Date: 31-08-2026

To,
BSE Limited
P. J. Towers, Dalal Street,
Fort, Mumbai 400001

To,
National Stock Exchange of India Limited
Exchange Plaza, BandraKurla Complex,
Bandra East, Mumbai – 400051

Sub: Annual Report (F.Y. 2025-26) of the Company, Notice Convening 6th Annual General Meeting & E-Voting Information

Dear Sir,

Pursuant to applicable regulations of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, this is to inform you that the 6th Annual General Meeting ('AGM') of the Members of the Company will be held on Tuesday, 29th September, 2026 at 11:30 a.m. through Video Conferencing ('VC')/ Other Audio Visual Means ('OAVM'), in compliance with the relevant circulars issued by the Ministry of Corporate Affairs ('MCA') and the Securities and Exchange Board of India ('SEBI').

Further, the Company has fixed Tuesday, 22nd September, 2026 as the cut-off date to ascertain the eligibility of Members entitled to cast their vote electronically on all the resolutions to be passed at the AGM. The Company has engaged the services of National Depository Services Limited ('NSDL') to provide the e-Voting facility. The remote e- Voting schedule is as under:

Commencement of remote e-Voting	Saturday, September 26, 2026 (09:00 am onwards)
End of remote e-Voting	Monday, September 28, 2026 (upto 05:00 pm)

Pursuant to Regulation 34(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed the Annual Report (F.Y. 2025-26) along with the Notice convening the 6th AGM of the Company. The said documents are also available on the website of the Company at https://www.boranagroup.in

Kindly take the same in record.

Thanking You
Yours Faithfully

For Borana Weaves Limited

ANKUR MANGILAL BORANA
Digitally signed by ANKUR MANGILAL BORANA
Date: 2026.08.31 13:59:10 +05'30'

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

BORANA WEAVES LTD
Weaving Dreams

INTEGRATED TEXTILE MANUFACTURING

WEAVING EXCELLENCE FOR DECADES.

An integrated textile platform built on experience, technology, disciplined execution and responsible growth.

THE BORANA EDGE

INTEGRATED MANUFACTURING
Connected capabilities from Fibre to fabric

PRECISION-LED EXECUTION
Technology, control and dependable quality

RESPONSIBLE GROWTH
Scale built with disciplined stewardship

ANNUAL REPORT
2025-26

NSE: BORANA | BSE: 544404

NAVIGATE THE REPORT

Across the pages

A concise route through the Company, statutory disclosures and audited financial statements.

INTEGRATED SCALE

TECHNOLOGY | PRECISION | PROGRESS

Corporate overview map

ABOUT THIS REPORT

This Annual Report presents Borana Weaves Limited's business context, FY 2025-26 performance, operating priorities, governance disclosures and audited standalone financial statements.

Forward Looking Statement - Some of the statements made in this Annual Report may be forward looking. Such statements are based on certain assumptions, estimates, projections or plans that are inherently subject to significant risks, uncertainties and contingencies that are liable to change.

COMPANY AT A GLANCE

From fibre to fabric.
Under one roof.

A technology-led textile manufacturer combining integrated capabilities, operating scale and precise execution.

98%
Repeat orders, reflecting enduring customer confidence.

99%
Fabric enabled by in-house texturising and twisting.

7x
Production-capacity growth between 2021 and 2026.

398M
Metres of annual fabric production capability.

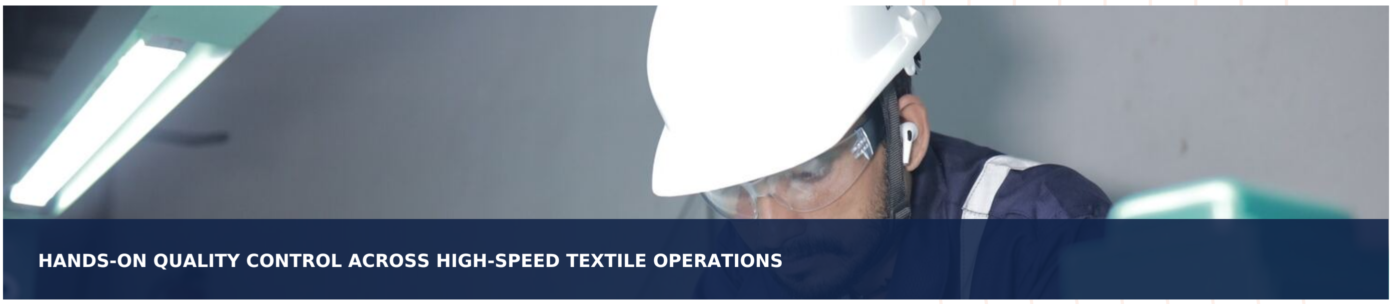
Borana Weaves Limited is a trusted name in textile manufacturing, providing a seamless journey from Fibre to fabric. As one of India's leading producers of high-quality microfilament woven fabrics, the Company uses advanced technology and disciplined process controls to deliver uncompromised quality.

Its integrated operations span POY-to-PTY texturising, warping, sizing and weaving. Modern high-speed water-jet looms support rapid production, consistent specifications and dependable turnaround, while experienced teams bring craftsmanship and engineering precision to every stage.

1,212
high-speed water-jet looms

24
texturising machines

04
manufacturing units

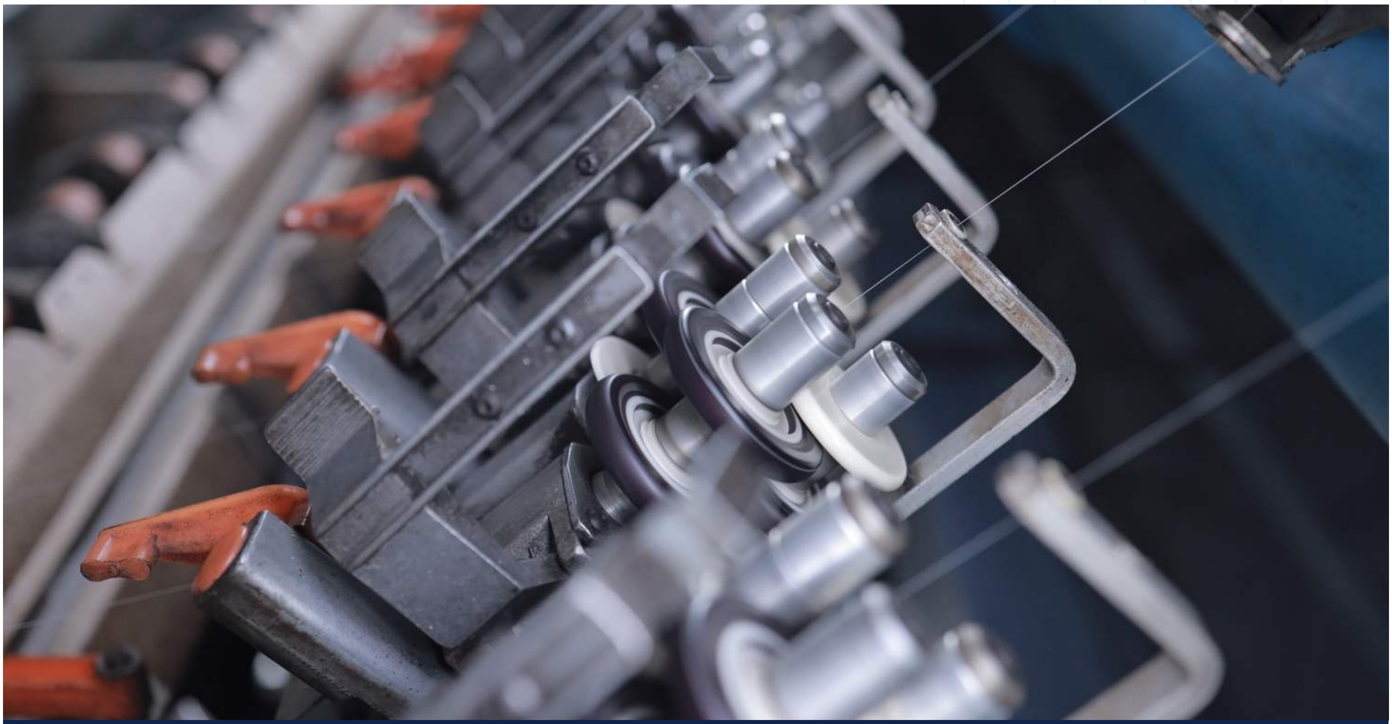


HANDS-ON QUALITY CONTROL ACROSS HIGH-SPEED TEXTILE OPERATIONS

INTEGRATED MANUFACTURING

Precision through every stage

Process integration strengthens quality control, production visibility and customer responsiveness.



FROM POLYMER YARN TO HIGH-QUALITY SYNTHETIC AND BLENDED GREIGE FABRIC

1. **POY** — Raw material
2. **Texturising** — Texture and performance
3. **Warping** — Yarn preparation
4. **Weaving** — Water-jet precision
5. **Greige fabric** — Quality-led output

One fabric. Multiple possibilities.

APPAREL

Soft, comfortable everyday and performance wear for men and women.

HOME TEXTILES

Durable bedding and furnishing foundations with a premium feel.

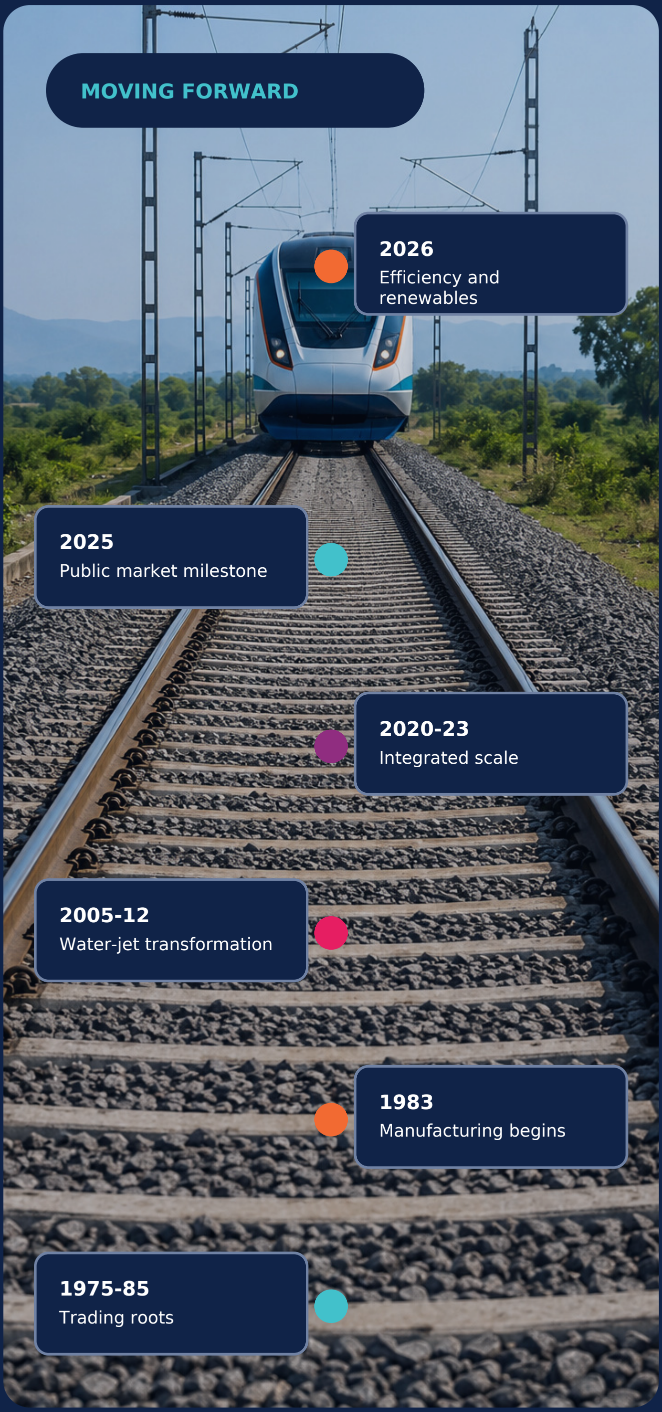
TENT FABRICS

Weather-resistant material engineered for demanding applications.

Specialised bleaching creates a neutral base suited to bed linen and hospital garments, while dyeing, printing and finishing unlock colour, pattern and application diversity.

Experience that moves forward

A continuous evolution from trading roots to an integrated, technology-led textile platform.



OUR GOAL

Deliver exceptional value through high-quality textiles, advanced manufacturing technologies and new market opportunities that deepen customer trust.

OUR MISSION

Build on hard work, integrity and quality while advancing manufacturing capability and creating innovative products for evolving markets.

OUR VISION

Lead textile manufacturing through technology, expanded capabilities and sustainable growth, setting a benchmark for efficiency, reliability and excellence.

ON TRACK FOR LONG-TERM VALUE CREATION

Decades of experience. A continuous journey of excellence.

The Borana Group's progress is anchored in deep sector knowledge, purposeful investment and a commitment to build capabilities that remain relevant for the next generation of textile demand.

PERFORMANCE AND PROGRESS

Scale with disciplined returns

FY 2025-26 reflects growth, stronger profitability and continued investment in operating resilience.

Rs. 388.59 Cr
Revenue from operations

Rs. 396.81 Cr
Total revenue

Rs. 78.40 Cr
Profit before tax

Rs. 64.61 Cr
Profit after tax

23.03%
Return on net worth

0.25x
Debt-equity ratio

4.33x
Current ratio

6.42x
Interest coverage

BBB
LONG TERM

BRICKWORK RATINGS

BWR BBB

STABLE OUTLOOK

Assigned to the Company's long-term bank facilities, reflecting a balanced operating and financial profile.

CORE MANAGEMENT TEAM

Founder-led. Experience-driven.

Leadership continuity combines deep textile knowledge with hands-on responsibility across finance, operations and growth.

RAJKUMAR M. BORANA | MANGILAL A. BORANA | ANKUR M. BORANA

51+ YEARS

Mangilal Ambalal Borana

Chairman & Managing Director

A textile industry veteran who shapes the Company's vision and provides hands-on stewardship across strategy, finance and operations. His deep sector knowledge has been central to Borana Weaves' growth and integrated manufacturing journey.

25+ YEARS

Rajkumar Mangilal Borana

Executive Director & CFO

Leads the commercial and finance portfolio, including financial management and strategic operations. His disciplined approach and broad business experience support expansion, governance and sustainable value creation.

25+ YEARS

Ankur Mangilal Borana

Executive Director & CEO

Oversees production, sales, strategic procurement and human resources. He has played a key role in technology upgrades, machinery modernisation and strengthening the Company's execution capabilities.

Experience as our foundation

Dear Shareholders,

It gives me immense pleasure to present the Annual Report of Borana Weaves Limited.

Having spent more than five decades in the textile industry, I have witnessed its remarkable evolution - from conventional manufacturing practices to modern, technology-driven and globally competitive operations. Today, India's textile and apparel industry is a vital pillar of the national economy, contributing approximately 2% to the country's GDP, 9% to merchandise exports and providing employment to more than 45 million people. During FY 2024-25, India's textile exports stood at approximately USD 37.7 billion, representing a 4.1% share of the global textile and apparel market.

The global textile industry is entering an important phase of transformation. Rising disposable incomes, rapid urbanisation and increasing demand for performance apparel, home textiles and technical textiles are expected to drive sustained growth. At the same time, consumer preferences are steadily shifting towards man-made fibres. This changing landscape presents a significant opportunity for India and for Borana Weaves.

