

BOROSIL RENEWABLES LIMITED

CIN: L26100MH1962PLC012538

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EXTRA-ORDINARY GENERAL MEETING

DAY & DATE : FRIDAY, MARCH 17, 2023

TIME : 11.00 A.M. (IST)

CORPORATE PARTICIPANTS:

Mr. P. K. Kheruka,
Chairman

Mr. Shreevar Kheruka,
Vice Chairman, Non-executive Director, and Chairman of Stakeholders Relationship
Committee

Mr. Ashok Jain,
Whole-time Director

Mr. Ramaswami V. Pillai,
Whole Time Director

Mr. Raj Kumar Jain,
Independent Director and Chairman of Audit Committee and Nomination and Remuneration
Committee

Mr. Asif Ibrahim,
Independent Director

Mr. Sunil Roongta,
Chief Financial Officer

Mr. Kishor Talreja,
Company Secretary and Compliance Officer

Q&A PARTICIPANTS:

1. **Mr. Naveen Bothra**
2. **Mr. Shailesh Mahadevia**
3. **Mrs. Lekha Shah**
4. **Mr. Sharad Kumar Shah**
5. **Mrs. Prakashini G. Shenoy**

OTHERS:

Representative of Statutory Auditors, Secretarial Auditors & NSDL Team, and team members from various departments were also present for providing the assistance required for the meeting.

Mr. P.K. Kheruka

Good morning esteemed shareholders. It is 11 o'clock and time to start the meeting. I, Pradeep Kheruka, Chairman of the Board of Directors welcome you all to the Extraordinary General Meeting of the company with great pleasure. I hope that you and your family are safe and well. In compliance with the provisions of the Companies Act 2013, SEBI Listing Regulations, read with rules / circulars issued thereunder, this EGM is being held through video conference, without the physical presence of the shareholders at a common venue.

The Company has taken all feasible steps to ensure that the shareholders are provided an opportunity to participate and vote on the items being considered at this EGM. The requisite quorum is present, and therefore, I call the meeting to order.

I'm now pleased to introduce you to the Board of Directors of the Company.

Mr. Shreevar Kheruka - Vice-Chairman, Non-executive Director and Chairman of Stakeholders Relationship Committee

Mr. Ashok Jain – Whole-time Director

Mr. Ramaswami V. Pillai – Whole-time Director.

Mr. Raj Kumar Jain - Independent Director and Chairman of Audit Committee and Nomination & Remuneration Committee.

Mr. Asif Ibrahim – Independent Director.

Mr. Pradeep Bhide, Mr. Haigreve Khaitan and Mrs. Shalini Kamath, Independent Directors of the company have expressed their inability to attend this EGM due to other pre-occupations.

Mr. Sunil Roongta – Chief Financial Officer, Mr. Kishor Talreja – Company Secretary and Compliance Officer and the representatives of Statutory Auditors and Secretarial Auditors are also present in the meeting.

Notice of the EGM was circulated to the members electronically, in accordance with the circulars issued by the Ministry of Corporate Affairs and Securities and Exchange Board of India. With your permission, I shall take the notice as read.

I now request Mr. Kishor Talreja – Company Secretary and Compliance Officer, to apprise the shareholders regarding the e-voting facility.

Mr. Kishor Talreja

Dear Shareholders, good morning. In accordance with the Companies Act, 2013 and SEBI Listing Regulations, remote e-voting facility was provided to the

shareholders to cast their votes from March 14, 2023 to March 16, 2023. The facility for voting electronically during this meeting is available for those shareholders who have not cast their votes through remote e-voting. Mr. Virendra G. Bhatt – Practicing Company Secretary, has been appointed as the scrutiniser to scrutinise the e-voting process in a fair and transparent manner and for giving a report on e-voting. Since the resolutions mentioned in the notice convening this meeting have already been put to vote through remote e-voting, there is no need to propose and second the resolutions. Thank you. I now request the Chairman to please continue with the proceedings.

