

February 02, 2026

To,
Listing Compliance Department
National Stock Exchange of India Limited
Exchange Plaza, Bandra Kurla Complex Bandra
East, Mumbai – 400051

To,
Listing Compliance Department
BSE Limited
Phiroze Jeejeebhoy Towers, Dalal Street,
Mumbai – 400001

Ref: Borana Weaves Limited
NSE Symbol: BORANA
ISIN: INE16SF01016
Scrip Code: 544404

Sub.: Transcript of Investors/Analyst Earnings Conference Call held on January 27, 2026

Ref: Disclosure under Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("SEBI Listing Regulations").

Dear Sir/Madam,

Further to our communication dated January 20, 2026 and January 27, 2026, please find enclosed the transcript of the Earning Conference Call held on Tuesday, January 27, 2026 at 11:00 A.M. (IST) to discuss the unaudited standalone & consolidated financial results for the quarter and nine months ended December 31, 2025.

The said Transcript is also available on the website of the Company at <https://www.boranagroup.in/>.

Request you to please take the same on your record.

Thanking You,
Yours Faithfully,
For Borana Weaves Limited

Ankur Mangilal Borana
Executive Director and Chief Executive Officer
DIN: 01091164

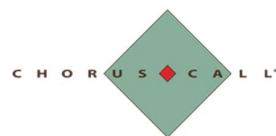
Place: Surat

Encl.: As above





“Borana Weaves Limited
Q3 FY '26 Earnings Conference Call”
January 27, 2026



**MANAGEMENT: MR. RAJKUMAR BORANA – EXECUTIVE DIRECTOR
AND CHIEF FINANCIAL OFFICER – BORANA WEAVES
LIMITED**

**MODERATOR: MS. NISHITA BHATT – ADFACTORS PR INVESTOR
RELATIONS**

Moderator: Ladies and gentlemen, good day and welcome to Borana Weaves Limited Q3 FY26 Earnings Conference Call. As a reminder, all participant lines will be in the listen-only mode, and there will be an opportunity for you to ask questions after the presentation concludes. Should you need assistance during the conference call, please signal an operator by pressing star then zero on your touch-tone phone.

Please note that this conference is being recorded. I now hand the conference over to Ms. Nishita Bhatt from Adfactors PR Investor Relations Team. Thank you and over to you Ms. Bhatt.

Nishita Bhatt: Good morning everyone and thank you for joining us on Borana Weaves Limited earnings conference call for the third quarter and nine months ended 31st December 2025. Today we have with us Mr. Rajkumar Borana, Executive Director and Chief Financial Officer. We will begin the call with the opening remarks by Mr. Rajkumar Borana on the business operations, broad outlook, followed by discussion on the financial performance, after which the management will open the forum for the Q&A session.

Before we get started, I would like to point out that some statements made or discussed on today's call may be forward-looking in nature and must be viewed in conjunction with the risks and uncertainties that we face. A detailed statement and explanation of these risks is included in the earnings presentation which has been shared with you all earlier. The company does not undertake to update these forward-looking statements publicly.

I would now like to invite Mr. Rajkumar Borana to make his opening remarks. Over to you sir.

Rajkumar Borana: Thank you Nishita. Good morning everyone and thank you for joining us on Borana Weaves Limited maiden earnings call. This marks an important milestone in our journey as a listed company and we appreciate the continued support and interest from our stakeholders.

Borana Weaves Limited is a fully integrated textile manufacturing company focused on unbleached synthetic grey fabric with operations spanning from fibre to fabric under one roof. Incorporated in 2020 and headquartered in Surat, we operate four advanced manufacturing units equipped with modern infrastructure and high-speed water jet looms.

These integrated setups enable us to maintain consistent quality, faster turnaround times and strong execution discipline at scale. Today, we have 39.21 crore metres of total installed capacity. Our product forms the essential base for dyeing, printing and finishing across multiple end-use segments including apparels, home furnishings and technical textiles such as tents, hospital linens and waterproof fabrics.