At Borana Weaves, we have built our business with a clear focus on quality, efficiency and disciplined growth. Our integrated capabilities across polyester texturising, warping and weaving provide better control over product quality, production timelines and operating costs. By continuously modernising our facilities, installing high-speed water-jet looms and adopting advanced manufacturing technologies, we are strengthening our ability to serve evolving customer requirements.

Our growth strategy is not based merely on increasing capacity. It is centred on greater productivity, operational excellence and responsible use of resources. We remain committed to improving manufacturing efficiency, reducing waste and strengthening renewable energy use, enabling a more sustainable and future-ready organisation.

India has set an ambitious target of achieving USD 100 billion in textile exports by FY 2030. While the country has traditionally enjoyed a strong position in cotton, the next phase of growth will require greater competitiveness in man-made fibre-based textiles. With our established polyester fabric platform, modern infrastructure and focus on technology, Borana Weaves is well positioned to participate meaningfully in this opportunity.

I sincerely thank our shareholders, customers, employees, business partners, bankers, government authorities and all other stakeholders for their continued trust and support. Our employees remain the foundation of our progress, and I deeply appreciate their dedication and hard work.

With experience as our foundation, technology as our enabler and responsible growth as our guiding principle, I am confident that Borana Weaves will continue to contribute to India's emergence as a future-ready global textile manufacturing hub.

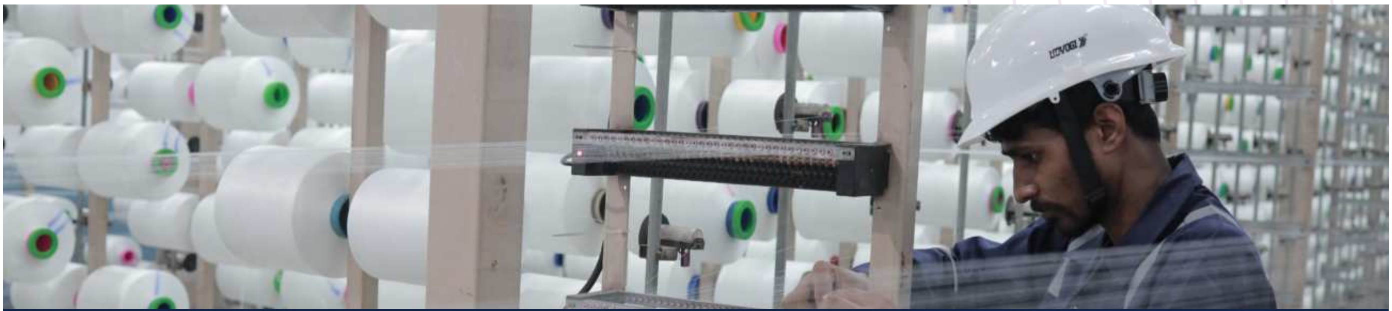
Warm regards,

Mangilal Ambalal Borana | Chairman & Managing Director

Experience, technology and responsible growth will guide our next phase.

Corporate information

A clear, accessible view of leadership, governance partners and the Company's registered office.



PEOPLE | PROCESS | ACCOUNTABILITY

GOVERNANCE WITH OPERATIONAL DISCIPLINE

BOARD OF DIRECTORS AND KMP

Mangilal Ambalal Borana - Chairman & Managing Director

Rajkumar Mangilal Borana - Executive Director & CFO

Ankur Mangilal Borana - Executive Director & CEO

Kanav Sham Sunder Arora - Independent Director

Arvind Kumar Rathi - Independent Director

Nitika Abhishek Soni - Independent Director

Ishant Jain - Company Secretary & Compliance Officer

BOARD COMMITTEES

Audit Committee - Chair: Arvind Kumar Rathi; Members: Kanav Sham Sunder Arora and Rajkumar Mangilal Borana.

Nomination & Remuneration Committee - Chair: Nitika Abhishek Soni; Members: Kanav Sham Sunder Arora and Arvind Kumar Rathi.

Stakeholders Relationship Committee - Chair: Kanav Sham Sunder Arora; Members: Ankur Mangilal Borana and Rajkumar Mangilal Borana.

CSR Committee - Chair: Rajkumar Mangilal Borana; Members: Ankur Mangilal Borana and Nitika Abhishek Soni.

REGISTERED AND CORPORATE OFFICE

Plot Nos. B 5/3, B 5/4, B 5/5, B 5/6, B 5/7 and B 5/7/1, Road No. 9, Hojiwala Industrial Estate, SUSML, Sachin, Surat, Gujarat - 394230

Email: info@boranagroup.in | Website: www.boranagroup.in

CIN: L17299GJ2020PLC117745 | NSE: BORANA | BSE: 544404

REGISTRAR AND TRANSFER AGENT

KFin Technologies Limited

Selenium Tower B, Plot Nos. 31-32, Financial District, Nanakramguda, Hyderabad - 500032, Telangana

Tel.: 040-67162222 / 1800-309-4001

Email: bwl.ipo@kfintech.com

AUDITORS AND BANKERS

Statutory Auditors: KSA & Co., Chartered Accountants

Bankers: HDFC Bank; Sutex Co-operative Bank; Mehsana Urban Co-operative Bank

SECTION TWO

STATUTORY REPORTS

Governance, accountability and transparent communication.

FY 2025-26

NOTICE OF 6th ANNUAL GENERAL MEETING

Notice is hereby given that the 6th Annual General Meeting of the members of Borana Weaves Limited (‘the Company’) will be held on Tuesday, September 29, 2026 at 11:30 a.m. (IST) through Video Conferencing (‘VC’)/Other Audio-Visual Means (‘OAVM’) to transact the following business:

ORDINARY BUSINESS:

1. To consider and adopt the Audited Standalone Financial Statements of the Company for the financial year ended March 31, 2026, together with the Reports of the Board of Directors and the Auditor thereon and in this regard, to consider and if thought fit, to pass the following resolution as an **Ordinary Resolution:**

   “RESOLVED THAT the Audited Standalone Financial Statements of the Company for the year ended March 31, 2026 together with the Reports of the Board of Directors and Auditor’s Report thereon, be and are hereby considered and adopted.”

2. To re-appoint Mr. Ankur Mangilal Borana, Director (DIN: 01091164), who retires by rotation, as a director and in this regard to consider and if thought fit, to pass the following resolution as an **Ordinary Resolution:**

   “RESOLVED THAT in accordance with the provisions of Section 152 and other applicable provisions of the Companies Act, 2013, Mr. Ankur Mangilal Borana, Director (DIN: 01091164) who retires by rotation at this Meeting, be and is hereby re-appointed as a Director of the Company, liable to retire by rotation.”

3. To re-appoint the Statutory Auditor of the Company for the second term of five years and in this regard to consider and if thought fit, to pass the following resolution as an **Ordinary Resolution:**
   “RESOLVED THAT pursuant to Sections 139 and 142 and other applicable provisions, if any, of the Companies Act, 2013, read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification or re-enactment thereof for the time being in force), and based on the recommendations of the Audit Committee and the Board of Directors, and in supersession of the resolution passed by the Members at the 5th Annual General Meeting held on September 10, 2025, M/s. KSA & Co., Chartered Accountants (Firm Registration No. 003822C), be and are hereby re-appointed as the Statutory Auditors of the Company for a second term of five consecutive years, to hold office from the conclusion of the 6th Annual General Meeting until the conclusion of the 11th Annual General Meeting to be held in 2031, on the terms, including remuneration, set out in the explanatory statement annexed to this Notice.”

SPECIAL BUSINESS:

4. To appoint M/s. K. Dalal & Co., Peer Reviewed Company Secretaries in Practice, as the Secretarial Auditors of the Company and in this regard to consider and if thought fit, to pass the following resolution as an **Ordinary Resolution:**

   “RESOLVED THAT pursuant to the provisions of Section 204 of the Companies Act, 2013 (the “Act”) and other applicable provisions of the Act, if any, and Regulation 24A and other applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification or re-enactment thereof, for the time being in force), M/s. K. Dalal & Co., Peer Reviewed Company Secretaries in Practice (Membership No. F3530, CP No. 3863, Peer Review Number 8134/2026), be and are hereby appointed as the Secretarial Auditors of the Company for a term of five consecutive financial years, commencing from FY 2026-27 and ending with FY 2030-31, on the terms, including remuneration, set out in the explanatory statement annexed to this Notice.”

5. To ratify the remuneration payable to M/s. Vaghela Kishor & Co., Cost Accountants (Firm Registration No. 103811) for the financial year 2026-27 and in this regard to consider and if thought fit, to pass the following resolution as an **Ordinary Resolution:**

   "RESOLVED THAT pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013, read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification or re-enactment thereof, for the time being in force), the consent of the Members be and is hereby accorded for payment of remuneration of Rs. 50,000/- (Rupees Fifty Thousand Only) plus applicable taxes and reimbursement of out-of-pocket expenses for conducting the audit of the cost accounting records of the Company for FY 2026-27 to M/s. Vaghela Kishor & Co., Cost Accountants (Firm Registration No. 103811) who were re-appointed as Cost Auditors of the Company by the Board of Directors of the Company at its meeting held on May 14, 2026."

6. To approve the revision in remuneration of Mr. Mangilal Ambalal Borana, Chairman & Managing Director and in this regard, to consider and if thought fit, to pass the following resolution as an **Ordinary Resolution:**

   "RESOLVED THAT pursuant to Sections 196, 197 and 198, read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder (including any statutory modification or re-enactment thereof for the time being in force), the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'), and based on the recommendations of the Nomination and Remuneration Committee and the Board of Directors, the consent of the Members be and is hereby accorded to revise the remuneration of Mr. Mangilal Ambalal Borana, Chairman & Managing Director of the Company, from Rs. 1,00,000/- per month to Rs. 1,50,000/- per month with effect from August 1, 2026, with the other terms and conditions of his appointment remaining unchanged, unless otherwise approved in accordance with applicable law.

   RESOLVED FURTHER THAT the Board of Directors (including the Nomination and Remuneration Committee or any other committee/person authorised by the Board) be and is hereby authorised to alter or vary the terms and conditions of appointment from time to time, within the limits prescribed under the Companies Act, 2013, Schedule V thereto and the Listing Regulations, as applicable."

7. To approve the revision in remuneration of Mr. Rajkumar Mangilal Borana, Executive Director and Chief Financial Officer and in this regard, to consider and if thought fit, to pass the following resolution as an **Ordinary Resolution:**

   "RESOLVED THAT pursuant to Sections 197 and 198, read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder (including any statutory modification or re-enactment thereof for the time being in force), the Listing Regulations, and based on the recommendations of the Nomination and Remuneration Committee and the Board of Directors, the consent of the Members be and is hereby accorded to revise the remuneration of Mr. Rajkumar Mangilal Borana, Executive Director & Chief Financial Officer, from Rs. 50,000/- (Rupees Fifty Thousand Only) per month to Rs. 1,50,000/- (Rupees One Lakh Fifty Thousand Only) per month with effect from August 1, 2026, with the other terms and conditions of his appointment remaining unchanged, unless otherwise approved in accordance with applicable law.

   RESOLVED FURTHER THAT the Board of Directors (including the Nomination and Remuneration Committee or any other committee/person authorised by the Board) be and is hereby authorised to alter or vary the terms and conditions of appointment from time to time, within the limits prescribed under the Companies Act, 2013, Schedule V thereto and the Listing Regulations, as applicable."

8. To approve the revision in remuneration of Mr. Ankur Mangilal Borana, Executive Director and Chief Executive Officer and in this regard, to consider and if thought fit, to pass the following resolution as an **Ordinary Resolution:**

"RESOLVED THAT pursuant to Sections 197 and 198, read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder (including any statutory modification or re-enactment thereof for the time being in force), the Listing Regulations, and based on the recommendations of the Nomination and Remuneration Committee and the Board of Directors, the consent of the Members be and is hereby accorded to revise the remuneration of Mr. Ankur Mangilal Borana, Executive Director & Chief Executive Officer, from Rs. 50,000/- (Rupees Fifty Thousand Only) per month to Rs. 1,50,000/- (Rupees One Lakh Fifty Thousand Only) per month with effect from August 1, 2026, with the other terms and conditions of his appointment remaining unchanged, unless otherwise approved in accordance with applicable law.

RESOLVED FURTHER THAT the Board of Directors (including the Nomination and Remuneration Committee or any other committee/person authorised by the Board) be and is hereby authorised to alter or vary the terms and conditions of appointment from time to time, within the limits prescribed under the Companies Act, 2013, Schedule V thereto and the Listing Regulations, as applicable."

Date: August 11, 2026
Place: Surat

By Order of the Board

Ishant Jain
Company Secretary

NOTES:

a. The Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013 ('the Act'), in respect of the Special Business to be transacted at the Annual General Meeting ('AGM'), and the additional disclosures required under Regulation 36 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') are annexed hereto.

b. The AGM will be held through Video Conferencing ('VC')/Other Audio-Visual Means ('OAVM') in accordance with the applicable circulars issued by the Ministry of Corporate Affairs ('MCA') and the Securities and Exchange Board of India ('SEBI'). Accordingly, Members may attend and participate in the AGM through VC/OAVM.

c. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of the Listing Regulations and the applicable MCA circulars, the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorized e-Voting agency. The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the AGM will be provided by NSDL.

d. Members may join the AGM through VC/OAVM 15 minutes before and up to 15 minutes after the scheduled commencement time by following the procedure set out in this Notice. The facility will be available to at least 1,000 Members on a 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 AGM without restriction on account of first come first served basis.

e. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013.

f. Since the AGM is being held through VC/OAVM, the facility for Members to appoint a proxy to attend and cast a vote is not available. However, authorised representatives appointed pursuant to Sections 112 and 113 of the Companies Act, 2013 may attend the AGM through VC/OAVM and vote through e-Voting.

g. In compliance with the applicable MCA and SEBI circulars and Regulation 36(1)(a) of the Listing Regulations, the Notice of the AGM, together with the Annual Report for FY 2025-26, is being sent electronically to those Members whose e-mail address is registered with the Company, the RTA, their Depository Participant(s) or the Depositories.