Mr. P.K. Kheruka

Dear Shareholders, you all are aware that in October, 2022, the Company through its wholly-owned subsidiaries, has acquired a majority stake of 86% in two overseas entities i.e. GMB Glasmanufaktur Brandenburg GmbH and Interfloat Corporation. While GMB specialises in the manufacturing of high-quality solar glass, Interfloat is a leading solar glass supplier to European markets. With this acquisition, the Company, GMB and Interfloat are able to take advantage of each other's expertise / capabilities and operate efficiently. The combined operations of all these companies will help in serving the global markets very efficiently. Further, this will also help them to supply significantly higher volumes of solar glass, strengthen existing supply chains, expand customer base, access newer markets, etc. Overall, this will help the Company in strengthening its position as market leader globally, and achieving its vision of being the most customer-centric company in the world.

This growth journey together, also requires some inter-company business transactions like extending funds for business operations, sharing of resources, sale/purchase of products and other business support services. Such transactions would constitute material related party transactions, and therefore require approval of the shareholders.

I will now read out all the items pertaining to such material related party transactions as set out in the notice and now being considered at this EGM. The objective and implications of each resolution are as provided in the explanatory statement of the notice of the EGM.

Item #1: Sale / purchase transactions between the Company and GMB Glasmanufaktur Brandenburg GmbH (**GMB**) / Interfloat Corporation (**Interfloat**), the stepdown subsidiaries of the Company.

Item #2: Sale / purchase transactions between the Company's stepdown subsidiaries i.e. GMB and Interfloat.

Item #3: Functional support service transactions between the Company / its wholly owned subsidiaries i.e. Geosphere Glassworks GmbH (**Geosphere**) and Laxman AG (**Laxman**), with Company's stepdown subsidiaries i.e. GMB and Interfloat and inter-se between them.

Item #4: Financial support by the Company/ Geosphere to GMB Glasmanufaktur Brandenburg GmbH, a stepdown subsidiary of the Company.

Item #5: Financial support by the Company/ its wholly owned subsidiaries/ Interfloat Corporation to GMB Glasmanufaktur Brandenburg GmbH, a step-down subsidiary of the Company.

The Company had provided a facility to the shareholders to register themselves as speakers who would like to express their views/ ask questions during the EGM. Five shareholders have registered themselves to speak at the meeting.

Shareholders are requested to restrict their speech to 3 minutes for smooth conduct of the EGM. The replies will be given after listening to all the members who would like to express their views.

I now request Mr. Naveen Bothra to express his views and ask questions. Has he been unmuted?

Mr. Naveen Bothra

I'm Naveen Bothra, shareholder, attending the EGM from Delhi. Very warm greetings to our respected Chairman - Pradeep Kheruka sir, Vice Chairman - Shreevar Ji, Executive Director - Ashok Jain sir and all the other esteemed board members and management team and Kishor Talreja from our Secretarial Department. Greetings to all! First of all, I would like to congratulate the management team for the successful acquisition of the German subsidiary even after some mishappening there, and concluding the transactions, and now coming to the shareholders for regulatory compliances for related party transactions, etc.

Sir, I have some points which I would like you to briefly update us on, so that we can have the information. I would like to know what is the total acquisition cost of these German subsidiaries combined together, because earlier we were planning to give some equity stake to them in lieu of the acquisition, which has now been dropped. And, in view of the mishappening there, valuations, etc, have been renegotiated. So, what is our total acquisition cost from Borosil Renewables and have we done any foreign borrowings for that? So, the total consideration for the acquisitions? And, I would like to have Pradeep sir's views about the medium-term business prospects and plan for our German subsidiary considering the current geopolitical as well as the energy crisis which seems to have subsided a lot. So, I would like to have your views about the growth plans of our German subsidiary and how is it going to benefit our company, Borosil Renewables Ltd, going ahead, because we have already completed here in Bharuch also, the SG3 furnace and two more furnaces are planned to take it to 2,100 tonnes per day capacity. So, along with the German subsidiary, the original plans remains? I would like to have your views on that. As in the past, inorganic acquisitions which the Borosil Group has done successfully and transformed them, so we wish the same thing happens successfully over a period of time with this acquisition in the Borosil Renewables of German GMB and Interfloat group, and we wish all the success to the management team. Thank you very much sir.

Mr. P.K. Kheruka

Thank you very much sir. I would now request Mr. Shailesh Mahadevia to please express his views and ask the questions.

Mr. Shailesh Mahadevia

Can you see me and hear me sir?

Mr. P.K. Kheruka

Yes, we can indeed. We can see and hear you as well.