Our growth strategy is anchored to affordability, durability and scalability. Any attributes that align well with the rising consumption of synthetic textiles. Our journey began in Surat as a textile business and evolved into manufacturing, laying the foundation for scale and integration.

A key milestone in our journey was our stock exchange listing in 2025 alongside the commissioning of Unit 4, marking a new space of growth and transparency as a listed company.

Importantly, our integrated operating model starting from POI provides inherited cost and processing advantages. This allows us to execute large order efficiently, benefit from economic upskills and maintain consistent quality across the volumes.

Our margin profile is directly the outcome of our operating disciplines. We operate at scale that is currently unmatched among the companies with a similar product focus. Market fermentation, particularly among the small and less integrated pairs, does not materially impact our operating dynamics.

Instead, capacity, availability, delivery reliability and execution capability remains the key differentiator within the organization segment. Strong floor efficiency supported by relatively low operating cost structure across the power, fuel and labor continuously to support the margins. This is further enforced by the bulk procurement of raw material, enhancing both cost efficiency and supply reliability.

Prudent capital allocation has been at the core of our financial strategy and this has resulted in a very strong balance sheet that is net debt free with good return ratios. From the industry standpoint, the outlook of India's man-made fiber sector remains structurally strong. Polyester filament yarn continuously dominates the segment, accounting to close to 80% of the total man-made fabric production in the country.

This is driven by cost efficiency, versatility and increased application across apparel, home textile and technical textiles. Over the past few months, demand condition of polyester yarn has improved and pricing are stabilized, reflecting the healthier and more balanced market environment. This has reduced the volatility across the synthetic textile value chain, improved volume visibility and support more predictable operating condition for the manufacturers.

Additionally, the government recently anti-dumping probe on the imported polyester textured yarn and imported polyester partially yarn signals policy support for the domestic manufacturers. This is positively structural development that promotes fair competition, improving price discipline and strengthens the long-term outlook for the Indian synthetic yarn and fabric industries. Q3 FY '26 delivered a strong operational and financial performance. We maintain healthy production levels, reflect stable utilization and operational efficiency.

Yarn sales during the quarter remained robust, indicating steady customer demand and sustained market traction. A key strategy development during the quarter was initiative of our structure transition towards renewable energy. Approximately 70%-80% of the company's current power requirements are expected to be met through renewable energy sources.

Our renewable energy initiatives are progressing as planned, with a rooftop solar project of 3.54 MW awarded to Lakshmi Electricals on track of commissioning in Feb 2026 and the 19.79 MW solar wind hybrid project that includes 9.89 MW solar and 9.9 MW wind awarded to Clean Max Enviro Energy Solutions, expected to commence operation in May 26.

These projects are aligned with a complete strategy to optimize the power cost, improve energy reliability and strengthen the sustainability across the operations. Alongside our energy initiatives, we are expanding capacity with an addition of approximately 160 high-speed waterjet

looms, of which 64 have already been commissioned and transacted over 5 crore meters of incremental annual capacity. The combination of higher capacity and the cleaner, more stable power positions are strongly to scale operational while maintaining cost efficiency.

Looking ahead, our focus remains on the discipline and sustainable growth. Our integrated model provides resiliency across the cycle, while scale enables us to capture rising demand from the synthetic textiles. We will continue to prioritize operational efficiency, margin stability and responsible expansion. We already have started strategies for doubling our capacity in the next two years.

Sustainability remains eminent in our operation through water recycling, zero-liquid discharge system, energy-efficient equipment, responsible source of the raw material. These initiatives not only assuring regulatory compliance but also strengthen our long competitiveness and corporate reputations. With capacity expansion, renewable energy integration and strong execution capabilities, we believe Borana Weaves is well positioned to deliver consistent and profitable growth over the long run.

Let me now take you through our financial performance for the nine months ended on FY '26. We delivered another strong quarter in Q3 FY '26 with a revenue of INR111.36 crores, that is INR111.36 crores, marking a 42% year-on-year growth. The performance was driven by the strong order books and healthy sales volumes. EBITDA for the quarter stood at INR27.09 crores, registered a strong 51% Y-on-Y growth with a margin of 24.32%. Profit after tax for Q3 FY '26 increased to INR18.55 crores, reflecting a robust 63% Y-on-Y growth.