   Further, in compliance with Regulation 36(1)(b) of the Listing Regulations, a letter providing the web-link, including the exact path, where Annual Report for the financial year 2025-26 is available, is being sent to those members whose e-mail address is not registered with the Company/Registrar and Transfer Agent/Depository Participants/ Depositories. Members may also note that the Notice of the 6th AGM and the Annual Report 2025-26 will be available on Company's website i.e. www.boranagroup.in, website of BSE Limited at www.bseindia.com and website of NSE Limited at www.nseindia.com and on the website of NSDL www.evoting.nsdl.com. Members may request a physical copy of the Annual Report for FY 2025-26 by writing to info@boranagroup.in, quoting their Folio No./DP ID and Client ID, and the Company shall dispatch the same in accordance with Regulation 36(1)(c) of the Listing Regulations.

h. The Company has engaged National Securities Depository Limited ('NSDL') as the authorised agency for conducting the AGM and providing remote e-Voting and e-Voting during the AGM. Instructions for participation by Members are set out in the subsequent notes.

i. Since the AGM will be held through VC, the Route Map is not annexed to this Notice. The registered office of the Company shall be deemed to be the venue for the AGM.

j. The documents referred to in this Notice and the Explanatory Statement will be available for electronic inspection by the Members, without payment of any fee, during the AGM. Members seeking inspection may send a request to info@boranagroup.in from their registered e-mail address.

k. The Company is providing facility for voting by electronic means (e-voting) through an electronic voting system which will include remote e-voting and the business set out in the Notice will be transacted through such voting. Once the vote on a resolution is cast by a member, whether partially or otherwise, the member shall not be allowed to change it subsequently or cast the vote again. Members who have cast their vote(s) by using remote e-voting may also attend the Meeting but shall not be entitled to cast their vote(s) again at the Meeting.

l. Members of the Company under the category of Institutional/Corporate Shareholders are encouraged to attend and vote at the AGM through VC. Corporate Members pursuant to Section 113 of the Companies Act, 2013 intending to attend the AGM through their authorised representatives, are requested to send to the Company, a certified copy of relevant Board resolution together with the respective specimen signatures of those representative(s) authorised under the said resolution to attend the AGM through VC/OAVM on its behalf and to vote through remote e-Voting.

m. In accordance with the applicable SEBI requirements, requests for transfer of securities shall be processed only in dematerialised form, except in cases of transmission or transposition. Members holding shares in physical form are encouraged to dematerialise their holdings.

n. Members holding shares in dematerialised form should notify changes in their address, bank details, e-mail address, mobile number and other KYC details to their respective Depository Participant(s). Members holding shares in physical form should submit the prescribed Form ISR-1 and supporting documents to the Registrar and Share Transfer Agent ('RTA').

o. Members are requested to quote their Folio No./DP ID and Client ID in all correspondence with the Company or the RTA.

p. Members seeking any information or clarification with respect to the business set out in this Notice are requested to write to the Company at info@boranagroup.in at least seven days before the AGM to enable the management to keep the information ready.

q. Members holding shares in dematerialised form who have not registered or updated their e-mail address and KYC details are requested to do so with their Depository Participant(s). Members holding shares in physical form should register or update these details with KFin Technologies Limited, the Company's RTA, using the prescribed forms.

r. Members are requested to contact our Registrar and Transfer Agent for any query related to shares and other inquiry at following address:

KFin Technologies Limited
Selenium Tower-B, Plot No. 31 & 32, Gachibowli,
Financial District, Nanakramguda, Serilingampally, Hyderabad - 500032, Telangana
E-mail: bwl.ipo@kfintech.com; Investor grievances: einward.ris@kfintech.com
Tel.: 040-67162222 / 1800-309-4001
Website: www.kfintech.com
Please quote Folio No./DP ID and Client ID for any communication for your shareholding

s. The voting rights of shareholders shall be in proportion to their shares of the paid-up equity share capital of the Company.

t. Information and other instructions relating to e-voting are as under:

I. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of the Listing Regulations and the applicable MCA circulars, the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorised e-Voting agency. The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the AGM will be provided by NSDL.

II. The Members attending the Meeting who have not cast their vote by remote e-voting shall be able to vote at the Meeting through e-Voting.

III. The Members who have cast their vote by remote e-voting may also attend the Meeting but shall not be entitled to cast their vote again.

IV. Mr. Kunjal Dalal, Practising Company Secretary has been appointed to act as the Scrutinizer for conducting the remote e-voting process as well as e-voting during the AGM, in a fair and transparent manner.

V. Voting rights shall be reckoned on the paid-up value of shares registered in the name of the member as on the cut-off date i.e. Tuesday, September 22, 2026.

VI. A person, whose name is recorded in the register of members as on the cut-off date, i.e. September 22, 2026 only shall be entitled to avail the facility of e-voting. Any recipient of the notice, who has no voting rights as on the cut-off date, shall treat this notice as an intimation only.

VII. A person who has acquired the shares and has become a Member of the Company after the dispatch of the notice of the AGM and prior to the cut-off date i.e. Tuesday, September 22, 2026 shall be entitled to exercise his/her vote either electronically i.e. e-voting by following the procedure mentioned in this part.

VIII. The remote e-voting period will commence on Saturday, 26th September, 2026 at 9.00 a.m. and will end on Monday, 28th September, 2026 at 5.00 p.m. During this period, the Members of the Company holding shares as on the cut-off date i.e. Tuesday, September 22, 2026 may cast their vote electronically. The members will not be able to cast their vote electronically beyond the date and time mentioned above and the remote e-voting module shall be automatically disabled for voting thereafter.

IX. Once the vote on a resolution is cast by the member, he/she shall not be allowed to change it subsequently or cast the vote again.

X. The Scrutinizer, after scrutinizing the votes, will, within the period prescribed under applicable law after the conclusion of the AGM, make a consolidated scrutinizer’s report and submit the same to the Company. The results declared along with the consolidated scrutinizer’s report shall be placed on the website of the Company. The results shall be communicated to the stock exchange(s).

XI. Subject to receipt of requisite number of votes, the resolutions shall be deemed to be passed on the date of the meeting, i.e. Tuesday, September 29, 2026.

XII. *Instructions to Members for e-voting are as under:*

1. Pursuant to the General Circular No. 09/2024 dated September 19, 2024, issued by the Ministry of Corporate Affairs (MCA) and circular issued by SEBI vide circular no. SEBI/ HO/ CFD/ CFDPoD-2/ P/ CIR/ 2024/ 133 dated October 3, 2024 ("SEBI Circular") and other applicable circulars and notifications issued (including any statutory modifications or re-enactment thereof for the time being in force and as amended from time to time, companies are allowed to hold AGM through Video Conferencing (VC) or other audio visual means (OAVM), without the physical presence of members at a common venue. In compliance with the said Circulars, AGM shall be conducted through VC / OAVM.

2. Pursuant to the Circular No. 14/2020 dated April 08, 2020, issued by the Ministry of Corporate Affairs, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, the Body Corporates are entitled to appoint authorised representatives to attend the AGM through VC/OAVM and participate there at and cast their votes through e-voting.

3. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available for 1000 members 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 AGM without restriction on account of first come first served basis.

4. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.

5. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) the Secretarial Standard on General Meetings (SS-2) issued by the ICSI and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and the Circulars issued by the Ministry of Corporate Affairs from time to time the Company is providing facility of remote e-Voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-Voting system as well as e-voting on the date of the AGM will be provided by NSDL.

6. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM has been uploaded on the website of the Company at www.boranagroup.in. The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively and the AGM Notice is also available on the website of NSDL (agency for providing the Remote e-Voting facility) i.e. www.evoting.nsdl.com

7. AGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular issued from time to time

THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING AND JOINING GENERAL MEETING ARE AS UNDER: -

The remote e-voting period begins on Saturday, 26th September, 2026 at 9.00 A.M. and ends on Monday, 28th September, 2026 at 5.00 P.M. The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the cut-off date i.e. Tuesday, September 22, 2026 may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being September 22, 2026.

How do I vote electronically using NSDL e-Voting system?

The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:

Step 1: Access to NSDL e-Voting system

A) Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode

In terms of SEBI circular dated December 9, 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.

Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	**Login Method**
Individual Shareholders holding securities in demat mode with NSDL.	1. For OTP based login you can click on https://eservices.nsdl.com/SecureWeb/evoting/evotinglogin.jsp. You will have to enter your 8-digit DP ID,8-digit Client Id, PAN No., Verification code and generate OTP. Enter the OTP received on registered email id/mobile number and click on login. 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 virtual meeting & voting during the meeting. 2. Existing **IDeAS** user can visit the e-Services website of NSDL Viz. https://eservices.nsdl.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 virtual meeting & voting during the meeting. 3. If you are not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select **"Register Online for IDeAS Portal"** or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp

	4. 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' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold 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 virtual meeting & voting during the meeting. 5. Shareholders/Members can also download NSDL Mobile App "**NSDL Speede**" facility by scanning the QR code mentioned below for seamless voting experience. NSDL Mobile App is available on App Store Google Play
Individual Shareholders holding securities in demat mode with CDSL	1. 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. The users to login Easi /Easiest are requested to visit CDSL website www.cdslindia.com and click on login icon & New System Myeasi Tab and then user your existing my easi username & password. 2. After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting 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 & voting during the meeting. Additionally, there is 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. 3. If the user is not registered for Easi/Easiest, option to register is available at CDSL website www.cdslindia.com and click on login & New System Myeasi Tab and then click on registration option. 4. Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a 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 evoting is in progress and also able to directly access the system of all e-Voting Service Providers.
Individual Shareholders (holding securities in demat mode) 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 virtual meeting & voting during the meeting.

Important note: Members 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	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.com or call at 022 - 4886 7000
Individual Shareholders holding securities in demat mode with CDSL	Members 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. 1800-21-09911

B) Login Method for e-Voting and joining virtual meeting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

How to Log-in to NSDL e-Voting website?

1. 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.
2. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section.
3. 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.
   Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at https://eservices.nsdl.com/ with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

4. Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members 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 Members 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 Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 140283 then user ID is 140283001***

5. Password details for shareholders other than Individual shareholders are given below:

   a. If you are already registered for e-Voting, then you can user 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' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
   c. How to retrieve your 'initial password'?

   (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.

   (ii) If your email ID is not registered, please follow steps mentioned below in process for those shareholders whose email ids are not registered.

6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:

   a) 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.
   b) **Physical User Reset Password?**" (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
   c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.com mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
   d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.

7. After entering your password, tick on Agree to “Terms and Conditions” by selecting on the check box.
8. Now, you will have to click on “Login” button.
9. After you click on the “Login” button, Home page of e-Voting will open.

Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system

How to cast your vote electronically and join General Meeting 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 General Meeting is in active status.

2. Select “EVEN” of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on “VC/OAVM” link placed under “Join 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.

General Guidelines for shareholders

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to k dalal@rediffmail.com with a copy marked to evoting@nsdl.com. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on "Upload Board Resolution / Authority Letter" displayed under "e-Voting" tab in their login.

2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website 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, 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.: 022 - 4886 7000 or send a request at evoting@nsdl.com

Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to info@boranagroup.in.

2. In case shares are held in demat mode, please provide DPID-CLID (16-digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) to info@boranagroup.in. If you are an Individual shareholder holding securities in demat mode, you are requested to refer to the login method explained at step 1 (A) i.e. Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.

3. Alternatively, shareholder/members may send a request to evoting@nsdl.com for procuring user id and password for e-voting by providing above mentioned documents.

4. In terms of SEBI circular dated December 9, 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 required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

THE INSTRUCTIONS FOR MEMBERS FOR e-VOTING ON THE DAY OF THE AGM ARE AS UNDER:-

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
2. Only those Members/ shareholders, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.
3. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-voting.

INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:

1. Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for **Access to NSDL e-Voting system**. After successful login, you can see link of “VC/OAVM” placed under **“Join meeting”** menu against company name. You are requested to click on VC/OAVM link placed under Join Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.

2. Members are encouraged to join the Meeting through Laptops for better experience.

3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.

4. 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.

5. Shareholders who would like to express their views/have questions may send their questions in advance mentioning their name demat account number/folio number, email id, mobile number at info@boranagroup.in. The same will be replied by the company suitably.

Date: August 11, 2026
Place: Surat

By Order of the Board

Ishant Jain
Company Secretary

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

Item No. 3

M/s. KSA & Co., Chartered Accountants (Firm Registration No. 003822C) were appointed as Statutory Auditor of the Company at the Annual General Meeting held on December 31, 2021 for a term of five years and they hold office up to the conclusion of the ensuing Annual General Meeting of the Company.

At the 5th Annual General Meeting held on September 10, 2025, the Members passed a resolution concerning the appointment of the Statutory Auditors. It was subsequently noted that the tenure stated in that resolution overlapped with the unexpired portion of the existing first term. Accordingly, the Board has placed the present resolution before the Members to regularize the appointment for the second term and to supersede the earlier resolution.

M/s. KSA & Co. is eligible and not disqualified to be re-appointed as the Statutory Auditors of the Company under the Act and the applicable rules, and the firm has consented to its re-appointment.

a. **Brief Profile**: M/s. KSA & Co., Chartered Accountants (Firm Registration No. 003822C), are the existing Statutory Auditors of the Company. The firm has extensive knowledge and experience in audits, taxation and valuation, and also provides consultancy and related services.

b. **Proposed Fees**: The fee payable to the Statutory Auditors for FY 2026-27 shall be Rs. 4,00,000/- (Rupees Four Lakh Only) for the statutory audit of the Company, plus applicable taxes and reimbursement of out-of-pocket expenses. The fees for the subsequent years of their term shall be determined by the Board of Directors on the recommendation of the Audit Committee.

c. **Term of Appointment**: For a second term of five consecutive years, from the conclusion of the 6th Annual General Meeting until the conclusion of the 11th Annual General Meeting to be held in 2031, subject to approval of the Members at this Annual General Meeting.

d. **Basis of Recommendation**: The recommendation is based on fulfilment of the eligibility criteria and qualifications prescribed under the Act and the rules made thereunder. In recommending the re-appointment, the Audit Committee and the Board considered the firm’s capability, independence, audit experience and the quality of its past audit work.

The Board, based on the recommendation of the Audit Committee, recommends the Ordinary Resolution as set out in Item No. 3 of this notice for approval by the Members.

None of the Directors or Key Managerial Personnel of the Company, or their relatives, is concerned or interested, financially or otherwise, in the Resolution set out in Item No. 3 of this notice.

Item No. 4

Pursuant to the provisions of Regulation 24A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”) and provisions of Section 204 of the Act read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Audit Committee and the Board of Directors at their meetings held on August 11, 2026 have approved and recommended the appointment of M/s. K. Dalal & Co., Practising Company Secretaries, whose proprietor is Mr. Kunjal Dalal (FCS No.: F3530, CP No. 3863 and Peer Review Certificate No. 8134/2026), as the Secretarial Auditors of the Company for a term of five consecutive financial years, commencing from FY 2026-27 and ending with FY 2030-31, subject to approval of the Members at this Annual General Meeting.

Apart from the Secretarial Audit, M/s. K. Dalal & Co. may undertake other certifications or assignments approved by the Board of Directors, provided that such services are not prohibited under applicable law or the Listing Regulations and do not impair the firm’s independence.

The Company has received confirmation from M/s. K. Dalal & Co. that the firm is eligible and not disqualified to be appointed as the Secretarial Auditors of the Company under the Act and the Listing Regulations, and the firm has consented to its appointment.

a. **Brief Profile**: M/s. K. Dalal & Co. is an established firm of Practising Company Secretaries based in Surat, Gujarat. Its proprietor, Mr. Kunjal Dalal, has more than three decades of experience in company law, the LLP Act, securities laws, legal due diligence, mergers and acquisitions, listings and capital-market regulations.

b. **Proposed Fees**: The fee payable to the Secretarial Auditors for FY 2026-27 shall be Rs. 1,00,000/- (Rupees One Lakh Only) for the Secretarial Audit of the Company, plus applicable taxes and reimbursement of out-of-pocket expenses. The fees for the subsequent years of their term shall be determined by the Board of Directors on the recommendation of the Audit Committee.

c. **Term of Appointment**: For a term of five consecutive financial years, commencing from FY 2026-27 and ending with FY 2030-31, subject to approval of the Members at this Annual General Meeting.

d. **Basis of Recommendation**: The recommendation is based on fulfilment of the eligibility criteria and qualifications prescribed under the Act, the rules made thereunder and the Listing Regulations. In recommending the appointment, the Audit Committee and the Board considered the firm's capability, independence, experience and the quality of its past work.

The Board, based on the recommendation of the Audit Committee, recommends the Ordinary Resolution as set out in Item No. 4 of this notice for approval by the Members.

None of the Directors or Key Managerial Personnel of the Company, or their relatives, is concerned or interested, financially or otherwise, in the Resolution set out in Item No. 4 of this notice.

Item No. 5

Upon recommendation of the Audit Committee, the Board of Directors in its meeting held on May 14, 2026, has re-appointed M/s. Vaghela Kishor & Co., Cost Accountants, at a remuneration of Rs. 50,000/- (Rupees Fifty Thousand Only), plus applicable taxes and reimbursement of out-of-pocket expenses, for conducting the audit of the cost records of the Company for FY 2026-27. As per the provisions of Section 148 of the Companies Act, 2013 and the Rules made thereunder, the remuneration payable to the cost auditors is subject to ratification by the members of the Company.

