- c. *Company shall ensure compliance with the SEBI circulars issued from time to time.*
- d. *The entities involved in the scheme shall duly comply with various provisions of the Circular and ensure that all the liabilities of Transferor Company are transferred to the Transferee Company.*
- e. *Company shall ensure that information pertaining to all the unlisted Companies involved in the scheme, shall be included in the format specified for abridged prospectus as provided in Part E of Schedule VI of the ICDR Regulations, 2018, in the explanatory statement or notice or proposal accompanying resolution to be passed, which is sent to the shareholders for their approval.*



National Stock Exchange of India Limited | Exchange Plaza, C-1, Block G, Bandra Kurla Complex, Bandra (E), Mumbai – 400 051.
India +91 22 26598100 | www.nseindia.com | CIN U67120MH1992PLC069769

- f. *Company shall ensure that the financials in the scheme including financials considered for valuation report are not for period more than 6 months old.*
- g. *Company shall ensure that the details of the proposed scheme under consideration as provided to the stock exchange shall be prominently disclosed in the notice sent to the shareholders.*
- h. *Company shall ensure that the proposed equity shares to be issued in terms of the “scheme” shall mandatorily be in a demat form only.*
- i. *Company shall ensure that the “scheme” shall be acted upon subject to the applicant complying with the relevant clauses mentioned in the scheme document.*
- j. *Company shall ensure that no changes to the draft scheme except those mandated by the regulators/tribunals shall be made without specific written consent of SEBI.*
- k. *Company is advised that the observations of SEBI/Stock Exchanges shall be incorporated in the petition to be filed before NCLT and the company is obliged to bring the observations to the notice of NCLT.*
- l. *Company to comply with the all applicable provisions of the Companies Act, 2013, rules and regulations issued thereunder including obtaining the consent from the creditors for the proposed scheme.*
- m. *It is to be noted that the petitions are filed by the company before NCLT after processing and communication of comments/observations on draft scheme by SEBI/ stock exchange. Hence, the company is not required to send notice for representation as mandated under section 230(5) of Companies Act, 2013 to SEBI again for its comments/ observations/ representations.*

It is to be noted that the petitions are filed by the company before NCLT after processing and communication of comments/observations on draft scheme by SEBI/ stock exchange. Hence, the company is not required to send notice for representation as mandated under section 230(5) of Companies Act, 2013 to National Stock Exchange of India Limited again for its comments/observations/representations.

Further, where applicable in the explanatory statement of the notice to be sent by the company to the shareholders, while seeking approval of the scheme, it shall disclose information about unlisted companies involved in the format prescribed for abridged prospectus as specified in the Circular.

Based on the draft scheme and other documents submitted by the Company, including undertaking given in terms of Regulation 11 of SEBI (LODR) Regulations, 2015, we hereby convey our “No objection” in terms of Regulation 94 of SEBI (LODR) Regulations, 2015, so as to enable the Company to file the draft scheme with NCLT.

This Document is Digitally Signed



Signer: DIPTI VIPIL CHINCHHEDE
Date: Mon, Aug 1, 2022 17:56:04 IST
Location: NSE

The Company should also fulfil the Exchange's criteria for listing of such company and also comply with other applicable statutory requirements. However, the listing of shares of Klass Pack Limited is at the discretion of the Exchange.

The listing of Klass Pack Limited pursuant to the Scheme of Arrangement shall be subject to SEBI approval & Company satisfying the following conditions:

1. To submit the Information Memorandum containing all the information about Klass Pack Limited and its group companies in line with the disclosure requirements applicable for public issues with National Stock Exchange of India Limited ("NSE") for making the same available to the public through website of the companies. The following lines must be inserted as a disclaimer clause in the Information Memorandum:

"The approval given by the NSE should not in any manner be deemed or construed that the Scheme has been approved by NSE; and/ or NSE does not in any manner warrant, certify or endorse the correctness or completeness of the details provided for the unlisted Company; does not in any manner take any responsibility for the financial or other soundness of the Resulting Company, its promoters, its management etc."