Turning to the nine-month performance, revenue stood at INR287.86 crores, registered a strong 36% Y-on-Y growth driven by the higher volumes following the commissioning of the high-speed looms and improved capacity utilization.

EBITDA rose by 44% Y-on-Y to INR65.9 crores, broadly in line with a revenue growth reflecting healthy operating leverage with a margin of 22.89%. Profit after tax for 9-month FY '26 rose to INR47.40 crores, marking a robust 62% Y-on-Y growth with a PAT margin of 16.47%.

This performance reflects disciplined execution and sustainable focus on the profitable growth anchored in sustainability. In FY '25, the total fabric manufactured by us was 18.6 crore metres.

During the first 9 months of FY '26, i.e., April to December '25, we already produced 16.31 crore metres of grey fabric, reflecting a strong capacity utilization across the units. Further, in Q3 FY '26, the total fabric manufactured stood at 6.6 crore metres.

To conclude, we are focused on executing our strategy discipline, maintaining operational consistency, and allocating capital prudently as we move forward. Our objective is to build durable, high-quality business and create long-term value for the stakeholders.

With that, I now open the forum for questions. Thank you very much.

- Moderator:** Thank you. We will now begin the question-and-answer session. The first question comes from the line of Raman KV with Sequent Investments. Please go ahead.
- Raman KV:** So, my first question is with respect to the margins. During this quarter, I have noticed that your gross margin improved mainly because of your cost of production decrease. So, can you give any hint on the raw material prices for the quarter and how are they for the coming Q4? How are you seeing the raw material pricing to be going forward?
- Rajkumar Borana:** Okay. So, there is a marginal increase in the gross profit ratio if you see on Y-on-Y. So, in our segment, the raw material cost is not that much fluctuating. But looking towards this quarter, we will think that it may be possible to increase more gross margin because from December, the government has freed the anti-dumping duty, the raw material which is coming from China, and we are profiting the same. So, in quarter 4, it seems that gross margin profit may be better than this one also.
- Raman KV:** Sir, I didn't get you. I mean, you said there is an ADD imposed on the raw material coming from China. So, won't that lift the prices of the raw material up?
- Rajkumar Borana:** No. Previously, there is an anti-dumping duty. There is not actually an anti-dumping duty. They have quoted as a BIS that those companies who are having BIS certificate in China, they can only export to India. But that was now removed in December. So, many of the Chinese companies are now offering our raw material. And that is cheaper from the Indian raw materials.
- Raman KV:** Okay, sir. And so, my second question is, you have mentioned in your presentation with respect to 4A into technical textiles. Can you give some highlights like what's the capex outline? How much capacity are you planning to come with? And how much revenue targets are you planning to have from this segment?
- Rajkumar Borana:** Yes. So, in technical textiles, we are adding our products which goes for the technical textiles. So, actually we are not directly doing the technical textiles. But our buyers, which are buying our fabrics, they are doing the coating on that fabric and use as a technical textile. So, we are increasing our capacity in the same manner, slowly and gradually.
- Raman KV:** Understood, sir. And what's the capex outlined for to increase this capacity?
- Rajkumar Borana:** It depends upon the demands. Our machines are capable to produce these all-technical textile fabrics as and when required. So, as and when the demand comes, we are increasing the productivity. And we are also trying to catch those buyers which are using -- are the technical textiles.
- Raman KV:** Understood, sir. And so, my last question is with respect to your unit 4B capex. What was the capex cost for adding around 160-164 water jet looms? And how much incremental revenue do you expect coming from because of this addition of 164 water jet looms on an annual basis?
- Rajkumar Borana:** Okay. So, it will increase our capacity annually by the INR5 crores meter of the fabric. And the cost of this project will be around INR35 crores.

Raman KV: And how much incremental revenue will it add?

Rajkumar Borana: It will be around INR60 crores to INR75 crores.

Raman KV: It will -- additional revenue per year, right?

Rajkumar Borana: Per year, around INR60 crores to INR70 crores.