The Board recommends ratification of remuneration of Cost Auditors, as set out in Item No. 5 of the notice for approval by the Members as an ordinary resolution.

None of the Directors or Key Managerial Personnel or their relatives are in any way concerned or interested, financially or otherwise, in the resolution.

Item No. 6

Mr. Mangilal Ambalal Borana is the Chairman & Managing Director of the Company. Mr. Mangilal Ambalal Borana brings over 51 years of experience in the textile industry. He is instrumental in shaping the Company's vision and plays a hands-on role in all accounting and finance operations. His leadership extends across the Company's accounting functions, ensuring effective financial management and strategic growth. Mangilal Ambalal Borana's deep industry knowledge and expertise have been pivotal in driving the Company's success and expansion, significantly influencing its development and sustained growth in the competitive textile market.

Considering his long and remarkable association with the Company and rich experience in the textile industry, Mr. Mangilal Ambalal Borana was appointed as Managing Director of the Company by the Board of Directors of the Company with effect from July 5, 2024 for a period of five years and approved by the members in the General Meeting held on September 28, 2024, in terms of Sections 196, 197 and 198, read with Schedule V and any other applicable provisions of the Companies Act, 2013.

Mr. Mangilal Ambalal Borana belongs to the Promoter Category and in view of his long association and based on the recommendation of the Nomination and Remuneration Committee, the Board of Directors proposes the revision in the remuneration of Mr. Mangilal Ambalal Borana, Managing

Director of the Company, as stated in the Resolution.

The remuneration and perquisites payable to him shall remain within the limits prescribed under Sections 196 and 197 and Schedule V to the Companies Act, 2013.

The Board of Directors recommends the Resolution set out in Item No. 6 of the accompanying notice for approval by the Members.

Except Mr. Mangilal Ambalal Borana, Mr. Rajkumar Mangilal Borana and Mr. Ankur Mangilal Borana, and their respective relatives, none of the other Directors or Key Managerial Personnel of the Company, or their relatives, is concerned or interested, financially or otherwise, in the proposed Resolution.

Item No. 7

Mr. Rajkumar Mangilal Borana is the Executive Director and Chief Financial Officer (CFO) of the Company. Mr. Rajkumar Mangilal Borana has over 25 years of experience in the textile industries. He manages the Company's entire commercial portfolio, encompassing finance and strategic operations, which are crucial to the Company's expansion. Rajkumar holds a Bachelor's Degree in Commerce from Veer Narmad South Gujarat University, Surat. His expertise and leadership have been pivotal in driving the Company's growth. His comprehensive skills and strategic vision continue to greatly benefit the Company.

Considering his rich experience in various fields, Mr. Rajkumar Mangilal Borana was appointed as Executive Director of the Company by the Board of Directors of the Company with effect from November 17, 2022 and later he was also appointed as CFO of the Company with effect from September 26, 2024.

Mr. Rajkumar Mangilal Borana belongs to the Promoter Category and is an Executive Director of the Company. In view of his long association and experience, and based on the recommendation of the Nomination and Remuneration Committee, the Board of Directors proposes the revision in the remuneration of Mr. Rajkumar Mangilal Borana, Executive Director and CFO of the Company, as stated in the Resolution.

The Board of Directors recommends the Resolution set out in Item No. 7 of the accompanying notice for approval by the Members.

Except Mr. Rajkumar Mangilal Borana, Mr. Mangilal Ambalal Borana and Mr. Ankur Mangilal Borana, and their respective relatives, none of the other Directors or Key Managerial Personnel of the Company, or their relatives, is concerned or interested, financially or otherwise, in the proposed Resolution.

Item No. 8

Mr. Ankur Mangilal Borana is the Executive Director and Chief Executive Officer (CEO) of the Company. Mr. Ankur Mangilal Borana brings over 25 years of experience in the textile industry. He oversees the entire production portfolio, including sales, strategic procurement, and human resources. Ankur holds a Bachelor's Degree in Commerce from Veer Narmad South Gujarat University, Surat. He has played a key role in advancing the Company's machinery technology, and his contributions are vital to the Company's growth and technological advancements.

Considering his vast experience in various fields, Mr. Ankur Mangilal Borana was appointed as Executive Director of the Company by the Board of Directors of the Company with effect from November 17, 2022 and later he was also appointed as CEO of the Company with effect from September 26, 2024.

Mr. Ankur Mangilal Borana belongs to the Promoter Category and is an Executive Director of the

Company. In view of his long association and experience, and based on the recommendation of the Nomination and Remuneration Committee, the Board of Directors proposes the revision in the remuneration of Mr. Ankur Mangilal Borana, Executive Director and CEO of the Company, as stated in the Resolution.

The Board of Directors recommends the Resolution set out in Item No. 8 of the accompanying notice for approval by the Members.

Except Mr. Ankur Mangilal Borana, Mr. Mangilal Ambalal Borana and Mr. Rajkumar Mangilal Borana, and their respective relatives, none of the other Directors or Key Managerial Personnel of the Company, or their relatives, is concerned or interested, financially or otherwise, in the proposed Resolution.

Date: August 11, 2026
Place: Surat

By Order of the Board

Ishant Jain
Company Secretary

ANNEXURE TO THE NOTICE

DETAILS OF DIRECTOR SEEKING APPOINTMENT/RE-APPOINTMENT AT THE ENSUING ANNUAL GENERAL MEETING:

(Pursuant to Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard-2 on General Meetings)

1. Mr. Ankur Mangilal Borana is proposed to be re-appointed as a Director liable to retire by rotation. The details required under Regulation 36(3) of the Listing Regulations and Secretarial Standard-2 are set out below:

Name of director	Mr. Ankur Mangilal Borana
DIN	01091164
Date of birth	07-07-1980
Qualification	Bachelor's Degree in Commerce from Veer Narmad South Gujarat University, Surat.
Expertise in specific functional areas	Over 25 years of experience in the textile industry. He oversees the entire production portfolio, including sales, strategic procurement, and human resources in the Company.
Terms and conditions of appointment/re-appointment	As per the resolution at Item No. 2 of the notice convening this meeting, Mr. Ankur Mangilal Borana is liable to retire by rotation at the meeting and eligible for re-appointment
Remuneration last drawn	Rs. 50,000/- p.m.
Remuneration proposed	Rs. 1,50,000/- p.m.
Shareholding in the Company as on June 30, 2026	12,42,480 equity shares (4.66%)
Date of first appointment	17-11-2022
Relationship with Directors/ Key Managerial Personnel	He is the son of Mr. Mangilal Ambalal Borana, Chairman & Managing Director, and the brother of Mr. Rajkumar Mangilal Borana, Executive Director & Chief Financial Officer.
Names of all listed entities in which the person also holds the directorship and the membership of committees of the board	R & B Denims Limited – Executive Director R & B Denims Limited: CSR Committee - Member
Number of Board meetings attended during FY 2025-26	15
Listed entities from which the person has resigned in the past three years	Nil

Date: August 11, 2026
Place: Surat

By Order of the Board

Ishant Jain
Company Secretary

To,
The Members
Borana Weaves Limited

Your Directors take pleasure in presenting the 6th Annual Report on the business and operations of your Company together with the Audited Financial Statements for the financial year ended March 31, 2026.

FINANCIAL HIGHLIGHTS

(Rs. in Lakhs)

Particulars	**Standalone**	
	For the year Ended 31-03-2026	**For the year Ended 31-03-2025**
Revenue from Operations	38,859.31	29,031.04
Other Income	821.49	478.66
Total Revenue	**39,680.80**	**29,509.70**
Profit / (Loss) before exceptional and extraordinary items and tax	7,843.13	4,985.27
Exceptional and Extraordinary items	(3.42)	(73.01)
Profit / (Loss) before tax	**7,839.71**	**4,912.26**
Tax Expense	1378.51	892.03
Profit / (Loss) for the period	**6,461.20**	**4,020.23**
Other Comprehensive Income for the Year, Net of Tax	25.69	(4.07)
Total Comprehensive Income for the period	**6,486.89**	**4,016.16**

The Company discloses financial results on quarterly basis of which results are subjected to limited review and publishes audited financial results on an annual basis. The financial statements as stated above are also available on the Company’s website www.boranagroup.in.

STATE OF COMPANY’S AFFAIRS

During the year 2025-26, the Company recorded total revenue of Rs. 38,859.31 Lakhs against Rs. 29,031.04 Lakhs in the year 2024-25, representing an increase of around 33.85% during the year the Net Profit after tax of the Company for the year 2025-26 stood at Rs. 6,461.20 Lakhs as compared to Rs. 4,020.23 Lakhs in the year 2024-25 which has increased by around 60.71%.

ROAD AHEAD

Our vision is to lead the weaving industry through cutting-edge technologies and expanded capabilities. We aim to be recognized for our excellence, efficiency, and quality while creating sustainable growth and setting the benchmark for innovation and reliability in the sector.

DIVIDEND

Keeping in mind the overall performance and outlook for your Company and in view of the planned business growth, your directors deem it proper to preserve the resources of the Company for its activities and therefore, do not propose any dividend for the Financial Year ended March 31, 2026.

UNCLAIMED DIVIDEND

There is no balance lying in unpaid equity dividend account.

TRANSFER TO RESERVE
The Board does not propose to transfer any amount to the General Reserve for the Financial Year 2025-26. The profit for the year will be retained in retained earnings.

MATERIAL CHANGES FROM THE END OF THE FINANCIAL YEAR
There have been no material changes occurred between the end of the financial year of the Company to which the financial statements related and the date of the report, which is affecting the financial position of the Company.

SHARE CAPITAL
As on March 31, 2026 the share capital of the Company was as under:
During the year, the Company raised capital through an Initial Public Offer (IPO), which was completed on May 27, 2025. Prior to the IPO, the issued share capital comprised 1,99,37,295 Equity Shares. Pursuant to the fresh issue of shares under the IPO, the issued number of Equity Shares increased to 2,66,45,295, while the Authorized Share Capital remained intact.

DEPOSITS
During the year, Company has not accepted any deposits from public within the meaning of the Section 73 of the Companies Act, 2013 and rules made thereunder.

ANNUAL RETURN
In terms of Section 92(3) and 134(3)(a) of the Companies Act, 2013, the Annual Return of the Company is available on the website of the Company at the link
https://boranagroup.in/annual-return

DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE
There was no significant material order passed by the regulators or courts or tribunals impacting the going concern status and Company's operation in nature.

CONTRACTS AND ARRANGEMENTS WITH RELATED PARTIES
The particulars of contracts / arrangements with related parties referred to in Section 188(1) of the Companies Act, 2013 entered into during the year under review as required to be given in Form No. AOC-2, have been provided in **Annexure-1** which forms part of the Directors' Report.

The policy on related party transactions and on dealing with related party transactions as approved by the board is available on the Company's website and can be accessed at -
www.boranagroup.in/uploads/reports/127_policy-on-related-party-transaction.pdf

DETAILS OF DIRECTORS AND KEY MANAGERIAL PERSONNEL
In accordance with Section 152(6) of the Companies Act, 2013 read with the Articles of Association of the Company, Mr. Ankur Mangilal Borana, Executive Director (DIN: 01091164) is liable to retire by rotation and being eligible has offered himself for re-appointment at the ensuing Annual General Meeting.

Based on the confirmations received from directors, none of the directors are disqualified from appointment under Section 164 of the Companies Act, 2013. The Company's policy on appointment and remuneration of directors and Key Managerial Personnel is available at the web link www.boranagroup.in/uploads/reports/126_policy-on-nomination-and-remuneration.pdf

The name of Directors and KMP as on March 31, 2026:

Name of Directors/KMP	Category & Designation	Appointment Date
Mr. Mangilal Ambalal Borana	Chairman and Managing Director	14/06/2021
Mr. Ankur Mangilal Borana	Executive Director and Chief Executive Officer	17/11/2022
Mr. Rajkumar Mangilal Borana	Executive Director and Chief Financial Officer	17/11/2022
Mr. Kanav Sham Sunder Arora	Independent Director	17/07/2024
Mr. Arvind Kumar Rathi	Independent Director	17/07/2024
Mrs. Nitika Abhishek Soni	Independent Director	17/07/2024
Mrs. Seema Manish Luniya	Company Secretary	25/09/2024

NUMBER OF MEETING HELD DURING THE YEAR

During the year under review, the Board met Fifteen (15) times and the intervening gap between any two meetings was within the period prescribed under Companies Act, 2013. The details of Board Meeting are set out in Corporate Governance Report which forms part of this Annual Report in **Annexure-2**.

COMPOSITION OF BOARD AND ITS COMMITTEE

The detail of the composition of the board and its committees thereof and detail of the changes in their composition if any is given in **Annexure-2** in the corporate governance report. The composition of the board is available on the website of the Company at https://boranagroup.in/directors and its committee is also available on the website of the Company at https://boranagroup.in/kmp-smp-and-committee

STATUTORY AUDITORS

M/s KSA & Co., Chartered Accountants (Firm Registration No. 003822C), whose existing term as Statutory Auditors expires at the conclusion of the ensuing Annual General Meeting for the financial year ended March 31, 2026, are proposed to be re-appointed as the Statutory Auditors of the Company.

The Company has received the necessary consent and eligibility certificate from the Auditors pursuant to Sections 139 and 141 of the Companies Act, 2013. The Board recommends their re-appointment for approval by the members at the forthcoming AGM. Upon approval, the Company will file the necessary e-form **ADT-1** with the Registrar of Companies (ROC) within the prescribed time period.

COMMENTS ON AUDITOR’S REPORT

There are no material adverse comments, remarks in the auditors report. The Auditor’s Report and notes to the said report are self-explanatory and they do not call for any further explanation as required under section 134 of the Companies Act, 2013.

COST AUDITOR

As per the requirements of Section 148 of the Act read with the Companies (Cost Records and Audit) Rules, 2014, the Company has maintained cost accounts and records in respect of the applicable products for the year ended March 31, 2026. Pursuant to Companies (Cost Records and Audit) Rules, 2014, the Cost Audit Report for the financial year March 31, 2025, was filed with the Ministry of Corporate Affairs.

M/s. Vaghela Kishor & CO, Cost Accountant, Surat, has been re-appointed as Cost Auditors for FY 2026-27 by the Board of Directors at its meeting held on May 14, 2026 and the remuneration payable to the cost auditors is required to be placed before the members in the ensuing Annual General Meeting for their ratification. M/s. Vaghela Kishor & CO. have given their consent to act as Cost Auditors and confirmed their eligibility that their appointment is within the limits of the Section 139 of the Act. Accordingly, a resolution seeking members' ratification for the remuneration payable to the Cost Auditor is included in the Notice convening the 06th Annual General Meeting. The Board recommends the same for approval by members at the ensuing Annual General Meeting.

SECRETERIAL AUDITOR

The Company had appointed Mr. Jitendra Kumar Rawal, Practicing Company Secretary, as Secretarial Auditor of the Company for a period of five consecutive years commencing from April 01, 2025 till March 31, 2030 in accordance with the amendment notified in Regulation 24A by way of SEBI (LODR) (Third Amendment) Regulations. Further in view of Causal Vacancy in the office of Secretarial Auditor on account of Resignation of Mr. Jitendra Kumar Rawal with effect from July 24, 2026, the Board of Directors at their meeting held on July 29, 2026 had appointed Mr. Kunjal Dalal, Proprietor of M/s K. Dalal & Co., Practicing Company Secretaries, Surat (FCS No. 3530; CP No. 3863 and Peer Review Certificate no. 8134/2026) as Secretarial auditor to hold the office till the ensuing Annual General Meeting. The Secretarial Audit Report for the Financial Year 2025-26 is attached as **Annexure-3**.