2. To publish an advertisement in the newspapers containing all the information about Klass Pack Limited in line with the details required as per SEBI Circular No. CFD/DIL3/CIR/2017/21 dated March 10, 2017. The advertisement should draw a specific reference to the aforesaid Information Memorandum available on the website of the company as well as NSE.
3. To disclose all the material information about Klass Pack Limited to NSE on the continuous basis so as to make the same public, in addition to the requirements, if any, specified in SEBI (LODR) Regulations, 2015 for disclosures about the subsidiaries.
4. The following provision shall be incorporated in the scheme:
 - (a) "The shares allotted pursuant to the Scheme shall remain frozen in the depositories system till listing/trading permission is given by the designated stock exchange."
 - (b) "There shall be no change in the shareholding pattern or control in Klass Pack Limited between the record date and the listing which may affect the status of this approval."

However, the Exchange reserves its rights to raise objections at any stage if the information submitted to the Exchange is found to be incomplete/ incorrect/ misleading/ false or for any contravention of Rules, Bye-laws and Regulations of the Exchange, Listing Regulations, Guidelines/ Regulations issued by statutory authorities.

This Document is Digitally Signed



Signer: DIPTI VIPIL CHINCKHEDE
Date: Mon, Aug 1, 2022 17:56:04 IST
Location: NSE

The validity of this “Observation Letter” shall be six months from August 01, 2022 within which the scheme shall be submitted to NCLT.

Kindly note, this Exchange letter should not be construed as approval under any other Act /Regulation/rule/bye laws (except as referred above) for which the Company may be required to obtain approval from other department(s) of the Exchange. The Company is requested to separately take up matter with the concerned departments for approval, if any.

The Company shall ensure filing of compliance status report stating the compliance with each point of Observation Letter on draft scheme of arrangement on the following path: NEAPS > Issue > Scheme of arrangement > Reg 37(1) of SEBI LODR, 2015> Seeking Observation letter to Compliance Status.

Yours faithfully,
For National Stock Exchange of India Limited

Dipti Chinchkhede
Manager

P.S. Checklist for all the Further Issues is available on website of the exchange at the following URL:
<https://www.nseindia.com/companies-listing/raising-capital-further-issues-main-sme-checklist>

This Document is Digitally Signed



Signer: DIPTI VIPIL CHINCHKHEDE
Date: Mon, Aug 1, 2022 17:56:04 IST
Location: NSE

BOROSIL®**Borosil Limited**

CIN : L36100MH2010PLC292722

Registered & Corporate Office :

1101, Crescenzo, G-Block, Opp. MCA Club, Bandra Kurla Complex,

Bandra (E), Mumbai - 400 051, India.

T +91 22 6740 6300

F +91 22 6740 6514

E. borosil@borosil.com

W www.borosil.com

March 28, 2022

BSE Limited

Phiroze Jeejeebhoy Towers,

Dalal Street,

Mumbai - 400 001

Scrip Code: **543212**

Dear Sirs,

Sub: Report on Complaints

Ref: Application under Regulation 37 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the proposed Composite Scheme of Arrangement amongst Borosil Limited ("BL" or "the Company" or "Demerged Company") and Klass Pack Limited ("KPL" or "Resulting Company" or "Transferee Company") and Borosil Technologies Limited ("BTL" or "Transferor Company") and their respective shareholders and creditors ("Scheme") under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013

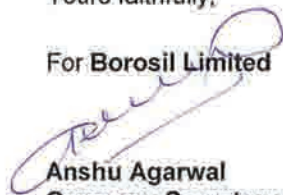
This has reference to the subject application filed by the Company with the Stock Exchanges i.e. BSE Limited & National Stock Exchange of India Limited on February 25, 2022. The Scheme and other relevant documents were hosted by BSE Limited on its website on March 4, 2022.

No complaints relating to the Scheme have been received during the period from February 25, 2022 to March 25, 2022. As required by Para A(6) of Part I to the SEBI Master Circular No. SEBI/HO/CFD/DIL1/CIR/P/2021/0000000665 dated November 23, 2021, the "Report on Complaints" is enclosed.

Thanking you,

Yours faithfully,

For Borosil Limited



Anshu Agarwal
Company Secretary & Compliance Officer
FCS-9921



Encl: As above

**Borosil Limited**

CIN : L36100MH2010PLC292722

Registered & Corporate Office :

1101, Crescenzo, G-Block, Opp. MCA Club, Bandra Kurla Complex,

Bandra (E), Mumbai - 400 051, India.