Mr. Shailesh Mahadevia

Well, good morning to our Chairman and to the entire board of directors. Sir, although I'm a resident of Mumbai, I'm speaking now from Bangalore. Sir, firstly let me congratulate the entire management team and the board for achieving excellent integration with the companies in Europe, both in Germany and Liechtenstein. This has made our Company a complete supplier of solar energy as an alternative to the conventional energy system. And sir, before I proceed further, I would like to congratulate our Chairman for achieving an excellent award from Ernst & Young for his contribution. Sir, I would like to know the exact citation which was given to you. Although I saw you on the TV screen 2-3 days ago, I could not catch the citation which was given to you.

Sir, now I would like to proceed to congratulate the Company on several counts for the entire integration. So now, we are not only manufacturers of solar glass, we are now providing float glass. We are also providing all the accessories. Then, modules we will be able to supply, and various other connected products. So, we are an integrated full supplier, and we will be able to stand in competition with any other manufacturer from the world. Sir, I would like to have 3-4 specific related questions.

Firstly, when are we likely to get full synergies of our collaboration which we have? And, when will the integration of our organisation with the acquisition which we are making, will be complete? My second question is, whether registration is required for export to various countries? Whether our foreign acquisitions in Germany and Liechtenstein will help us in getting this registration without any difficulty? Sir, my next question is, whether, in the government's public system where government is going to give special advantage in the Atma Nirbhar Scheme, whether we have made an application under this scheme, and are we likely to get any advantage in this scheme? And sir my last question is, you have given in the explanatory note of the notice regarding our expansion program, not only for our Company in India, but also for the German company. And in the German acquisition, we have made an excellent acquisition, one in Germany which is the manufacturer of these products, and the company in Liechtenstein, which is an expert in marketing of all these products. Sir, with all this, our Company has a very bright future and we must congratulate the promoters as well as the entire board for this excellent work. Sir, I would now request you to give us the potential, and in exact terms of, say, quantity wise and turnover and benefit wise for the next 2-3 years.

I would also like to congratulate our Secretary and the entire Secretarial Team for their cooperation and promptness in attending to my request. Sir, thank you very much indeed, and I wish you all the best in the times to come.

Mr. P.K. Kheruka

Thank you very much Mr. Mahadevia for your kind words. I shall answer all the points raised by various shareholders at one time at the end after all the questions have been asked, so that there is no repetition.

May I now request Mrs. Lekha Shah to please express her views and ask questions.

Mrs. Lekha Shah Hello, can you hear me sir?

Mr. P.K. Kheruka

Yes ma'am, we can hear you.

Mrs. Lekha Shah

Thank you, sir. Respected Chairman sir, board of directors and my fellow members, good morning to all of you. Myself Lekha Shah from Andheri. I acknowledge the timely receipt of notice which was sent well in time, our Company Secretary - Kishor sir and Sharma ji. Chairman sir, I want to say a few words about our Company Secretary. He always answers when I call and addresses all my doubts regarding the Company. Once again, thank you so much Kishor bhai. Chairman sir, in today's meeting, I believe any decision taken by the Chairman sir will be good for the shareholders. Sir, I would like to ask you few questions.

My first question is, what is the total number of employees and how many women employees are working in our Company? Sir, I strongly and wholeheartedly support the resolutions for today's meeting and my best wishes are always with this company and its prosperity. Thank you, sir.

Mr. P.K. Kheruka

Thank you very much. Now may I please request Mr. Sharad Kumar Shah to please ask his questions and express his views?

Mr. Sharad Kumar Shah

Can you hear me?

Mr. P.K. Kheruka

Yes, we can.

Mr. Sharad Kumar Shah

Can you also see me sir?

Mr. P.K. Kheruka

Yes, please ask ...