The explanation or comments of the Board of Directors on every qualification, reservation or adverse remark or disclaimer made is as under:-

a. *Company has re-appointed M/s KSA & Co., Chartered Accountants, as Statutory Auditors of the Company at the Annual General Meeting held on September 10, 2025 before the expiry of the his term as Statutory Auditors. The term of the said Statutory Auditor was liable to expire at the ensuing Annual General Meeting to be held for the year ended 31/03/2026* - The Board has taken necessary action for regularization of appointment of statutory auditor in the Annual General Meeting.
b. *Company has not provided the confirmation for providing the SMS Facility to the Shareholders as per SEBI Circular SEBI/HO/CFD/CMD/CIR/P/2020/242 in respect of evoting in Respect of the Annual General Meeting held on September 10, 2025* – The Board of Directors undertakes to ensure necessary compliance in future.
c. Company has not filed Form MGT-14 for appointment of Internal Auditor and MGT-14 for Approval of Boards Report for the year ended 31/03/2025 as required under section 117(3)(g) of The Companies Act, 2013 - The Board of Directors undertakes to ensure necessary compliance in future.
d. *Company has not timely submitted the Monitoring Agency Report to monitor utilisation of proceeds of a public issue for the Period ended June 30, 2025 to the Stock Exchange(s). The said Report was submitted on October 30, 2025 against the requirement of August 14, 2025 as required under Regulation 32(6) of SEBI (LODR) Regulations, 2015* – The submission made by the Company has been duly accepted by the stock exchange(s) and no further action is required.
e. *Company has not provided confirmation of verification of Registration on the Smart ODR Portal as required under the SEBI Circular SEBI/HO/OIAE/OIAE_IAD-1/P/CIR/2023/131 dated July 31, 2023. The Status of the Company is Inactive in Smart ODR Portal* - The Board of Directors undertakes to ensure necessary compliance in future.
f. *As per the Secretarial Compliance Report issued by the earlier Practicing Company Secretary, the exchange(s) has sent several Communication / Clarification Letter /*

Observation Letter i.e (1) NSE letter Ref. No. NSE/LIST/73882 dated 24th November, 2025 regarding Shareholding Pattern (2) NSE letter Ref. No. NSE/LIST/77433 dated 30th January, 2026 regarding Shareholding Pattern (3) NSE Observation for Format / Reporting of disclosure of Related Party Transactions (4) NSE / BSE Clarification / Observation Letter regarding financial Results for June 2025 (5) NSE / BSE Clarification / Observation Letter regarding financial Results for December 2025 (6) NSE / BSE Clarification / Observation Letter regarding composition of the Audit Committee, however none the Communications / Letter has been furnished to us – The Company has made revised submission on exchange(s) portal and Company undertakes to provide further clarifications if any sort by exchange(s).

g. *Company has not updated the entries in Structural Digital Database in compliance with the requirements of SEBI Circular SEBI/HO/ISD/ISD-PoD-2/P/CIR/2025/55 dated April 21, 2025* - The Board of Directors undertakes to ensure necessary compliance in future.

h. *Company has not provided the confirmation of dispatch of letter providing the web-link, including the exact path, where complete details of the Annual Report is available to the Shareholders as required under Regulation 36(1) (b) of SEBI (LODR), Regulation, 2015* - The Board of Directors undertakes to ensure necessary compliance in future.

LOANS, GUARANTEES AND INVESTMENT

With reference to Section 134(3)(g) of the Companies Act, 2013, loans, guarantees and investments made under section 186 of the Companies Act, 2013 form part of the notes to the financial statements provided in this annual report.

DECLARATION BY INDEPENDENT DIRECTORS

The Company has received declaration from all the Independent Directors duly signed by them stating that they meet the criteria of independence as provided in section 149(6) of the Companies Act, 2013 and Regulation 16 of SEBI (LODR) Regulations, 2015.

There has been no change in the circumstances affecting their status as Independent Directors of the Company so as to qualify themselves to be appointed as Independent Directors under the provisions of the Companies Act, 2013 and the relevant regulations.

All the Independent Directors have enrolled with the Indian Institute of Corporate Affairs at Manesar. All the Independent Directors have cleared online self-assessment test as conducted by the said institute.

SEPARATE MEETING OF INDEPENDENT DIRECTORS

In terms of requirement of Schedule IV of the Companies Act, 2013, the Independent Directors of the Company have complied with the code of Independent Director. Independent Directors met separately on January 22, 2026 to inter alia review the performance of Non-Independent Directors (Including the Chairman), the entire Board and the quality, quantity and timeliness of the flow of the information between the Management and the Board.

VIGIL MECHANISM

Your Company has adopted a Whistle Blower Policy to provide a formal mechanism to the directors and employees to report their concerns about unethical behavior, actual or suspected fraud or violation of the Company's Code of Conduct or Ethics Policy. The policy provides for adequate safeguards against victimization of employees who avail of the mechanism and also provides for direct access to the Chairman of the Audit Committee. It is affirmed that no personnel of the Company have been denied access to the Audit Committee. The Whistle Blower Policy has been posted on the website of the Company at www.boranagroup.in/uploads/reports/81_whistle-blower-policy.pdf

DIRECTORS RESPONSIBILITY STATEMENT

Pursuant to the provisions of Section 134(3) (c) and 134(5) of the Companies Act, 2013, your directors hereby confirm:

A. That in preparation of the annual accounts, the applicable accounting standards have been followed and there are no material departures from the same;

B. That the directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2026 and of the profit and loss of the Company for that period;

C. That the directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company for preventing and detecting fraud and other irregularities;

D. That the directors had prepared the annual accounts on a ‘going concern’ basis; and

E. The directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively;

F. The directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

ANNUAL EVALUATION

Pursuant to the applicable provisions of the Act and the Listing Regulations, the Board has carried out an Annual Evaluation of its own performance, performance of the directors and the working of its committees based on the evaluation criteria defined by Nomination and Remuneration Committee (NRC) for performance evaluation process of the board, its committees and directors.

The performance evaluation of the board was evaluated by the board after seeking inputs from all the directors on the basis of the criteria such as participation in decision making; participation in developing corporate governance; providing advice and suggestion etc.

The committees of the board were assessed on the degree of fulfilment of key responsibilities, adequacy of committee composition and effectiveness of meetings.

The board reviewed the performance of the individual directors on the basis of the criteria such as the contribution in decision making, contribution of the individual director to the board and committee meetings like preparedness on the issues to be discussed, meaningful and constructive suggestions and advice in meetings, etc. In addition, the chairman was also evaluated on the key aspects of his role.

In separate meetings of independent directors, performance of non-independent directors, performance of the board as a whole and performance of the chairman was evaluated, taking into account the views of executive directors and non-executive directors. Performance evaluation of independent directors was done by the entire board, excluding the independent director being evaluated.

INTERNAL FINANCIAL CONTROL SYSTEM

The Company has in place adequate internal financial controls with reference to financial statements. During the year, such controls were tested and no reportable material weakness in the design or operation was observed. A report on the Internal Financial Controls under clause (i) of sub-section 3 of section 143 of the Companies Act, 2013, as given by the Statutory Auditors of the Company forms part of Independent Auditor’s Report on Standalone Financial Statements as Annexure B.

CORPORATE GOVERNANCE

Your Company has incorporated the appropriate standards for corporate governance. The Company has filed all the quarterly compliance reports on corporate governance within the due time line to the Stock Exchange, as specified in Regulation 27(2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and all other Corporate Governance norms mentioned under the said regulation duly complied by the Company. Moreover, as per Regulation 34(3) read with Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 Company has given the Corporate Governance Report in **Annexure-2** as a part of its Annual Report.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

With reference to Section 134(3)(m) of the Companies Act, 2013, the details of conservation of energy, technology absorption and foreign exchange earnings and outgo are as per **Annexure-4.**

CORPORATE SOCIAL RESPONSIBILITY (CSR)

The Company is committed to good corporate citizenship. As a part of its corporate social responsibility, the Company continues to undertake a range of activities including healthcare, environment and education. The detailed CSR policy of the Company is placed on the website of the Company at www.boranagroup.in/uploads/reports/122_policy-on-corporate-social-responsibility.pdf Pursuant to the provisions of section 135 of the Companies Act, 2013 read with Companies (Corporate Social Responsibility) Rules 2014; the board has undertaken the CSR activities as per Rule 4 of Companies (Corporate Social Responsibility Policy) Rules, 2014. The details of CSR activities for the financial year 2025-26 forms part of this Board report in **Annexure-5.**

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

As per Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements), Regulation 2015, the Management Discussion and Analysis Report is given in **Annexure-6.**

PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES

The information of employees and managerial remuneration, as required under Section 197(12) of the Act, read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014, and other details are annexed herewith and forms part of this Report as per **Annexure-7**.

The statement containing names of top ten employees in terms of remuneration drawn and the particulars of employees as required under Section 197(12) of the Act read with Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, has been provided in a separate annexure forming part of this report.

Further, the report and the accounts are being sent to the Members excluding the aforesaid annexure. In terms of Section 136 of the Act, the said annexure is open for inspection and any member interested in obtaining a copy of the same may write to the Company Secretary at the Registered Office of the Company.

CEO/ CFO CERTIFICATION

In terms of Regulation 17(8) of the listing regulations, the CEO and CFO has certified to the board of directors of the Company with regard to the financial statements and other matters specified in the said regulation for the financial year 2025-26. The Certificate received from CEO and CFO is attached herewith as per **Annexure-8.**

STATEMENT ON RISK MANAGEMENT
The Risk Management Policy required to be formulated under the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 has been duly formulated and approved by the Board of Directors of the Company. The aim of Risk Management Policy is to maximize opportunities in all activities and to minimize adversity. The Policy includes identifying types of risks and its assessment, risk handling, monitoring and reporting, which in the opinion of the Board may threaten the existence of the Company.

CODE OF CONDUCT
The Board of Directors has formulated and adopted Code of Conduct for Board of Directors and Senior Management Personnel. During the year, board of directors and senior management personnel has complied with general duties, rules, acts and regulations. In this regard certificate from Chief Executive Officer (CEO) is required under Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the same is attached herewith as per **Annexure-9.** Code of Conduct for Board of Directors and Senior Management Personnel is available on below link:
www.boranagroup.in/uploads/reports/82_code-of-conduct.pdf

COMPLIANCE CERTIFICATE FROM THE PRACTICING COMPANY SECRETARY REGARDING COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE

Corporate Governance is built on the core principles of transparency, accountability, and independence to maximize long-term stakeholder value and market reputation.

As mandated under Schedule V of the SEBI (LODR) Regulations, 2015, M/s. K. Dalal & Co., Practicing Company Secretaries, has issued a Compliance Certificate confirming that the Company has duly complied with all the conditions of Corporate Governance. The certificate is attached herewith as **Annexure-10**.

CERTIFICATION FROM COMPANY SECRETARY IN PRACTICE
M/s. K. Dalal & Co., Practicing Company Secretaries has issued a certificate required under the listing regulations, confirming that none of the directors on the Board of the Company has been debarred or disqualified from being appointed or continuing as director of the Company by SEBI/Ministry of Corporate Affairs or any such statutory authority. The certificate is enclosed as **Annexure-11.**

SUBSIDIARIES, JOINT VENTURE AND ASSOCIATE COMPANIES
The Company, Borana Weaves Limited, does not have any Subsidiary, Joint Venture, or Associate Company as on the reporting date.

DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013
Our Company goal has always been to create an open and safe workplace for every employee to feel empowered, irrespective of gender, sexual preferences, and other factors, and contribute to the best of their abilities.

The Company did not receive any complaints on sexual harassment during the year 2025-26 and hence, No Complaints remain pending as of March 31, 2026. The Company has a Policy for Anti-Sexual Harassment and the same has been posted on the website at
www.boranagroup.in/uploads/reports/7_posh.pdf

SECRETARIAL STANDARDS ISSUED BY THE INSTITUTE OF COMPANY SECRETARIES OF INDIA (ICSI)

The Company complies with all applicable mandatory secretarial standards issued by the Institute of Company Secretaries of India (ICSI).

FRAUD REPORTING

During the year under review, no fraud has been reported by Auditors under Section 143(12) of the Companies Act, 2013.

INSURANCE

All the properties and the insurable interest of the Company including building and stocks wherever necessary and to the extent required have been adequately insured. The Company keeps reviewing the insurance amount every year as per requirement.

RESEARCH & DEVELOPMENT

Research and Development is important for businesses because it provides powerful knowledge and insights, leads to improvements to existing processes where efficiency can be increased and costs reduced. It also allows businesses to develop new products and services to allow it to survive and thrive in competitive markets. The benefits of research & development extend into entire sectors as well as positively impacting the wider economy. A sector that invests heavily in this will develop and achieve more, including providing real-world benefits to people. The Company believes that technological obsolescence is a reality. Only progressive research and development will help us to measure up to future challenges and opportunities. We invest in and encourage continuous innovation.

STATUTORY INFORMATION

The Company is engaged in the business of twisting, Sizing & texturizing of Yarn & Weaving of Greige Cloth on Water Jet Looms and is the member of BSE Limited and NSE Limited. Apart from this business, the Company is not engaged in any other business/activities.

CREDIT RATING

The details of the credit ratings awarded to the Company are provided in the Corporate Governance Report forming part of the Integrated Annual Report.

OTHER DISCLOSURES

There are no proceedings initiated/ pending against your Company under the Insolvency and Bankruptcy Code, 2016 and there is no instance of one-time settlement with any Bank or Financial Institution.

CYBER SECURITY INCIDENT

During the year, there are no incidents of cyber security breach reported.

CAUTIONARY STATEMENT

Statements in this report and its annexures describing Company's projections, expectations and hopes are forward looking. Though, these are based on reasonable assumption, their actual results may differ.

STATEMENT THAT COMPANY HAS COMPLIED WITH MATERNITY BENEFIT ACT.

The Company has complied the provisions of the Act.

ACKNOWLEDGEMENT

Your directors would like to express their sincere appreciation of the co-operation and assistance received from shareholders, bankers, regulatory bodies and other business constituents during the year under review. Your directors also wish to place on record their deep sense of

appreciation for the commitment displayed by all executives, officers and staff, resulting in successful performance of the Company during the year.

Date: August 11, 2026
Place: Surat

For and on behalf of the Board of Directors

Mangilal Ambalal Borana
Chairman & Managing Director
DIN: 01091167

ANNEXURE-1

FORM NO. AOC-2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/ arrangements entered into by the Company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto

1. **Details of contracts or arrangements or transactions not at arm's length basis:**
During the year under review, the Company has not entered into any contracts or arrangements with any of the related party which are not on arm's length basis.

