

## **Borosil renewables limited**

Started in 2010 first and only solar glass manufacturer in India. It was started in Gujrat Bharuch . it is promoted by Borosil limited.

Borosil renewables ltd has monopoly in solar glass manufacturing in India even some products related to solar has the first mover advantage in the world

Borosil renewables limited has a strong focus on innovation and known for its pioneering achievements like development of World's First fully tempered 2 mm thick solar glass, solar glass with lowest iron content giving highest glass efficiency

Borosil renewables limited has a dominant domestic share of 40% and rest import India

## **Business model of Borosil renewables limited**

The company cover the solar glass industry and has the monopoly on that.

The company product solar glass is essential element for solar. So, they directly deal with the solar making companies like Adani green. It deals with B2B.Their export business is growing at 33% CAGR in last 3 financial year. They have significant present in EUROPE.

Earlier the solar glass industry was dominated by CHINA but after the pandemic covid they keep away from CHINA and they are showing interest towards Borosil renewables limited

Focus towards green energy there is the rise in demand for the solar in the world facing climatic issues.

## **What is moat?**

Borosil renewables limited has Monopoly in solar glass industry India. Atamnirbhar bharat initiative giving advantage to local supplies.

There supply chain management and distribution model is very good. They supply on time their product quality is best on the world due to this they again get order from same company.

## **What is good?**

1.Organic Growth: The company is growth oriented. They focusing to increasing the capacity to fulfil the order. opportunity is huge

2.Low price product: The production capacity increasing the production cost per metric ton goes down

3.competitors: it will not easy to enter any corporates because of expertise, innovation and some niche products

## What is bad?

Competitors: Borosil renewables is monopoly but after seeing opportunity many corporates want to enter into that will create problem in cost cutting policy and impact incentives. India continues to meet a significant portion of demand for solar cells and modules for the utility scale sector through imports, which come largely from China, Taiwan, Malaysia etc.

Lockdown restriction: Impacting in physical movements and shortage of labour.

Fundamentals: The company is trading 115 PE that made company very expensive. So, maintain these fundamentals company have to shown consistent growth

## Financials:

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(in Cr.)	2020	2019	2018	2017	2016
Income Statement					
Revenue	271.16	357.41	295.83	267.00	222.21
Other Income	3.61	47.83	36.36	34.98	58.11
Total Income	274.76	405.23	332.19	301.98	280.32

The company has shown revenue growth. The order book of company is very strong. Due to covid lockdown the company has impacted on its fundamentals due to lockdown. Solar is the fastest growing sector.

The company is utilising reinvesting profit for increasing production.

Company added second furnace with a capacity of 240 MT/day as well as the rebuild of the first furnace with an enhanced capacity to 210 MT/day.

Now company has 450 MT/day capacity

In growth sector-oriented companies focus on calibre rather than fundamentals.

Borosil Renewables

Standalone

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Balance Sheet

(All Figures are in Crores.)

PARTICULARS	MAR 2016	MAR 2017	MAR 2018	MAR 2019	MAR 2020
Equity and Liabilities					
Share Capital ⓘ	2.31	2.31	2.31	9.24	11.41
Total Reserves ⓘ	633.89	769.44	819.38	322.96	315.03
Borrowings ⓘ	0	0	0	23.68	76.83
Other N/C liabilities ⓘ	3.36	0.60	1.19	12.88	13.86
Current liabilities ⓘ	65.87	40.26	64.25	56.46	82.59
Total Liabilities ⓘ	705.43	812.61	887.14	425.21	499.72
Assets					
Net Block ⓘ	158.14	106.84	105.79	116.81	344.74
Capital WIP ⓘ	4.84	4.41	4.13	125.13	0.96
Investments ⓘ	277.29	312.81	251.13	0	0
Loans & Advances ⓘ	35.20	75.90	77.42	44.92	24.03
Other N/C Assets ⓘ	0.83	1.30	0.43	1.36	2.02
Current Assets ⓘ	229.12	311.35	448.23	136.99	127.97
Total Assets ⓘ	705.43	812.61	887.14	425.21	499.72

The company has negligible debt. Strong balance sheet for growth-oriented company. Operating profit is good

Liabilities are decreasing.

Given the strong demand projections, and the future prospects, the company has been expanding capacity from 450 MT/day to 950MT/day at a cost of Rs 500 cr and expected to be commissioned by first quarter of 2023

## Conclusion

Solar industry is fastest growing industry. Initiative of green energy. The Indian government plans to establish renewable energy capacity of 500 GW by 2030. The company have good exporter base in the world

Government of India promoting Agriculture sector to use of solar powered pumps and by encouraging off-grid roof-tops and standalone solar power solutions.

Borosil renewables limited and only solar glass manufacturer in India with an annual capacity of 2.5 GW. The government of India has set a massive target of achieving 175 GW in renewable energy capacity by 2022. Prime Minister Narendra Modi has further increased the target to 450 GW renewable energy capacity by 2030. The opportunity is huge there

The monopoly of borosil renewables limited will be benefitted. Solar industry sector is growing at CAGR of 17.33% between FY16-20. With the increased support of Government and improved economics, the sector has become attractive from investors