Raman KV: Understood, sir. So, if my understanding is right, by next year, you will be able to fully utilize this capacity?

Rajkumar Borana: Yes, exactly.

Moderator: Next question comes from the line of Disha with Sapphire Capital.

Disha: Yes. So, regarding the commissioning of the renewable energy plant, what is the sort of power savings you are expecting annually?

Rajkumar Borana: It will be -- we are planning to around install whatever our present utilization, 70%-80% will be from the renewable.

Disha: Right. So, how much power savings are we expecting?

Rajkumar Borana: It will be around nearly INR18 crores to INR20 crores.

Disha: Okay. And regarding the capex plan for the next two. I think you mentioned that we are planning to double our capacity over the next two years. So, what is the -- what is our capex plan, if you could just throw some light on that?

Rajkumar Borana: For doubling the capacity, we already initiated because around 160 looms are already -- we are planning in the Unit 4B. So, that is a part of the same. So, it will be around -- we are going to be around INR350 crores to INR400 crores. Total investment will be there to doubling our capacity.

Disha: And out of that, we have done around -- how much till now?

Rajkumar Borana: We have initiated. So, we have planned 160 looms already in Unit 4B. So, presently, we have 1,000 looms. So, we are planning to make it double by 2,000. And for the same, already 160 looms is being initiated.

Disha: Right. Okay. And for that, we have spent around INR35 crores, as you mentioned?

Rajkumar Borana: Pardon, please?

Disha: And for that, you spent INR35 crores till now?

Rajkumar Borana: Yes, INR35 crores for the Unit 4B.

Moderator: Next question comes from the line of Param Vora with Trinetra Asset Managers.

Param Vora: Sir, I wanted to ask that is there any -- are we getting any subsidy or some help from the government?

Moderator: Mr. Param, sorry for interrupting. You are not clear. Can you just come in the range and talk?

Param Vora: Yes. So, what I wanted to ask was, are we getting any subsidy or any sort of help from the government currently?

Rajkumar Borana: From -- in our running production?

Param Vora: Yes.

Rajkumar Borana: Yes. We are having -- enjoying some subsidies of interest and power.

Param Vora: Sir, can you brief a little bit about those?

Rajkumar Borana: So, in the interest, we are getting around 3% of our -- 3% to 4% of the interest. That is around, you can say it's 30% to 40% of the interest cost we are getting subsidy. And in power, we are getting around 20% to 22% of the subsidy in a percentage wise. It's INR2 per unit. And it will be for 5 years. So, for the unit 1, it will be still 2026. Then in unit 2, it will be '27. Unit 3, it will be for 2028. But meanwhile, we will be doing these renewables, so that will not affect our margin at all.

Param Vora: Okay. Okay. Understood.

Moderator: Next question comes from the line of Ankur Gulati with Genuity Capital. Please go ahead.

Ankur Gulati: Thank you. 6,60,00,000 per square meter of production, right?

Moderator: Mr. Gulati, please speak a little louder.

Ankur Gulati: In the third quarter, 6,60,00,000 production is coming. You said this, right?

Rajkumar Borana: In the third quarter...

Ankur Gulati: Total square meter of textile produced, 6,60,00,000. You said a number, right?

Rajkumar Borana: Yes, exactly. 6,60,00,000.

Ankur Gulati: So, INR16.90 per square meter is done, which is higher than March. In FY '25, it was INR15.80. So, has there been any mix exchange...?

Rajkumar Borana: Yes, you are correct. In our product range, we keep on switching demands. As you know, there are some winters and everything. So, they need some higher GSM fabrics. That will increase the cost of the fabric and that's why the selling rate is higher.

Ankur Gulati: But this will be seasonal. This will be more in the winter season and then it will be less in the summer.

Rajkumar Borana: Yes, there is a difference. Definitely, there are differences.

Ankur Gulati: And for 9 months, you said close to 183,000,000.

Rajkumar Borana: For 9 months, we have got 16,31,00,000 meters. Last year, we had 18,36,00,000 for the entire year.