T +91 22 6740 6300

F +91 22 6740 6514

E borosil@borosil.com

W www.borosil.com

REPORT ON COMPLAINTS

(for the period from February 25, 2022 to March 25, 2022)

Part A

| Sr. No. | Particulars | Number |
|---------|--|----------------|
| 1. | Number of complaints received directly | NIL |
| 2. | Number of complaints forwarded by Stock Exchanges / SEBI | NIL |
| 3. | Total number of complaints / comments received (1+2) | NIL |
| 4. | Number of complaints resolved | NOT APPLICABLE |
| 5. | Number of complaints pending | NOT APPLICABLE |

Part B

| Sr. No | Name of the complainant | Date of complaint | Status (Resolved / Pending) |
|----------------|-------------------------|-------------------|-----------------------------|
| NOT APPLICABLE | | | |

For Borosil Limited


Anshu Agarwal
Company Secretary & Compliance Officer
FCS-9921



BOROSIL®**Borosil Limited**

CIN : L3-610(MH-02)10PLC292722

Registered & Corporate Office :

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

T +91 22 6340 6300

F +91 22 6340 6514

E borosil@borosil.com

W www.borosil.com

March 31, 2022

National Stock Exchange of India LimitedExchange Plaza, C-1, Block - G,
Bandra Kurla Complex,
Bandra (East), Mumbai - 400 051Symbol: **BOROLTD**

Dear Sirs,

Sub: Report on Complaints

Ref: Application under Regulation 37 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the proposed Composite Scheme of Arrangement amongst Borosil Limited ("BL" or "the Company" or "Demerged Company") and Klass Pack Limited ("KPL" or "Resulting Company" or "Transferee Company") and Borosil Technologies Limited ("BTL" or "Transferor Company") and their respective shareholders and creditors ("Scheme") under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013

This has reference to the subject application filed by the Company with the Stock Exchanges i.e. BSE Limited & National Stock Exchange of India Limited (NSE) on February 25, 2022. The Scheme and other relevant documents were hosted by NSE on its website on March 8, 2022.

No complaints relating to the Scheme have been received during the period from February 25, 2022 to March 29, 2022. As required by Para A(6) of Part I to the SEBI Master Circular No. SEBI/HO/CFD/DIL1/CIR/P/2021/0000000665 dated November 23, 2021, the "Report on Complaints" is enclosed.

Thanking you,

Yours faithfully,

For **Borosil Limited**


Anshu Agarwal
Company Secretary & Compliance Officer
FCS-9921



Encl: As above

REPORT ON COMPLAINTS
(for the period from February 25, 2022 to March 29, 2022)

Part A

| Sr. No. | Particulars | Number |
|---------|--|----------------|
| 1. | Number of complaints received directly | NIL |
| 2. | Number of complaints forwarded by Stock Exchanges / SEBI | NIL |
| 3. | Total number of complaints / comments received (1+2) | NIL |
| 4. | Number of complaints resolved | NOT APPLICABLE |
| 5. | Number of complaints pending | NOT APPLICABLE |

Part B

| Sr. No | Name of the complainant | Date of complaint | Status (Resolved / Pending) |
|----------------|-------------------------|-------------------|-----------------------------|
| NOT APPLICABLE | | | |

For Borosil Limited



Anshu Agarwal
Company Secretary & Compliance Officer
FCS-9921



Details of ongoing adjudication & recovery proceedings, prosecution initiated, and all other enforcement action taken, if any, against Borosil Limited (“Company”), its promoters and directors
(Status as on October 31, 2022)