2. **Details of material contracts or arrangement or transactions at arm's length basis:**

The details of material contracts or arrangements or transactions at arm's length basis for the year ended 31st March, 2026 are as follows:

<table>
<tr><th>Sr. No.</th><th>Name(s) of the related party and nature of relationship</th><th>Nature of contracts/ arrangements/ transactions</th><th>Duration of the contracts / arrangements / transactions</th><th>Salient term of the contracts or Arrangements or transactions including the value, if any</th><th>Date(s) if approval by the Board, if any</th><th>Amount paid as advance if any</th></tr>
<tr><td>1</td><td>Ricon Textiles Private Limited</td><td>Purchase</td><td rowspan="8">Ongoing</td><td rowspan="8">In the Ordinary Course of business and at Arm's Length Price</td><td rowspan="8">Not Applicable</td><td rowspan="8">Nil</td></tr>
<tr><td>2</td><td>Arham Weaves Private Limited</td><td>Sales</td></tr>
<tr><td>3</td><td>Ricon Textiles Private Limited</td><td>Sales</td></tr>
<tr><td>4</td><td>Sachin Paper Mills Private Limited</td><td>Sales</td></tr>
<tr><td>5</td><td>RB Industries</td><td>Sales</td></tr>
<tr><td>6</td><td>Borana Industries LLP</td><td>Jobwork Expense</td></tr>
<tr><td>7</td><td>Hojiwala Infrastructure Limited (CEPT Expenses)</td><td>Operating Expense</td></tr>
<tr><td>8</td><td>Hojiwala Infrastructure Limited (Membership Expenses)</td><td>Operating Expense</td></tr>
</table>

Date: August 11, 2026
Place: Surat

For and on behalf of the Board of Directors

Mangilal Ambalal Borana
Chairman & Managing Director
DIN: 01091167

ANNEXURE-2

CORPORATE GOVERNANCE REPORT

In terms of Regulation 27 and Regulation 34(3) read with Schedule-V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the report containing details of corporate governance systems and processes at Borana Weaves Limited is as under:

1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

Your Company is committed to good corporate governance and has benchmarked itself against the prescribed standards. The fundamental objective of corporate governance is the enhancement of shareholders' value and protecting the interest of the stakeholders. Your Company's philosophy of corporate governance is aimed at facilitating the management in conducting its business operations in an efficient manner and to meet the obligations towards its shareholders and other stakeholders.

2. BOARD OF DIRECTORS

The Board of Directors of the Company has optimum combination of Executive and Non-Executive Directors comprising three Executive Directors and three Non-Executive Directors. None of the directors of the Company holds directorship in more than 20 companies nor more than seven listed entities nor is a member of more than ten committees or chairman of more than five committees across all listed entities in which they are directors. None of the Independent Directors serving as an independent director in more than seven listed entities and none of the whole-time directors or managing director of the Company serving as an independent director in more than three listed entities.

a) Board composition:

As on March 31, 2026 Board of Directors comprises of six (6) directors which includes one (01) Managing Director, two (02) Executive Directors and three (03) Non-Executive Independent Directors. As on date of this report board of directors of the Company are as follows:

Name of Directors	Category	Designation
Mr. Mangilal Ambalal Borana	Executive	Chairman and Managing Director
Mr. Ankur Mangilal Borana	Executive	Director
Mr. Rajkumar Mangilal Borana	Executive	Director
Mr. Kanav Sham Sunder Arora	Non-Executive	Independent Director
Mr. Arvind Kumar Rathi	Non-Executive	Independent Director
Mrs.. Nitika Abhishek Soni	Non-Executive	Independent Director

b) The details attendance of directors at the board meetings and last annual general meeting held during the financial year 2025-26 are as follows:

SN	Name of the Directors	No. of board meetings			Attendance at last AGM held on September 10, 2025
		Meetings held during the year 2025-26	Meetings Eligible to attend	Meetings attended	
1.	Mr. Mangilal Ambalal Borana	15	15	15	YES
2.	Mr. Ankur Mangilal Borana	15	15	15	YES
3.	Mr. Rajkumar Mangilal Borana	15	15	15	YES

4.	Mr. Kanav Sham Sunder Arora	15	15	15	YES
5.	Mr. Arvind Kumar Rathi	15	15	15	YES
6.	Mrs. Nitika Abhishek Soni	15	15	15	YES

c) Details of directorship/committee membership in other companies:

In accordance with Regulation 26 of the Listing Regulations, none of the directors are members in more than 10 committees excluding membership in private limited companies, foreign companies, high value debt listed entities and companies under Section 8 of the Act or acts as chairperson of more than 5 committees across all listed entities in which he/she is a director.

The details of the directorship of the directors as on March 31, 2026 and memberships/ chairmanships including any changes in their positions are given below:

SN	Name of the Directors	No. of positions held in other Companies			Directorship in other Listed entities (Category of directorship)
		In Board	In Committees		
			Chairperson	Member	
1.	Mr. Mangilal Ambalal Borana	2	0	0	Nil
2.	Mr. Ankur Mangilal Borana	7	0	1	• R&B Denims Limited – Executive Director
3.	Mr. Rajkumar Mangilal Borana	7	0	1	• R&B Denims Limited – Executive Director • Aether Indutries Limited – Independent Director
4.	Mr. Kanav Sham Sunder Arora	3	0	2	• R&B Denims Limited – Independent Director
5.	Mr. Arvind Kumar Rathi	2	0	2	• R&B Denims Limited – Independent Director
6.	Mrs. Nitika Abhishek Soni	3	0	1	• R&B Denims Limited – Independent Director

d) Details of number of Board Meetings held in the financial year:

During the financial year 2025-2026, 15 (Fifteen) meetings of the board of directors were held on the following dates:

Board Meetings held during FY2025-26							
1.	04-04-2025	2.	10-04-2025	3.	16-04-2025	4	17-04-2025
5.	22-04-2025	6.	14-05-2025	7.	19-05-2025	8.	23-05-2025
9.	06-06-2025	10.	10-06-2025	11.	04-08-2025	12.	14-11-2025
13.	01-12-2025	14.	13-01-2026	15.	22-01-2026		

e) Disclosure of relationships between directors inter-se:

No other Directors are related to each other except as mentioned below:

I. Mr. Mangilal Ambalal Borana, the Chairman and Managing Director is the father of Mr. Rajkumar Mangilal Borana, Executive Director of the Company and Mr. Ankur Mangilal Borana, Executive Director of the Company.

II. Mr. Rajkumar Mangilal Borana, Executive Director of the Company and Mr. Ankur Mangilal Borana, Executive Director are related to each other as brothers.

f) Number of shares and convertible instruments held by Non-Executive Directors:
None of the Non-Executive Directors hold any share in the Company.

g) Familiarization to Independent Directors:
The independent directors of the Company have been made familiarized with the various aspects of the Company like overview of Company's business model, strategy, operations and functions of the Company, roles, rights and responsibilities of the independent director, term of reference of different committees of board of directors, duties of the independent director, statutory policies of the Company and other important regulatory aspects as relevant for the directors.

The Company, through its Company secretary, executive directors as well as other senior managerial personnel, conducts presentations/ programs to familiarize the independent directors with the strategy, operations and functions of the Company inclusive of important developments in business. The details of the number of programmes attended and the cumulative hours spent by an independent director are uploaded on the website of the Company. The web link is as follow:
www.boranagroup.in/uploads/reports/121_terms-and-conditions-for-appointment-of-independent-directors.pdf

h) Meeting of independent directors:
The Company's Independent Directors met once in a financial year without the presence of executive directors and management personnel to review the performance of non-independent Directors and board as whole. The Company has devised the Policy on Familiarization Programme for Independent Director and the same is available on the website of the Company at: https://boranagroup.in/uploads/reports/124_policy-on-familiarization-programme.pdf

During the financial year 2025-26, 01 (One) meetings of Independent Directors were held on the date 22-01-2026.

Attendance of directors at Independent Directors meeting held during the financial year is as under:

Name of Independent Director	Category	No. of meetings held	No. of meetings attended
Arvind Kumar Rathi	Member	1	1
Kanav Sham Sunder Arora	Member	1	1
Nitika Abhishek Soni	Member	1	1

i) Matrix highlighting core skills/expertise/competencies of the Board of Directors:
The board of directors have identified the following skills required for the Company and the availability of such skills with the Board:

Sr. No.	Essential Core skills/ expertise/ competencies Required for the Company	Core skills/expertise/competencies of the Board of Directors
1.	Finance expertise	The board has eminent business leaders with deep knowledge of finance and business.
2.	Personal Values	Personal characteristics matching the Company's values, Such as integrity, accountability, and high-performance standards.

3.	Good Corporate Governance	Experience in developing and implementing good corporate governance practice, maintaining board and management accountability, managing stakeholder's interest and Company's responsibility towards customer's employees, supplier, regulatory bodies and the community in which it operates.
4.	Knowledge and Expertise	The directors have profound knowledge of: 1. designing, production, marketing and business development 2. knowledge of the textile sector and the related value chains 3. expertise in technical management i.e. manufacturing sites 4. knowledge and experience in marketing 5. future planning 6. developing strategies to grow sales and market share, build brand awareness and enhance enterprise reputation.

j) Names of directors who have such skills/expertise/competence as on March 31, 2026:

Director	Qualifications						
	Knowledge about Industry	**Accounting and Finance**	**Sale and Marketing**	**Technology**	**Regulatory**	**Diversity**	**Leadership**
Mr. Mangilal Ambalal Borana	√	√	--	--	--	√	√
Mr. Ankur Mangilal Borana	√	√	√	√	√	--	--
Mr. Rajkuma Mangilal Borana	√	√	√	√	√	√	√
Mr. Kanav Sham Sunder Arora	√	√	--	√	√	√	√
Mr. Arvind Kumar Rathi	√	√	--	√	√	√	--
Mrs. Nitika Abhishek Soni	√	√	√	--	√	√	--

k) Confirmation by the board of directors:

The Company has received the declaration from all the independent directors under provisions of section 149(7) of the Companies Act, 2013 ('the Act') and under provisions of regulation 25(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015; confirming that they are satisfying the criteria of independence as prescribed under the provisions of section 149(6) of the Act & Regulation 16(1) (b) of the aforesaid Regulations. The board of directors of the Company confirm that all the directors satisfy the criteria of independence as prescribed under provisions of section 149(6) of the Companies Act, 2013 and under provisions of regulation 16(1) (b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

All the independent directors have enrolled with the Indian Institute of Corporate Affairs at

Manesar. All the independent directors have cleared online self-assessment test as conducted by the said institute.

Terms and conditions for appointment of Independent Directors are available on the website of the Company at web link: www.boranagroup.in/uploads/reports/121_terms-and-conditions-for-appointment-of-independent-directors.pdf

3. AUDIT COMMITTEE

The Audit Committee of the Company comprises of three members inculcating two independent directors and one Executive director of the Company. All the members of the Committee possess sound knowledge in finance, accounts and law.

The composition of audit committee at the end of the year is as follows:

Sr.	Name of Directors	Category	Designation
1.	Arvind Kumar Rathi	Chairperson	Independent Director
2.	Kanav Sham Sunder Arora	Member	Independent Director
3.	Rajkumar Mangilal Borana	Member	Executive Director

During the year, Audit Committee met 7 times and not more than one hundred and twenty days lapsed between two consecutive meetings of the audit committee of the board. The dates of the meetings are as under:

1. 12-04-2025	2. 14-05-2025	3. 10-06-2025	4. 04-08-2025
5. 14-11-2025	6. 01-12-2025	7. 22-01-2026	

The details of participation of the members at the meetings of the committee during the year are as under:

Sr.	Name	No. of meetings held during the year	No. of meetings attended during the year
1.	Arvind Kumar Rathi	7	7
2.	Kanav Sham Sunder Arora	7	7
3.	Rajkumar Mangilal Borana	7	7

The terms of reference of audit committee of the Company are in accordance with Section 177 of the Companies Act 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 inter-alia, include the following:

The scope of audit committee shall include, but shall not be restricted to, the following;

1. Oversight of the listed entity’s financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
2. Recommendation for appointment, remuneration and terms of appointment of auditors of the listed entity
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors
4. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
   a) matters required to be included in the director’s responsibility statement to be included in the board’s report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013;
   b) changes, if any, in accounting policies and practices and reasons for the same;
   c) major accounting entries involving estimates based on the exercise of judgment by management;
   d) significant adjustments made in the financial statements arising out of audit findings;
   e) compliance with listing and other legal requirements relating to financial statements;
   f) disclosure of any related party transactions;

g) modified opinion(s) in the draft audit report;

5. Reviewing, with the management, the quarterly financial statements before submission to the board for approval
6. Reviewing, with the management, the statement of uses/application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the board to take up steps in this matter;
7. Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
8. Approval or any subsequent modification of transactions of the listed entity with related parties;
9. Scrutiny of inter-corporate loans and investments;
10. Valuation of undertakings or assets of the listed entity, wherever it is necessary;
11. Evaluation of internal financial controls and risk management systems;
12. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
13. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
14. Discussion with internal auditors of any significant findings and follow up thereon;
15. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
16. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
17. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
18. To review the functioning of the whistle blower mechanism;
19. Approval of appointment of chief financial officer after assessing the qualifications, experience and background, etc. of the candidate;
20. Carryingoutanyotherfunctionasismentionedinthetermsofreferenceoftheauditcommittee.
21. Reviewing the utilization of loans and/ or advances from/investment by the holding Company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans /advances /investments existing as on the date of coming into force of this provision.
22. Consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders.
23. The Audit Committee shall mandatorily review the following information:
    a) Management discussion and analysis of financial information and results of operations;
    b) Management letters/letters of internal control weaknesses issued by the statutory auditors;
    c) Internal audit reports relating to internal control weaknesses; and
    d) The appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the Audit Committee.
    e) Statement of Deviations:
        i. Quarterly Statement of Deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1).
        ii. Annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7).

4. NOMINATION AND REMUNERATION COMMITTEE

The Company has formulated nomination and remuneration committee comprising of three non-executive independent directors.

The composition of nomination and remuneration committee at the end of the year is as follows:

Sr.	Name of Directors	Category	Designation
1.	Mrs. Nitika Abhishek Soni	Chairperson	Independent Director
2.	Mr. Kanav Sham Sunder Arora	Member	Independent Director
3.	Mr. Arvind Kumar Rathi	Member	Independent Director

During the year, nomination and remuneration committee met 2 (two) times. The dates of the meetings are as under:

1. 14-11-2025	2. 22-01-2026

The details of participation of the members at the meetings of the committee during the year are as under:

Sr.	Name	No. of meetings held during the year	No. of meetings attended during the year
1.	Mrs. Nitika Abhishek Soni	2	2
2.	Mr. Kanav Sham Sunder Arora	2	2
3.	Mr. Arvind Kumar Rathi	2	2

The term of reference of Nomination & Remuneration Committee is as below:

1. Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy relating to, the remuneration of the directors, key managerial personnel and other employees;
2. For every appointment of an independent director, the Nomination and Remuneration Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may:
    - Use the services of an external agencies, if required;
    - Consider candidates from a wide range of backgrounds, having due regard to diversity; and
    - Consider the time commitments of the candidates.
3. Formulation of criteria for evaluation of performance of independent directors and the board;
4. Devising a policy on Board diversity, if any;
5. Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board of Directors their appointment and removal and shall carry out evaluation of every director‘s performance.
6. Whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.
7. Recommend to the board, all remuneration, in whatever form, payable to Directors, Key Managerial Personnel and Senior Management.
8. To ensure that the relationship of remuneration to performance is clear and meets appropriate performance benchmarks.
9. To ensure the policy includes the following guiding principles:
    - The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate Directors of the quality required to run the Company successfully,
    - Relationship of remuneration to performance is clear and meets appropriate performance benchmarks and
    - Remuneration to Directors, Key Managerial Personnel and Senior Management involves a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company and its goals.
10. To evaluate the performance of the members of the Board and provide necessary report to the Board for further evaluation of the Board.

11. To provide to Key Managerial Personnel and Senior Management reward linked directly to their effort, performance, dedication and achievement relating to the Company's operations.
12. To retain, motivate and promote talent and to ensure long term sustainability of talented managerial persons and create competitive advantage.