Ankur Gulati: Okay. If I divide 16,31,00,000 by revenue, it becomes INR17.50. So, the realization is improving. Is there any specific reason or this will be the seasonality?

Rajkumar Borana: Sir, we are also changing the product range. And even in the unit 4, we are planning to make high product keeping the demand in mind. So, definitely, it's on the better side.

Ankur Gulati: Sir, from this point onwards, INR16-INR16.50 per square meter over a one year period, is that a fair average or should we take it back to INR15-INR15.80?

Rajkumar Borana: No, we think it will be on the positive side in the coming quarters.

Ankur Gulati: So, INR16 plus. Sir, the capacity of plant 1 was 76.6. Before March '25 financial year, it was 96% plus. So, any specific reason?

Rajkumar Borana: Sir, technically, our machine is wider. It is around 105 inches. So, sometimes we take out 2 widths from it. And sometimes the width becomes single. Because of these bed sheet fabrics and shirting fabrics. So, whenever there is a single width fabric, the utilization is less. But the machine is running 100% efficiently.

Ankur Gulati: So, again, at least for the next one year, let's assume it is around 77.

Rajkumar Borana: No, sir, it is increasing. We will easily reach around 80 plus.

Ankur Gulati: Okay. And the utilization of plant 2 is also 75. So, over the next 12 months, it will again be 80-85.

Rajkumar Borana: Yes, yes.

Ankur Gulati: Sir, the other income in this quarter was around INR1.6 crores. What was its component? Last quarter, it was INR3.9 crores.

Rajkumar Borana: Sir, the interest subsidy that goes in the quarter is on other income. So, in July, we got the permission for unit 3 that you are eligible to get the subsidies. So, at that time, we booked it in that quarter. And now we are booking on a regular basis. So, it will remain the same for the next quarter or it will be less, it will not increase.

Ankur Gulati: Okay, and what is the income tax rate. Now it has gone above 19%, which used to be 18% -- 19%, 20?

Rajkumar Borana: Now it's 17 point something. 15 plus something surcharge is around 17.25.

- Ankur Gulati:** And can you give a little more detail about the technical textile? What are you making in it? Are there jackets or some other industrial use?
- Rajkumar Borana:** Yes, like tent clothes are made. Then there are jackets and there are low GSM ones. I mean, there are no high GSM ones. So, like hospital linens are used in it. So, it is like that.
- Ankur Gulati:** Okay, and secondly, is there a timeline of 2,000 looms in your mind?
- Rajkumar Borana:** Yes, I mean, we have already initiated. Yes, I mean, our planning is completely till March 28.
- Ankur Gulati:** And will you take a debt for this Capex because you said that it is a cost of INR350 crores. So, are you going to take a debt?
- Rajkumar Borana:** Yes, I mean, as per the company's generation, we will take the debt that is required along with it.
- Ankur Gulati:** Okay and last question, sir. What will be the depreciation and interest expense of renewable? You are saying that INR20 crores power cost is left. What will be the depreciation and interest in place of that when both these plants become operational?
- Rajkumar Borana:** Depreciation is usually allowed to take up to 40%, but we will decide that we will either go according to 15% or how it is. It will be divided in 25 years. It has a life of 25 years of renewables.
- Ankur Gulati:** Okay and what will be the interest?
- Rajkumar Borana:** The interest will not be so high because our total cost is of INR115 crores. Out of that, we are taking only INR40 crores debt and the remaining we are doing the rest with our own effort.
- Ankur Gulati:** Okay, sir. All the best. I will fall back in queue.
- Rajkumar Borana:** Thank you.
- Moderator:** Thank you. Next question comes from the line of Madhur Rathi from Counter Cyclical Investments. Please go ahead.
- Madhur Rathi:** Sir, thank you for the opportunity. Sir, I wanted to understand, sir, how is the cost of production of this grey fabric for Indian players versus the Chinese because we are using their raw material. So, I wanted to understand accordingly?
- Rajkumar Borana:** Sir, the fabric that we are making is raw material actually. This fabric cannot be used directly. So, a raw material comes from China. We make a fabric from it. And the process house in Surat is processed there and distributed all over India and the world. So, it is not directly compared to China. And the raw material that we make from China is not imported. It has very heavy duties. So, this thing is not imported from there.
- Madhur Rathi:** Okay because of duty it is expensive to import from there?