| Sr. No | Court / Tribunal / Authority | Parties | Brief Summary of case | Current status | Against (Company / Promoter / Director) | Remarks |
|--------|---|---|---|---|---|---|
| 1 | Civil Judge Senior Division, Chandigarh | The Postgraduate Institute of Medical Education & Research Vs Borosil Glass Works Limited | The Postgraduate Institute of Medical Education & Research (“PGI”) had filed a suit in 2019 against Borosil Glass Works Limited to claim the refund of Rs. 21,13,958 with interest per annum for not giving benefit of discount / difference of discount to PGI which Borosil had given to other premiere institutes. | Written Statement was filed by the Company in December 2021 and same has been taken on record by order dated 16 th August, 2022. The Revision application filed against the said order is currently pending. | Company | This matter of Borosil Glass Works Limited has been transferred to the Company pursuant to the Composite Scheme of Amalgamation and Arrangement approved by National Company Law Tribunal, Mumbai Bench on 15 January 2020. |
| 2 | Bombay High Court | Tata Motors Limited Vs Borosil Glass Works Limited | The Arbitral Tribunal in Arbitration Petition filed by Tata Motors Limited against Borosil Glass Works Limited (“BGWL”) in 2009, for claiming reimbursement of depreciation amount disallowed by the Deputy Commissioner of Income Tax in 2003 on the equipment’s leased by Tata Motors Limited to BGWL, had issued an award in favour of Tata Motors Limited, whereby BGWL was directed to pay Rs. 26,30,662/- with interest and cost of arbitration of Rs. 5,00,000/-. Aggrieved by the said award, BGWL had filed a petition before the Bombay High Court for setting aside the said award. The Bombay High Court <i>vide</i> its order passed in 2015, set aside the said award. Tata Motors Limited has filed an appeal challenging the order | The Appeal has been admitted by Bombay High Court and is pending for final hearing. | Company | This matter of Borosil Glass Works Limited has been transferred to the Company pursuant to the Composite Scheme of Amalgamation and Arrangement approved by National Company Law Tribunal, Mumbai Bench on 15 January 2020. |

| Sr. No | Court / Tribunal / Authority | Parties | Brief Summary of case | Current status | Against (Company / Promoter / Director) | Remarks |
|--------|---|--|---|--|---|--|
| | | | passed by the Bombay High Court. | | | |
| 3 | District Commissioner Consumer Disputes Redressal Commission Chandigarh | Kuldip Singh Vs 1. Borosil Limited 2. Borosil Renewables Limited 3. Bombay Stock Exchange, Mumbai 4 Bombay Stock Exchange, Chandigarh 5. Karvy Stock Broking Limited 6. Securities and Exchange Board of India | Kuldeep Singh ("the Complainant") has filed the Consumer Case against the Company and others to claim his lost holdings (shares), compensation and cost towards litigation, as a result of unauthorised action on part of Karvy Stock Broking Limited. | BL and BRL have filed the Written Statement in May 2022 and now the matter is pending for further proceedings. | Company | |
| 4 | Motor Accident Claims Tribunal, Thiruvananthapuram | Ratheeshkumar Krishnankutty Pillai & others Vs Borosil Limited & others | Mr. Ratheeshkumar Krishnankutty Pillai while riding his motor cycle at high speed on the Sojat-Jodhpur road met with an accident against the Company's car (which is insured with Royal Sundaram General Insurance Co. Ltd.) and succumbed to death due to head injuries. Relatives of late Mr. Ratheeshkumar have approached the Motor Accident Claims Tribunal for compensation of Rs. 2,00,00,000 from the Company & others. | The matter is pending before Motor Accident Claims Tribunal. | Company | |
| 5 | Chief Judicial Magistrate, Thane | As specified in Brief Summary of Case | M. A. Parulekar, Sr. Inspector and S.A. Bobade, Inspector, appointed under Maharashtra Private Security Guards Act, have filed cases in 2017 and 2020 before Chief Judicial Magistrate, Thane, for violations of Private Security Guards Scheme which provides that Registered Principal Employer should employ only those Security Guards who are allotted as | These matters are pending before the respective authorities for hearing and further proceedings. | Company | These matters of Borosil Glass Works Limited have been transferred to the Company pursuant to the Composite Scheme of Amalgamation and Arrangement approved by National Company Law Tribunal, Mumbai |