Mr. Sharad Kumar Shah

Okay sir. Already I have sent you an email sir, you must have seen my email. All these five resolutions are related party transactions, so I assent to all the resolutions. The first two speakers have given a very good idea and briefing of the Company, and the second speaker is my good friend. What is this related party transaction? It is called as perform, reform and transform. What I have seen in the last 5 years... I'm a very old shareholder of the company - Gujarat Borosil and 5 or 6 years back I had spoken when there was a meeting in Mumbai. Otherwise, I wasn't having any contact with the Company. What I feel in the last 5 years is that our Company has done a really good job. The first speaker said that we acquired companies, but to acquire a company, from where we got the money, that's not very clear to me. Looking at the last 4-5 years' performance and today's market price, why don't you increase our market share to avoid further import and to have a Rights issue so that we can have whatever money we require to acquire, perform or manufacture? Like Reliance had come out with a Rights issue in the month of May 2020, which was a bumper issue, and the people have benefited, the company benefited, the promoters benefited, the shareholders benefited. And, those shareholders who have been there with you for a long time, I feel they should definitely benefit along with the company, along with the others. And, our product will take the nation to a greater height. Our product is also very important. And, my physical shares sir I had received 3 years back. Today or tomorrow I will deposit it for demat, and I request you to do the needful for the same. I like to know, what are your other products, because as far as performance of the product is concerned, the Borosil name in the market is very good and its products are very good. So, I would like to have a product list from your side sir. And definitely, I'm waiting for a good Rights issue from you sir. By chance, I missed your meeting in February as I hadn't seen your email, sorry for that sir. With this, I close my speech and I'm very happy with the first and second speaker who gave me sufficient information about the Company. It shows that everybody should remain with this Company. Thank you very much sir.

Mr. P.K. Kheruka

Thank you very much Mr. Shah for your kind words and appreciation. I would now like to move on to Ms. Prakashini Shenoy to please express her views and ask questions.

Mrs. Prakashini Shenoy

Hello, I'm Prakashini Ganesha Shenoy from Bombay. Respected Hon. Chairman, other dignitaries on the board and my fellow shareholders, good morning to all of you. I received the EGM report well in time which is self-explanatory. I'm thankful to Mr. Kishor ji for the same. He also phoned me and reminded me of today's meeting along with the link, without which I wouldn't be in a position to speak in today's meeting. Thank you once again Kishor ji.

Sir, I wanted to ask many questions, which are covered by the previous four speakers, so I have only one question. How are we planning for the digital future? I wish the Company good luck for a bright future and pray to God that the profit of the Company shall reach the peak in due course. Sir, I strongly and wholeheartedly support all the resolutions put forth in today's meeting. Thank you, sir.

Mr. P.K. Kheruka

Thank you very much Mrs. Shenoy for the interest that you take, and a very pertinent and intelligent question which you have asked. It would be my pleasure to respond to you. I think all those who had registered themselves to speak have spoken, and it is now my turn to respond.

First of all, I would say that we work very hard to try to meet the expectations of our shareholders and all the other stakeholders, whether customers, bankers, employees, everybody. And, it is very rewarding for me to hear the kind words which you have spoken. It gives us great relief and happiness that the efforts made by us are being recognised and appreciated, and it is our pride and privilege to have shareholders such as yourselves as shareholders of the Company. It is truly a very good thing.

I would now like to move to specific questions which were asked by different shareholders. One of the questions was about the cost of acquisition of the company. We were able to acquire this company for a down payment of 9 million Euros. And in addition to that we have to share 20% of EBIT for the calendar year 2024, 2025 and 2026 of the consolidated EBIT of GMB and Interfloat with a seller. So, 9 million down, and 20% of the EBIT for these 3 calendar years going forward for 86% stake.

Now, the second question was on the implications on the movement in prices of gas. I'm very pleased to say that the prices of natural gas which were at an all-time high in the year gone by in 2022, have registered a sharp decline during the current year, and in fact the prices today are less than what they were at the time that the invasion of Ukraine occurred in February, 2022. So, that is definitely a very good thing so far as we are concerned, because it will bring our cost of production to more normal levels.

To also the pertinent question about progress, what do we see in the days to come? I would say that, we remain the only company in Europe or to say, GMB remains the only company in Europe to manufacture solar glass. And, the European Union has taken a certain stand that they will be buying glass or any goods from anybody else in the world depending upon the carbon footprint of the manufacturer. So, they are working towards imposing a carbon tax on imports of glass and other goods from other countries, where the manufacturers are not so conscious about their emissions. I would like to say here, that in GMB for instance, we use oxyfuel, which means a natural gas and oxygen. This has the effect of severely reducing the emissions. We still have some emissions, but there's a price to be paid for the oxygen that we use instead of air. So, glass coming in from China or other parts of the world like Vietnam or Malaysia into the European Union will be subject to a carbon tax depending on the amount of emissions which the European Union determines that they are emitting into the atmosphere, as a result. So, this would help our competitive position in the European Union.