Rajkumar Borana: No nothing like that even if the duty is removed from there, the cost effect is such that if we get their raw material at a proper price, we can compete with them also easily because the power cost there is the same as the Indian power cost. The wages are the higher side in China compared to India. So, we can compete easily. That is not a challenge at all.

Madhur Rathi: Okay, got it. Sir, I wanted to ask that we have invested INR150 crores in renewable energy and our yearly savings are INR20 crores?

Rajkumar Borana: INR150 crores in what?

Madhur Rathi: Renewably we have invested INR150 crores in solar and wind projects and we are expecting INR20 crores yearly savings. So, we will get our money back in 7 years. So, from an IRR perspective, it is very less?

Rajkumar Borana: We have invested INR115 plus 9 in renewable energy. It is INR125 crores.

Madhur Rathi: Okay, it is INR125 crores.

Rajkumar Borana: Yes, it is INR125 crores and we will get a benefit of 20 on an average. So, we will be free in 6 years.

Madhur Rathi: Okay. Sir, I was thinking that we are doubling our capacity. So, we have invested INR35 crores in the 160 looms. But sir, when we are saying that we have to take 1000 to 2000 looms and it will cost us INR350 crores to INR400 crores. So, sir, are we planning on making very high value-added products from these incremental groups?

Rajkumar Borana: No, there are two things in that. First, we will develop it along with renewables. So, we will do any expansion.

Madhur Rathi: Okay. So, sir, that means this INR350 crores to INR400 crores. Sorry sir please go ahead.

Rajkumar Borana: So, in this INR350 crores to INR400 crores, we will invest around INR200 crores in capex. Then, the working capital will be used for INR50, INR60, INR70 plus we will add renewables to it. So, all together, it will reach INR350.

Madhur Rathi: Got it. Sir, one final question from me. Sir, what will be the value-added product in our mix today and after the new looms how much value-added products will we want to take?

Rajkumar Borana: What happens in value-added products is we work according to the demand supply. Because to keep the project fully operational, if the margin is not squeezed anywhere, we keep changing it. So, the value-added product demand supply is a little tricky. Sometimes, when it comes together, we add on to it. And sometimes, when it decreases, we switch back to our regular product. So, there will be some churning. During the year, you will see that the average will be out.

Madhur Rathi: Sir, how much will be the value-added product?

Rajkumar Borana: Value-added product you understand around 20% to 25% of our production capacity is in value-added.

- Madhur Rathi:** Okay. Sir, thank you so much and all the best.
- Rajkumar Borana:** Thank you very much.
- Moderator:** Thank you. Next question comes from the line of Parth Patel with Patel Investments. Please go ahead.
- Parth Patel:** Sir, I wanted to know that at the start of January, we had made an investment of INR1 crore in Attero Recycling. The amount of money is not that much, but I wanted to know that how does our core business for synthetic fabric manufacturing align with it? And secondly, will we get to see some other non-core capital allocation in the future?
- Rajkumar Borana:** No, we will not do that much. We have made a purely equity investment, but our target is not that at all. Our target will be purely the business only.
- Parth Patel:** Sir, I did not understand your last point. Broadly what?
- Rajkumar Borana:** Broadly, we will invest in our running business only. This is just a purely equity investment. Nothing else.
- Parth Patel:** Okay. Got it. And secondly, recently EU has suspended the generalization scheme. So, Indian textile benefits for export have gone away in this year. So, indirectly or indirectly, is there any volume risk in this? And indirectly, are we planning to change the export countries to probably UAE, Middle East or Africa or anything like that?
- Rajkumar Borana:** Sir, what happens in this is that we do not do any direct export. Our buyers do it. So they have an export business. So where they get the opportunity, they export the fabric from us. And as per the requirement of the country, our machine is versatile. So we are like the fabric, in the US, we used to have bad seats, etcetera. So that was a little down for us.
- So instead of that, they are exporting to UAE, etcetera. So they wanted another fabric there, so we made them another one. So we are not directly concerned with an export market. But whenever there is an export rise or something, then we get extra demand. Otherwise, our production is easily diluted in our domestic demand.
- Parth Patel:** Got it, sir. Got it. That is helpful. And my last question is our EBITDA margin expanded quite a lot, 24.3% this quarter. So, I just wanted to see moving forward, because of Unit 4, will we see an increase in EBITDA margin to 25% or 25.5% or should we take this as a one-off and keep around 23% to 24% only?
- Rajkumar Borana:** Yes. Gradually, it will increase. Because what is happening is as the machine is not getting completed, the depreciation is less. Interest costs are also going down. So, marginally, it is going to be increased from quarter-on-quarter.
- Parth Patel:** Okay. Got it. Thank you so much, sir. And all the best.
- Rajkumar Borana:** Thank you very much.