| Sr. No | Court / Tribunal / Authority | Parties | Brief Summary of case | Current status | Against (Company / Promoter / Director) | Remarks |
|--------|---------------------------------------|---------------------------------------|--|--|---|---|
| | | | per the provisions of the said Scheme. | | | Bench, on 15 January 2020. |
| 6 | As specified in Brief Summary of Case | As specified in Brief Summary of Case | <p>Borosil Glass Works Limited ("BGWL") had conveyed certain properties located in Marol, Mumbai to Ghatalia family in exchange for certain properties conveyed in favour of BGWL as described in the registered Deed of Exchange in April 1974 ("Ghatalia DOE").</p> <p>BGWL had also conveyed certain properties located in Marol, Mumbai to Lone family in exchange for certain properties conveyed in favour of BGWL as described in the registered Deed of Exchange ("LONE DOE") in April 1974.</p> <p>Thereafter, BGWL conveyed its property (including the property received in exchange from Ghatalia Family and Lone Family), located in Marol, Mumbai, as described in the Neepa DOC (as defined hereinafter), to Neepa Real Estate Private Limited ("Neepa") in 2010 vide a registered Deed of Conveyance ("Neepa DOC").</p> <p>In 2014, Viresh Ghatalia and Shailesh Ghatalia filed the suit before the Bombay High Court, against Neepa, BGWL and others, claiming right over the property conveyed to BGWL by Ghatalia family through the Ghatalia DOE which was subsequently conveyed by BGWL to Neepa pursuant Neepa</p> | These matters are pending before the respective authorities for hearing and further proceedings. | Company | These matters of Borosil Glass Works Limited have been transferred to the Company pursuant to the Composite Scheme of Amalgamation and Arrangement approved by National Company Law Tribunal, Mumbai Bench, on 15 January 2020. |

| Sr. No | Court / Tribunal / Authority | Parties | Brief Summary of case | Current status | Against (Company / Promoter / Director) | Remarks |
|--------|------------------------------|---------|---|----------------|---|---------|
| | | | <p>DOC. The plaintiffs have prayed for a declaration that the conveyance to Neepa be set aside to the extent of suit property or in the alternative if plaintiffs are successful in their ownership claim but for any reason such ownership cannot be granted then decree against Neepa and Borosil jointly and severally for payment of 60 crores along with interest @18% p.a. from the date of the suit till payment and/or realization thereof. Neepa had made a statement before the Bombay High Court that Neepa will not carry out any construction on the said property or create any third party rights without prior notice. The matter is sub-judice and will be listed in due course.</p> <p>In 2021, Mr. Manish Lone had preferred an appeal before Sub- Divisional Officer, to include his name in 7/12 extract, as the location of the plot belonging to Mr. Lone as per Lone DOE was unclear and accordingly prayed for determination and demarcation. Neepa has filed the intervening application to include its name in the appeal and same was heard and reserved for orders.</p> <p>In 2015, Placidus D'Mello ("D'Mello") had filed suit against the BGWL and Neepa, in the Dindoshi Court claiming tenancy rights over the certain portion of property which BGWL had conveyed to Neepa in 2010 through Neepa DOC. D'Mello</p> | | | |

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| | | | <p>claimed that they were cultivating the said land without substantial evidence. No adverse orders have been passed till date. D'Mello had also filed application before the Tahsildar to include his name in under 7/12 extract which was rejected <i>vide</i> order dated 30 November 2015. Being aggrieved by the order of Tahsilar, D'Mello had filed the appeal before Sub-Divisional Officer which was also rejected <i>vide</i> order dated 26 July 2017. Being aggrieved by the order of Sub- Divisional Officer, D'Mello filed revision application before Maharashtra Revenue Tribunal which was disposed of <i>vide</i> order dated 5 October 2020 with the direction for remanding back the matter to Tahsilar to decide the matter. The matter is sub-judice and will be listed in due course.</p> | | | |
| 7 | High Court of Rajasthan | Borosil Limited Vs Assistant Commissioner of Commercial Taxes, Jaipur | <p>The Rajasthan Commercial Tax Department has raised a demand for F.Y.2011-12 to F.Y. 2014-15 of Entry Tax on the Company towards purchase of transfer paper and ceramic color brought to the state of Rajasthan (purchased from other states).</p> <p>The Company had filed appeals against the above demand before the Rajasthan Tax Board, wherein the said Board decided to dispose of the demand of entry tax raised on ceramic color by the Rajasthan Commercial Tax Department.</p> | The matters are pending before Rajasthan High Court for hearing | Company | - |