The performance evaluation criteria for Independent Directors along with the evaluation framework is determined by the Nomination and Remuneration Committee, on the basis of which the performance of the Independent Directors was evaluated. The performance evaluation of the independent director was evaluated by the board without the presence of independent director being evaluated, after seeking inputs from all the executive directors on the basis of the criteria such as participation in decision making and rendering unbiased opinion; participation in initiating new ideas and planning of the Company, etc.
The directors expressed their satisfaction with the evaluation process. The Company has robust policy for performance evaluation of Board of Director, and the same is available on the website of the Company at web link
www.boranagroup.in/uploads/reports/6_performamce-evaluation.pdf

5. STAKEHOLDER SHAREHOLDER AND INVESTOR GRIEVANCE COMMITTEE

To resolve the investors' grievances Company has formulated Stakeholder, Shareholder and Investor Grievance Committee comprising of one executive director and two non-executive independent directors.

The composition of stakeholder shareholder and investor grievance committee at the end of the year is as follows:

Sr.	Name of Director	Category	Designation
1.	Mr. Kanav Sham Sunder Arora	Chairperson	Independent Director
2.	Mr. Ankur Mangilal Borana	Member	Executive Director
3.	Mr. Rajkumar Mangilal Borana	Member	Executive Director

During the year, stakeholder shareholder and investor grievance committee met 1 (one) times. The dates of the meetings are as under:

1.	22-01-2026

The details of participation of the members at the meetings of the committee during the year are as under:

Sr.	Name	No. of meetings held during the year	No. of meetings attended during the year
1.	Mr. Kanav Sham Sunder Arora	1	1
2.	Mr. Ankur Mangilal Borana	1	1
3.	Mr. Rajkumar Mangilal Borana	1	1

The term of reference of stakeholder, shareholder and investor grievance committee is as below:

1. Resolving the grievances of the security holders of the listed entity including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.
2. Review of measures taken for effective exercise of voting rights by shareholders.
3. Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent.
4. Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company.

Name and Designation of the Compliance Officer:
Mr. Ishant Jain
Company Secretary & Compliance Officer

Pursuant to the Regulation 13(3) of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015; the details regarding investor's complaints are as follows:

Status of Complaints pending, received, disposed and unresolved:

Number of Shareholders' Complaints pending at the beginning of the year	NIL
Number of Shareholders' Complaints received during the year	4
Number of Shareholders' Complaints disposed during the year	4
Number of Shareholders' Complaints remain unresolved during the year	0

6. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

Your Company has constituted a corporate social responsibility committee ("CSR Committee"). The committee is primarily responsible for formulating and recommending to the Board of Directors a Corporate Social Responsibility (CSR) Policy and monitoring the same from time to time, amount of expenditure to be incurred on the activities pertaining to CSR and monitoring CSR activities.

The composition of corporate social responsibility committee at the end of the year is as follows:

Sr.	Name of Directors	Category	Designation
1.	Mr. Rajkumar Mangilal Borana	Chairperson	Executive Director
2.	Mr. Ankur Mangilal Borana	Member	Executive Director
3.	Mrs. Nitika Abhishek Soni	Member	Independent Director

During the year, corporate social responsibility committee met 2 (two) times. The dates of the meetings are as under:

1. 04-08-2025	2. 22-01-2026

The details of participation of the members at the meetings of the committee during the year are as under:

Sr.	Name	No. of meetings held during the year	No. of meetings attended during the year
1.	Mr. Rajkumar Mangilal Borana	2	2
2.	Mr. Ankur Mangilal Borana	2	2
3.	Mrs. Nitika Abhishek Soni	2	2

The terms of reference of the CSR committee include the following:
1. Formulating and recommending to the Board of Directors the CSR Policy and indicating activities to be undertaken
2. Recommending the amount of expenditure for the CSR activities
3. Monitoring CSR activities from time to time

7. SENIOR MANAGEMENT

Details of the Senior management are as follows:

Name	Designation
Mr. Ashok Kumar Rambhai Patel	Plant Head
Mr. Hemant Pandurang Shimpi	Production Head
Mr. Mohamednaim Nazirahmed Shaikh	Accounts Head

8. REMUNERATION OF DIRECTORS

During the year, the Company paid following remuneration and sitting fees to the directors:

Names	Category	Remuneration (Rs.)	Sitting Fees (Rs.)
Mr. Mangilal Ambalal Borana	Managing Director	12,00,000	-
Mr. Rajkumar Mangilal Borana	Executive Director	6,00,000	-
Mr. Ankur Mangilal Borana	Executive Director	6,00,000	-
Mr. Kanav Sham Sunder Arora	Non-Executive Independent Director	-	40,000
Mr. Arvind Kumar Rathi	Non-Executive Independent Director	-	40,000
Mrs. Nitika Abhishek Soni	Non-Executive Independent Director	-	40,000

REMUNERATION POLICY

The Company has adopted and implemented the nomination and remuneration policy devised in accordance with Section 178(3) and (4) of the Companies Act, 2013 which is available on the website of the Company at:
www.boranagroup.in/uploads/reports/126_policy-on-nomination-and-remuneration.pdf

The remuneration payable to Directors, Key Managerial Personnel and Senior Management Person will involve a balance between fixed and incentive pay reflecting short term and long-term performance objectives appropriate to the working of the Company and support in the achievement of corporate goals.

Presently the Company pays sitting fees to its non-executive director. The criteria for making payment to the non-executive director is available on the website of the Company at: www.boranagroup.in/uploads/reports/126_policy-on-nomination-and-remuneration.pdf and www.boranagroup.in/uploads/reports/121_terms-and-conditions-for-appointment-of-independent-directors.pdf

Sr.	Particulars	Mr. Mangilal Ambalal Borana	Mr. Ankur Mangilal Borana	Mr. Rajkumar Mangilal Borana
1.	All elements of remuneration package such as salary, benefits, bonuses, stock options, pension, etc., ofall the directors	Rs. 1,00,000/- per month exclusive of all perquisite	Rs. 50,000/- per month exclusive of all perquisite	Rs. 50,000/- per month exclusive of all perquisite
2.	Details of fixed component and performance linked incentives along with the performance criteria	The above mentioned is the fixed component and there is no performance-based incentive.		
3.	Service contracts, notice period, Severance fees	As per the provisions of Companies Act, 2013.		
4.	Stock option details, if any	NIL		

9 **GENERAL BODY MEETING**

a) **The details of Annual General Meeting & no. of Special Resolutions passed during last three financial years are as follows:**

Meeting	Day, Date and Time	No. of Special Resolutions	Venue
3rd AGM for the FY ended 31-03-2023	Saturday, September 30, 2023 at 11:00 A.M.	0	Plot No. AA/34, B-16/16 Hojiwala Ind. Estate, SUSML, Surat, Gujarat 394230, India
04th AGM for the Year ended 31-03-2024	Saturday, September 28, 2024 at 11.00A.M.	1	Plot No. AA/34, B-16/16 Hojiwala Ind. Estate, SUSML, Surat, Gujarat 394230, India
05th AGM for the FY ended 31-03-2025	Wednesday, September 10, 2025 at 11.30A.M.	5	Plot No. AA/93/P, Road No 10, Hojiwala Ind. Estate, SUSML, Surat, Gujarat 394230, India

b) **Extra-ordinary General Meeting**
No Extra-Ordinary General Meeting was held during the financial year 2025-26.

c) **Name and address of scrutinizer or the person who conducted the remote e-voting and ballot exercise:**

CS Jitendra R. Rawal
Practicing Company Secretary,
MAC House,4th Floor, 2/4556,
Sagrampura Main Road,
Nr. Ranchodji Temple, Udhna,
Surat-395002, Gujarat, India
Email: csjrrawal@outlook.com
Ph: +91 9033991560

d) **Postal Ballot**
During the financial year 2025-26, no resolution was passed through postal ballot process. Also, the Company has not proposed any resolution through Postal Ballot for the financial year 2026-27 till the ensuing AGM.

10 **MEANS OF COMMUNICATION**

Financial Results: Borana Weaves Limited believes in publishing all the financial information to stakeholders within the stipulations provided under the law. During the year, Company has declared all financial results within the timeline provided under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Yearly/half yearly/quarterly financial results: The yearly/half yearly/quarterly financial results of the Company are published in website of the Company i.e. on www.boranagroup.in Financial results for the year 2025-26 have been submitted to stock exchange within stipulated timelines from the conclusion of board meeting in which financial results have been approved. During the year, following quarterly, half yearly and yearly financial results have been submitted to the Stock exchanges.

Period of Financial Results	Date
Unaudited Financial Results for the quarter ended June 30, 2025	August 04, 2025
Unaudited Financial Results for the quarter and half year ended September 30, 2025	November 14, 2025

Unaudited Financial Results for the quarter and nine months ended December 31, 2025	January 22, 2026
Audited Financial Results for the quarter and year ended March 31, 2026	May 14, 2026

Hence, Company has published above mentioned financial results in the following newspapers:

1. English Daily: “Financial Express”
2. Regional Language Daily: “Financial Express”

News release/ presentation made to the investors: All the press release and the presentation made to institutional investor/ analysts are uploaded on the official website of the Company www.boranagroup.in

Website: Company’s official website www.boranagroup.in contains separate tab “Investors” for investors, in which notices of the board meetings, annual reports, investor presentations, shareholding pattern and other announcements made to stock exchange are displayed in due course for the shareholders information.

Email IDs for investors: The Company has formulated separate email-id: info@boranagroup.in for investor service. Investor can also contact share Registrar and Transfer Agent (RTA) of the Company on their email id einward.ris@kfintech.com and the same is available on website of the Company www.boranagroup.in

SEBI SCORES: For investor compliant redressal SEBI has developed SCORES platform in which investor can lodged any complaint against the Company for any grievance. The Company also uploads the action taken report in the SCORES platform for redressal of investor complaint.

11 GENERAL SHAREHOLDER INFORMATION

a. **Details of Annual General Meeting:**

Annual General Meeting	6th Annual General Meeting
Date, Time and Venue of AGM	Tuesday, September, 29 at 11.30 AM, through Video Conferencing/Other Audio-Visual Means (VC/OAVM)

b. **Financial year:**
The financial year of the Company is from April 01, 2025 to March 31, 2026 of the following year.

c. **Dividend Details:**
The Company has not declared dividend for the reporting financial year and the Company does not have any unpaid dividend.

d. **Listing on stock exchange:**
The equity shares of the Company as on the date are listed on the Main Board of BSE Limited and National Stock Exchange of India Limited. The Company confirms that it has paid annual listing fee for the financial year 2025-26 to the stock exchanges. The details of stock exchange are as mentioned below:

Name and Address of Stock Exchange	ISIN	Code/Symbol
BSE Limited Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400001	**INE16SF01016**	544404
National Stock Exchange of India Limited (NSE) Exchange Plaza, Bandra Kurla Complex, Bandra (E), Mumbai – 400051		BORANA

e. **In case the securities are suspended from trading, the directors' report shall explain the reason thereof:** Not Applicable

f. **Registrar & Transfer Agents:**
KFin Technologies Limited
Address: Selenium Tower-B, Plot No. 31 & 32, Gachibowli, Financial District, Nanakramguda, Serilingampally, Hyderabad - 500032, Telangana
Tel: 040-67162222/18003094001
Email: einward.ris@kfintech.com
Website: www.kfintech.com

g. **Share Transfer System:**
The Company's shares are compulsorily traded in dematerialized mode. The dematerialized shares are transferable through the depository system. The power of share transfer has been delegated to the designated officials of Registrar & Transfer Agent of the Company, **KFIN TECHNOLOGIES LIMITED**. The Registrar & Transfer Agent processes the share transfers within a period of fifteen days from the date of receipt of the transfer documents.

h. Distribution of share holdings as on March 31, 2026 (Based on BENPOS)

1) **On the basis of Shareholdings**

Shareholding of nominal	No. of shareholders	% to Total Shareholders	Number of Shares Held	% to Total Shares
1-5000	8689	98.30	1475510	5.54
5001 – 10000	53	0.60	366505	1.37
10001 – 20000	27	0.30	398952	1.50
20001 – 30000	14	0.16	339020	1.27
30001 – 40000	7	0.80	243489	0.91
40001 – 50000	6	0.07	283748	1.06
50001 – 100000	10	0.11	678043	2.54
Above 100000	33	0.37	22860028	85.80
	8839	**100**	**26645295**	**100**

2) **On the basis of Category**

Category	Number of Shareholders	No. of Shares held	Share holding %
a. Promoter Holding			
Directors & Relatives	7	15934905	59.80%
Bodies Corporate	1	1447890	5.43%
b. Non-Promoter Holding			
Institutions(Domestic)			
Alternative Investment Funds	5	705135	2.65%
Institutions (Foreign)			

Foreign Portfolio Investor (Corporate) - Category I	11	700171	2.63%
Non-Institutions			
Resident Individual (upto Rs. 2 Lakhs)	8334	1806407	6.78%
Resident Individual (Excess of Rs. 2 Lakhs)	38	3827587	14.36%
Key Managerial Person	0	0	0
Foreign Individuals or NRI	86	105907	0.40%
Bodies Corporate	51	1531003	5.75%
Others	198	586290	2.20%
Total	**8731***	**26645295**	**100.00%**

***Same PAN not counted**

I) **Dematerialization of shares and liquidity:**
As on March 31, 2026, the entire Share Capital of the Company comprising of 26645295 equity shares equivalent to 100.00% of the total issued, subscribed and paid-up equity share capital of the Company were in dematerialized form. The equity shares of the Company are traded on BSE and NSE Main Board.

J) **Outstanding GDRS/ADRS/Warrants/Any Other Convertible Instruments:**
The Company does not have any outstanding instruments of the captioned type.

K) **Commodity Price Risk or Foreign Exchange Risk and Hedging Activities:**
Nil

L) **Investor Helpdesk:**
Shareholders/Investors can also send their queries through e-mail to the Company at info@boranagroup.in. This designated e-mail has also been displayed on the Company's website www.boranagroup.in under the section investor contact.

M) **Nomination Facility:**
It is in the interest of the shareholders to appoint nominee for their investments in the Company. Those members, who are holding shares in physical mode and have not appointed nominee or want to change the nomination, are requested to send us nomination form duly filed in and signed by all the joint holders.

N) **Proceeds from public Issue/Rights Issue/Preferential Issue/Warrant Conversion:**
The proceeds of Pubic issue have been duly utilized for the purpose as stated in prospectus for which the details are given in succeeding paragraph.