Moderator: Thank you. Next question comes from the line of Gaurav Agarwal with A V Capital. Please go ahead.

Gaurav Agarwal: Sir, what is the percentage of texturized yarn sales in our total sales?

Rajkumar Borana: It is around 7%.

Gaurav Agarwal: 7%. And do we plan to enter POY manufacturing in future?

Rajkumar Borana: After doubling the capacity, we can think over this.

Gaurav Agarwal: Okay. Thank you, sir.

Rajkumar Borana: Thank you.

Moderator: Thank you. Next question comes from the line of Miten Shah, an Individual Investor. Please go ahead.

Miten Shah: Yes, thank you. Thank you for giving opportunity and congratulations on a good set of numbers.

Rajkumar Borana: Thank you.

Miten Shah: My question would be like, normally, what would be our asset-to-turnover ratio? Like, say, suppose if we incur a capex of INR100 crores, like, how much would be the utilization of the returns in full capacity? Like INR250 crores, INR300 crores?

Rajkumar Borana: Can you please pardon the question?

Miten Shah: What would be the asset-to-turnover ratio? Like, for a capex of INR100 crores, we'll yield to maximum what revenue in the full utilization?

Rajkumar Borana: Around 2x to 3x.

Miten Shah: Is it the same in grey fabric as well as yarn?

Rajkumar Borana: No. Yarn is just in, you can see, it's only 7%.

Miten Shah: Okay.

Rajkumar Borana: Actually we have added a little extra capacity that in case if a machine is shut down or something happens, we will not affect to buy the yarn from the outside.

Miten Shah: Okay.

Rajkumar Borana: So we have to keep our capacity on the additional side and we are utilizing that capacity fully. So whatever extra yarn is being manufactured is being sold, but it is not in part and part of the business to sell the yarn.

- Miten Shah:** Got it, got it, got it. So my next question would be like, we have all the 4 units based out in Surat. So my question would be, aren't we too much concentrated in one particular geography? I mean, in terms of concentration, are you planning to expand somewhere else to, you know, just stabilize or, in case of any -- whatever, you know, favorable or unfavorable conditions as being replaced in one particular geography?
- Rajkumar Borana:** Yes. As you are aware, Surat is a, you can say, the Manchester of synthetic fabric. So anything which is manufactured in Bhiwandi, synthetic, that fabric comes to Surat for the, another process.
- So this is the best geographical of place in India to produce the synthetic fabric. And we are staying here from last more than 50 years. So we don't think that any change is required because at the last, the fabric is going to come to Surat only for the processing.
- Miten Shah:** Got it. It is like what you're saying, similar to the diamond hub, basically.
- Rajkumar Borana:** Yes. See, diamond is what happened. Diamond is only, you can say, they are doing these polishing work over here.
- Miten Shah:** Correct.
- Rajkumar Borana:** But for the jewellery, it's going to all over the India. But in Surat, you can say, the diamond is being mining here, polishing here, then jewellery here, just going the finished product from Surat to all over Indian world. That is the difference in fabric.
- Miten Shah:** Correct. Correct. Correct. And my only final question would be like, you know, what is the current debt on books? Like, how much is the long-term and how much is the working capital or short-term?
- Rajkumar Borana:** Yes. INR35 crores is our long-term.
- Miten Shah:** Okay.
- Rajkumar Borana:** And INR25 crores is short-term.
- Miten Shah:** Okay.
- Miten Shah:** Okay. It is as good as nil. I mean, we are almost, we can say, debt free.
- Rajkumar Borana:** Yes, exactly.
- Miten Shah:** Fair enough. Yes. And what would the blended overall utilisation for considering all the four units?
- Rajkumar Borana:** Blended?
- Miten Shah:** Blended utilisation consisting of all the four units?
- Rajkumar Borana:** Yes, it is around 82% to 83%.