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| | | | The Company has filed appeals before the Rajasthan High Court against the orders passed by Rajasthan Tax Board with respect to demand pertaining to entry tax on transfer paper. A claim amount of Rs. 16,81,855 (aggregate entry tax plus interest for FY 2011-12 to 2014-15) is involved in these appeals. The said amount has already been paid under protest. | | | |
| 8 | Commissioner of Income Tax (CIT) Appeals | Borosil Limited Vs Assessing Officer Income Tax | The Company has filed an appeal with CIT Appeals for the FY 2015-16 (AY 2016-17) against the order of Assessing Officer disallowing interest expenses of Rs. 1.39 crore on the unsecured loan, by treating it as a 'Prior Period Item'. | The matter is pending before CIT Appeals. | Company | |
| 9 | Commissioner of Income Tax (CIT) Appeals | Shreevar Kheruka Vs Assistant Commissioner of Income Tax (Circle 29 Kolkata) | An appeal has been filed by Mr. Shreevar Kheruka, Managing Director and Chief Executive Officer of the Company, before CIT Appeals, against the order of Assistant Commissioner of Income Tax disallowing exemption on his dividend income under Income Tax Act in respect of assessment year 2018-19. An amount of Rs.9,82,210 is involved in this appeal. | Appeal is pending before CIT Appeals for hearing. | Promoter and Director | - |
| 10 | Commissioner of Income Tax (CIT) Appeals | Kiran Kheruka Vs Assistant Commissioner of Income Tax CPC, Bengaluru | An appeal has been filed by Mrs. Kiran Kheruka, member of promoter group of the Company, before CIT Appeals against the order of Assistant Commissioner of Income Tax CPC, disallowing dividend income exemption under Income Tax Act in respect of assessment year 2017-18. An amount of Rs.7,80,090 is involved in this appeal. | Appeal is pending before CIT Appeals for hearing. | Member of Promoter Group | |

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| 11 | Commissioner of Income Tax (CIT) Appeals | Kewal Handa Vs Income Tax Authority | The Assessing Officer of the Income Tax Department, had raised a demand of Rs. 94,01,252 (plus interest) against Mr. Kewal Handa, Director of the Company, under Section 143(3) of the Income Tax Act, 1961 in respect of capital gains pertaining to AY 2016-17. An Appeal has been filed by Mr. Kewal Handa against the said demand raised by the Assessing Officer. | The matter is pending before CIT Appeals. | Director | - |
| 12 | Commissioner of Income Tax (CIT) Appeals | Kewal Handa Vs Income Tax Authority | The Assessing Officer of the Income Tax Department, had raised a demand of Rs. 2,89,24,360 (plus interest) against Mr. Kewal Handa, Director of the Company, under Section 143(3) of the Income Tax Act, 1961 in respect of capital gains pertaining to AY 2020-21. An Appeal has been filed by Mr. Kewal Handa against the said demand raised by the Assessing Officer. | The matter is pending before CIT Appeals. | Director | |
| 13 | Appellate Authority under Building and other Construction Workers Welfare | Borosil Limited Vs Assessing Authority cum Regional Joint Labour Commissioner | In 2018-19, Borosil Limited (earlier known as Hopewell Tableware Private Limited) had constructed a warehouse at Jaipur within the factory premises which is validly registered under Factories Act. The Assessing Authority cum Regional Commissioner, Jaipur had issued notice no. 4365 dated 29.11.2019 under section 7 read with rule 10 of the Cess Act, and demanded to provide the architecture drawings and other construction related papers from Borosil Limited ("Borosil"). The said notice was duly responded by Borosil vide its letter dated 29.11.2020 stating that the Company | The matter is pending before Appellate Authority. | Company | - |

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| | | | <p>is covered under the Factories Act and Cess Act and/ or rules are not applicable to Borosil.</p> <p>The Assessing Authority issued Hearing Notice dated 29.01.2021 for appearing before the authority on 04.02.2021 which was received by Borosil on 06.02.2021. Resultantly, Borosil could not appear for the hearing and Assessing Authority passed an exparte order directing Borosil to pay Cess of Rs. 5,49,120/- in relation to construction of warehouse for the period 2018-19. The said impuged exparte order has been challenged before the Appellate Authority by Borosil.</p> | | | |