The market in India remains very buoyant because there's a very strong demand for solar glass, and the demand has been growing. We have been selling glass to the entire capacity that we had, and of course, we have a mix of exports and domestic sales. So, with the new production line of 550 tonnes a day, which achieved commercial production... just 5 days short in February. We hope that we would be

increasing our market share in the Indian market as well, and also, we would be able to better meet demand in our foreign markets. We find that we are having a growing market around the world besides Europe as well.

Meanwhile, just a small word on competition. One of the companies here in Ahmedabad has started production of solar glass a few days ago. To my knowledge, they have not supplied anything yet into the market, but that's my knowledge. They might have, I'm not sure about it, but we haven't heard anything. But, it's a matter of time. However, they are supposed to have a rated capacity of 140-150 tonnes per day against our 1,000 tonnes per day. And two other companies are likely to come up within the next 2 months. So, by the end of May, we can expect two more companies to come into production. But I don't foresee any difficulty in selling because the demand is really very high. So generally, the progress should be good. At the moment, there is no import duty whatever on the import of solar glass. So, we continue to press the government to bring in a duty, and we shall see what happens. But despite that, our Company remains profitable.

Talking about Mr. Mahadevia's question, I just wanted to thank you sir. I only wanted to say that we are not in float glass. The company we acquired has the name Interfloat, but they are focusing on solar glass right now. There are many people who are selling float glass, but there are very few people selling solar glass. So, at the moment, they are focusing on solar glass. We have started deriving synergies of acquisition already, and I would say that as time goes by, we shall have more and more advantages flowing from this acquisition. We share our learnings with our German subsidiary, the German subsidiary shares their learning with us. So overall, it is a win-win situation for Borosil, as well as for the acquired company.

No registration is required for anything in this matter in anything that we're doing. The government has, of course, put a lot of emphasis on Atma Nirbhar Bharat, but at the moment, there is no scheme specifically for solar glass. We are watching the European market very closely. I see very bright potential for the Indian company, the German company and the combined entity going forward.

Madam Lekha Shah, thank you for your questions. On date, we have 716 permanent employees on roll and including contract workers, it would be 2,023. We have 90 women – 5 on roll and 85 on contractual basis.

Mr. Shah, from where we got funds? Funds we got from within the organisation, funds which we had. And also, we borrowed money from the banks as required, but nothing very significant for the acquisition. Yeah, it would increase our market share, no doubt. Regarding the Rights issue, we have an enabling resolution which would allow us to go in for Rights issue. But at the moment, it is not something that we have decided any kind of final... there's no final decision on this matter. We are watching the situation and we will take decision as appropriate as time goes by. Thank you very much for your comment about the products made by Borosil Ltd, even though this Company does not make those products, it's a separate independent company, I don't mind sharing with you that the full list of products available from Borosil Ltd. can be viewed on the website - myborosil.com.

Finally, Mrs. Prakashini Shenoy, who asked a very pertinent, very modern question about the digital future of the organisation. I'm pleased to say that we are ceased of the need to constantly upgrade our operations and reporting to encompass the

latest available tools in the digital universe. In fact, the Company has acquired the latest version of SAP called HANA, and we expect to go live early next month with HANA, which should give us a much better understanding and much better control of the Company's operations and information. So, we are excited about that. Also, we have been working very hard towards digital security, and we have retained some of India's best minds to give us a secure environment for our digital operations. And we are pleased to say, many of their recommendations have been implemented. So, all in all, we are quite confident of going forward nicely.

I would like to now express my deep gratitude to my colleagues from the board for their unwavering confidence and guidance. Also, I would like to thank our shareholders for attending this Extraordinary General Meeting. My thanks also to a wonderful team of the Borosil Group who shoulder difficult burdens, difficult responsibilities day after day, 24 hours a day, 7 days a week, on holidays and working days. And even though the rest of us are playing Holi or celebrating Diwali, they're at their job, nose to the wheel, and I'm very proud of them all.

E-voting is now in progress for the next 15 minutes. Accordingly, shareholders who are yet to vote, may cast their vote during the next 15 minutes, after which this meeting will stand concluded. Thank you very much.

Note: This document has been edited to improve readability.