Miten Shah: And what maximum can we get from this? What is the maximum that we can achieve?

Rajkumar Borana: Up to 90%.

Miten Shah: So, we are almost breached or breaching the maximum utilisation, right?

Rajkumar Borana: Exactly.

Miten Shah: Fair enough. Yes. And what would the cash on reserve? I mean, how much cash do we have as of now?

Rajkumar Borana: INR55 crores to INR40 crores.

Miten Shah: All right. That's it. Thanks a lot and thanks for giving the opportunity and congratulations once again. Wish you all the best.

Rajkumar Borana: Thank you. Thank you very much.

Moderator: Thank you. A reminder to all the participants that you may press star and one to ask a question. Next question comes from the line of Vansh Saini with Street Smart Investment. Please go ahead.

Vansh Saini: Hi. Good morning, sir. Thanks for the opportunity. Sir, so you have an estimated capex. You have planned an estimated capex of INR350 crores for doubling your capacity. So, may I know how you will fund this capex? Will you be further diluting your equity?

Rajkumar Borana: No. Equity dilution is not at all coming.

Vansh Saini: Okay. So, it will be majorly funded through debt and internal accruals.

Rajkumar Borana: Majorly from the internal accruals or maybe by the debt.

Vansh Saini: Okay, sir. Thank you, sir. Okay.

Moderator: Thank you. A reminder to all the participants that you may press star and one to ask a question. Next question comes from the line of Ankur Gulati with Genuity Capital. Please go ahead.

Ankur Gulati: Sir, 4B 160 will be operational any time lines?

Rajkumar Borana: What are you saying?

Ankur Gulati: How long 4B 160 water jets start?

Rajkumar Borana: It's 64. The rest of the balance will start in February.

Ankur Gulati: The balance 1000 looms that you are saying do you need to buy land for that or will be done on the existing land?

Rajkumar Borana: No, there is land for around 700 but for 300 we have to buy.

Ankur Gulati: Are there approvals for the 700 or you have to buy the approvals?

- Rajkumar Borana:** Yes, approval is not a challenge at all. We can get easily but as and when we start we have to take the approval at that same time only but we will get it. That is not a challenge at all.
- Ankur Gulati:** Okay. Thank you.
- Moderator:** Thank you. Next question comes from the line of Ajit Sethi with Eiko Quantum Solutions. Please go ahead.
- Ajit Sethi:** Thanks for the opportunity. Sir, can you please share the roadmap for doubling the production capacity from 1,000 looms to 2,000 looms by March '28?
- Rajkumar Borana:** Yes, so already we have initiated, as I told, that 160 loom is being uh started by this March, this February end. And balance we are planning in coming two years. So slowly and steadily we are going to increase all this capacity by March '28.
- Ajit Sethi:** So by end of FY'27, so what will be our exit capacity for looms, if possible? Can you share?
- Rajkumar Borana:** By 2027, we are planning to make it up to 1500.
- Ajit Sethi:** Okay sir, thank you.
- Moderator:** Thank you. Ladies and gentlemen, as there are no further questions, we have reached the end of question and answer session. I would now like to hand the conference over to Mr. Rajkumar Borana for closing comments.
- Rajkumar Borana:** Thank you for being a part of our maiden earning call for your continued support. We look forward to engage with you in the quarter ahead. Thank you very much.
- Moderator:** Thank you. On behalf of Borana Weaves Limited, that concludes this conference. Thank you for joining us. You may now disconnect your lines.