O) **Utilisation of IPO Proceeds:**
The Proceeds of the IPO have been utilized as stated in the prospectus as mentioned here under:-

Particulars	Amount (in Rs. lakhs)
Financing the cost of establishing a new manufacturing Unit to expand its production capabilities to produce grey fabric at Surat, Gujarat, India	7142.00
Funding incremental working capital requirements	2650.00
General corporate purposes	3289.00
Issue Expenses	1409.00
Net Proceeds	**14,490.00**

P) Plant Locations:

Unit 1: Plot No. AA/93/P, Road No. 10, Hojiwala Industrial Estate, SUSML, Sachin, Surat, Gujarat - 394230

Unit 2: Plot No. AA/34, Road No. 13, Hojiwala Industrial Estate, SUSML, Sachin, Surat, Gujarat - 394230

Unit 3: Plot No. A-4/6, Road No. 11, Hojiwala Industrial Estate, SUSML, Sachin, Surat, Gujarat - 394230

Unit 4: Plot Nos. B 5/3, B 5/4, B 5/5, B 5/6, B 5/7 and B 5/7/1, Road No. 9, Hojiwala Industrial Estate, SUSML, Sachin, Surat, Gujarat - 394230

Q) Address for Correspondence:

(a) KFin Technologies Limited

Selenium Tower-B, Plot No. 31 & 32,
Gachibowli, Financial District,
Nanakramguda, Serilingampally,
Hyderabad - 500032, Telangana
Email: einward.ris@kfintech.com
Website: www.kfintech.com
Tel.: 040-67162222 / 1800-309-4001

(b) Registered Office

Plot Nos. B 5/3, B 5/4, B 5/5,
B 5/6, B 5/7 and B 5/7/1,
Road No. 9, Hojiwala Industrial Estate,
SUSML, Sachin, Surat, Gujarat - 394230
Email: info@boranagroup.in
Website: www.boranagroup.in
Ph.: +91-9925044300
CIN: L17299GJ2020PLC117745

R) Credit Rating:

During the year under review, the Company's credit rating by Brickwork Ratings is as below:

Name of the Credit Rating Agency	Facilities	Rating
Brickwork Ratings	Long Term	BWR BBB /Stable Assignment

12 . DISCLOSURES

a. **Disclosure of Accounting Treatment in Preparation of Financial Statement:**
In preparation of the financial statements, the Company has followed the Indian Accounting Standards (Ind-As) issued by the Institute of Chartered Accountants of India (ICAI). The significant accounting policies which are consistently applied have been set out in the Notes to the Accounts.

b. **Related Party Transaction:**
The list of related party transactions entered by the Company during the year is mentioned in Related Party Disclosures (As identified by management) of the financial statement. All related party transactions are being monitored by audit committee of the Company. The Audit Committee has also granted omnibus approval for entering into related party transaction and the same is reviewed quarterly by the members of Audit Committee. Company's policy on related party transaction is available on below link: www.boranagroup.in/uploads/reports/127_policy-on-related-party-transaction.pdf

c. **Risk Management:**
The Company has framed a formal Risk Management Framework for risk assessment and risk minimization to ensure smooth operation and effective management control. The Audit Committee has to review the adequacy of the risk management framework of the Company, the key risks associated with the business and to measure the steps to minimize the same.

d. **Statutory Compliance, penalties and strictures:**
The Company has complied with the requirements of the Stock Exchanges /Securities and Exchange Board of India (SEBI) / and Statutory Authorities to the extent applicable, and accordingly no penalties have been levied or strictures have been imposed on the Company on any matter related to capital markets during the last three years.

e. **Whistle Blower Policy/Vigil Mechanism Policy:**
The Company has adopted a Whistle Blower Policy to provide a formal mechanism to the directors and employees to report their concerns about unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct or Ethics Policy. The policy provides for adequate safeguards against victimization of employees who avail of the mechanism and also provides for direct access to the chairman of the audit committee. It is affirmed that no personnel of the Company have been denied access to the audit committee. The Whistle Blower Policy has been posted on the website of the Company at www.boranagroup.in/uploads/reports/81_whistle-blower-policy.pdf

f. **Mandatory & Non-Mandatory Requirements:**
The Company has complied with all the mandatory requirements of Corporate Governance and endeavours to adopt good corporate governance practices which help in adoption of non-mandatory requirements.

g. **Material Subsidiary:**
Presently Company does not have any material subsidiaries. The Company's policy on material subsidiary as available on link:
www.boranagroup.in/uploads/reports/125_policy-on-material-subsidiaries.pdf

h. **Disclosure of commodity price risks and commodity hedging activities:**
Not Applicable

i. **Utilisation of funds raised through Preferential Allotment or Qualified Institutions Placements:**
During the year, the Company has not raised funds through Preferential Allotment or Qualified Institutions Placements.

j. **Certification from Company Secretary in Practice:**
Mr. Kunjal Dalal, Proprietor M/s. K. Dalal & Co., Practicing Company Secretaries, Surat has issued a certificate required under the listing regulations, confirming that none of the directors on the board of the Company has been debarred or disqualified from being appointed or continuing as director of the Company by SEBI/Ministry of Corporate Affairs or any such statutory authority. The certificate is enclosed as **Annexure-11.**

k. **Recommendations of Committees of the Board:**
There were no instances during the financial year 2025-26 wherein the Board had not accepted the recommendations made by any Committee of the Board.

l. **Fees to Statutory Auditor:**
Total fees paid by the Company to the statutory auditor as mentioned below:

(Amount in lakhs)

Payment to Auditor	FY 2025-26	FY 2024-25
As Statutory Auditors	1.50	1.00
As Tax Auditors	2.50	2.00

m. **Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:**

The Company has complied with provisions relating to the constitution of Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and

Redressal) Act, 2013

The details of complaints filed; disposed & pending are given below:
Number of Complaints filed during the year: NIL
Number of Complaints disposed of during the year: NIL
Number of Complaints pending as on end of the financial year: NIL

n. **Disclosure by listed entity and its subsidiaries of 'Loans and advances in the nature of loans to firms/companies in which directors are interested by name and amount':**

(Amount in Lakhs)

Entity Name	Nature of Transaction	Amount
R & B Denims Limited	Loan Given	27.00
Borana Industries LLP	Loan Given	0.90
R & B Denims Limited	Loan Repayment Received	27.00
Borana Industries LLP	Loan Repayment Received	222.89
Borana Industries LLP	Interest on Loans & Advances	0.90
R & B Denims Limited	Interest on Loans & Advances	27.00

o. **Code of Conduct for Prevention of Insider Trading:**
The Company has adopted the Code of Conduct for regulating, monitoring and reporting of Trading by Insiders in accordance with the requirement of SEBI (Prohibition of Insider Trading) Regulations, 2015 and the Companies Act, 2013. The code of conduct for board of directors and senior management is available on the website of the Company www.boranagroup.in/uploads/reports/82_code-of-conduct.pdf

p. **Compliance Certificate from either the Auditors or Practicing Company Secretaries regarding Compliance of Conditions of Corporate Governance:**
The compliance certificate on corporate governance for the year ended March 31, 2026, issued by M/s. K. Dalal & Co., Practicing Company Secretaries of the Company forms part of the Corporate Governance Report. The certificate is enclosed as **Annexure-10.**

q. **Update e-mails for receiving notice/documents in e-mode:**
The Ministry of Corporate Affairs (MCA) has allowed service of documents by companies including Notice calling General Meeting(s), Annual Report etc. to their shareholders through electronic mode. This green initiative was taken by MCA to reduce paper consumption and contribute towards a green environment. As a responsible citizen, your Company fully supports the MCA's endeavour.

In accordance of the same, your Company had proposed to send Notice calling General Meetings, Annual Report and other documents in electronic mode in future to all the shareholders on their email addresses. It was also requested to inform the Company in case the shareholders wish to receive the above documents in physical form. Accordingly, the Annual Report along with Notice will be sent to the shareholders in electronic mode at their email addresses.

The shareholders may register their email addresses with their Depository through Depository Participant.

r) **Disclosure with respect to Demat Suspense Account/Unclaimed Suspense Account:**
Nil

s) **Update your Correspondence Address/Bank Mandate/Pan/Email-Id:**
Shareholder(s) holding shares in dematerialized form are requested to notify changes in Bank details/ address/ email ID directly with their respective DPs.

t) **Compliance with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015:**
In compliance with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

the Company has framed policies which are available on Company's website i.e. www.boranagroup.in/policies

u) **Quote Folio No. / DPID No.:**
Shareholders/Beneficial owners are requested to quote their DP ID no. in all the correspondence with the Company. Shareholders are also requested to quote their Email ID and contact number for prompt reply to their correspondence.

v) **Reconciliation of Share Capital:**
As stipulated by the Securities and Exchange Board of India (SEBI), a Practicing Company Secretary shall carryout audit of Reconciliation of Share Capital and provide are port to reconcile the total admitted capital with NSDL and CDSL and the total issued and listed capital. The audit inter-alia, confirms that the total listed and paid-up capital of the Company is in agreement with the aggregate of the total number of shares in dematerialized form and total number of shares in physical form. This reconciliation is carried out for every quarter and report of Practicing Company Secretary is submitted to Stock Exchanges and is also placed before the Board to take a note of the same.

w) **Code of Conduct:**
The board of directors has laid down a 'Code of Conduct' (code) for all the board members and the senior management of the Company and this code is posted on the website of the Company at www.boranagroup.in/uploads/reports/82_code-of-conduct.pdf Annual declaration is obtained from every person covered by the code.

x) **CEO/CFO Certification:**
In terms of regulation 17(8) of the Listing Regulations, the CEO and CFO made a certification to the Board of Directors which has been reviewed by the Audit Committee and taken on record by the Board and enclosed as **Annexure-8** to this Annual Report.

13 **NON-COMPLIANCE OF ANY REQUIREMENT OF CORPORATE GOVERNANCE REPORT**
All the requirements of corporate governance report have been duly complied.

14 **DISCRETIONARY REQUIREMENTS**

The Board
The Chairman of the Company is an Executive Director.

Shareholder Rights
Quarterly, half yearly and yearly declaration of financial performance is uploaded on the website of the Company at www.boranagroup.in/financial-results as soon as it is intimated to the stock exchanges.

Modified opinion(s) in audit report
Standard practices and procedures are followed to ensure unmodified financial statements.

Reporting of internal auditor:
The internal auditor reports to the audit committee periodically with internal audit report prepared on annual basis.

Independent Directors:
The Independent Directors of the Company during the financial year 2025-26, met on January 22, 2026 without the presence of non-independent directors and members of the management and all the independent directors as on the date of meeting were duly present.

15 **THE DISCLOSURES OF THE COMPLIANCE WITH CORPORATE GOVERNANCE REQUIREMENTS SPECIFIED IN REGULATION 17 TO 27 AND REGULATION 46(2)**

The Company has complied with the provisions of regulation 17 to 27 and clauses (b) to (i) and (t) of sub-regulation (2) of regulation 46 of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015.

Date: August 11, 2026
Place: Surat

For and on behalf of the Board of Directors

Mangilal Ambalal Borana
Chairman & Managing Director
DIN: 01091167

ANNEXURE-3

Form No. MR-3

SECRETARIAL AUDIT REPORT

For The Financial year Ended on 31st March, 2026

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To,
The Members
Borana Weaves Limited
Plot No. B-5/3, B-5/4, B-5/5, B-5/6, B-5/7, B-5/7/1, Road No. 9, Hojiwala Estate,
Sachin Udhyog Nagar Sahkari Mandli Ltd, Sachin G.I.D.C., Surat, Chorasi, Gujarat, India, 394230

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Borana Weaves Limited (CIN: L17299GJ2020PLC117745)** (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit. We hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2026 complied with the statutory provisions listed here under and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

1. We have examined the books, papers, minute books, forms and returns filed and other records maintained by **Borana Weaves Limited** for the financial year ended on 31st March, 2026 according to the provisions of:

i. The Companies Act, 2013 (the Act) and the rules made there under;

ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;

iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;

iv. Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the exten of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):

a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;

d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; **(Not applicable to the Company during the Audit Period);**

e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations,2008; **(Not applicable to the Company during the Audit Period);**

f) The securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; **(Not applicable to the Company during the Audit Period);**

g) The securities and Exchange Board of India (Delisting of Equity Shares) Regulations,2009; **(Not**

applicable to the Company during the Audit Period); and

h) The Securities and Exchange Board of India (Buy back of Securities) Regulations, 1998; **(Not applicable to the Company during the Audit Period);**

We have relied on the representation made by the Company and its Officers for systems and mechanism formed by the Company for compliance under other applicable Acts, Laws and Regulations to the Company. We report that the Company has complied with the provisions of those Acts that are applicable to Company.

We have also examined compliance with the applicable clauses of the following:

1. Secretarial Standards issued by The Institute of Company Secretaries of India with respect to notified Secretarial Standards;
2. The Listing Agreements entered into by the Company with Stock Exchange(s).

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to the following observations:-

a. Company has re-appointed M/s KSA & Co., Chartered Accountants, as Statutory Auditors of the Company at the Annual General Meeting held on September 10, 2025 before the expiry of the his term as Statutory Auditors. The term of the said Statutory Auditor was liable to expire at the ensuing Annual General Meeting to be held for the year ended 31/03/2026.

b. Company has not provided the confirmation for providing the SMS Facility to the Shareholders as per SEBI Circular SEBI/HO/CFD/CMD/CIR/P/2020/242 in respect of evoting in Respect of the Annual General Meeting held on September 10, 2025.

c. Company has not filed Form MGT-14 for appointment of Internal Auditor and MGT-14 for Approval of Boards Report for the year ended 31/03/2025 as required under section 117(3)(g) of The Companies Act, 2013.

d. Company has not timely submitted the Monitoring Agency Report to monitor utilisation of proceeds of a public issue for the Period ended June 30, 2025 to the Stock Exchange(s). The said Report was submitted on October 30, 2025 against the requirement of August 14, 2025 as required under Regulation 32(6) of SEBI (LODR) Regulations, 2015.

e. Company has not provided confirmation of verification of Registration on the Smart ODR Portal as required under the SEBI Circular SEBI/HO/OIAE/OIAE_IAD-1/P/CIR/2023/131 dated July 31, 2023. The Status of the Company is Inactive in Smart ODR Portal.

f. As per the Secretarial Compliance Report issued by the earlier Practicing Company Secretary, the exchange(s) has sent several Communication / Clarification Letter / Observation Letter i.e (1) NSE letter Ref. No. NSE/LIST/73882 dated 24th November, 2025 regarding Shareholding Pattern (2) NSE letter Ref. No. NSE/LIST/77433 dated 30th January, 2026 regarding Shareholding Pattern (3) NSE Observation for Format / Reporting of disclosure of Related Party Transactions (4) NSE / BSE Clarification / Observation Letter regarding financial Results for June 2025 (5) NSE / BSE Clarification / Observation Letter regarding financial Results for December 2025 (6) NSE / BSE Clarification / Observation Letter regarding composition of the Audit Committee, however none the Communications / Letter has been furnished to us.

g. Company has not updated the entries in Structural Digital Database in compliance with the requirements of SEBI Circular SEBI/HO/ISD/ISD-PoD-2/P/CIR/2025/55 dated April 21, 2025.

h. Company has not provided the confirmation of dispatch of letter providing the web-link, including the exact path, where complete details of the Annual Report is available to the Shareholders as required under Regulation 36(1) (b) of SEBI (LODR), Regulation, 2015.

We further Report that:

The compliance by the Company of applicable financial laws like direct and indirect tax laws and maintenance of financial records and books of accounts have not been reviewed in this audit since the same have been subject to review by statutory financial auditor and other designated professionals.

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting. Decisions at the Board Meetings, as represented by the management, were taken unanimously.

We further report that as per the explanations given to us and the representation made by the Management and relied upon by us there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that, during the audit period, there were no specific events/actions in pursuance of the aforesaid laws, rules, regulations, etc. having a major bearing on the Company's affairs except the following:

i. During the year, the Company raised capital through an Initial Public Offer, which was completed on 27 May 2025. Company has done Public issue of 6708000 Equity Shares of Face Value of Rs. 10/- each. The Shares of the Company are listed on BSE Limited and National Stock Exchange of India Ltd.

ii. The Shareholders of the Company at the Annual General Meeting held on September 10, 2025 had approved the increase in limits of sell, lease or otherwise dispose of the whole or substantially the whole of the undertaking the Company to an aggregate amount not exceeding Rs. 100 Crores under section 180(1)(a) of The Companies Act, 2013.

iii. The Shareholders of the Company at the Annual General Meeting held on September 10, 2025 had approved the increase the borrowing limit of the Company to an aggregate amount not exceeding Rs. 100 Crores under section 180(1)(c) of The Companies Act, 2013.

For K. Dalal & Co.
Company Secretaries

Place: Surat
Date: 10/08/2026
UDIN: F003530H001068759
Peer Review Certificate No.: 8134/2026
Unique Code: S2001GJ037300

Sd/-
Kunjal Dalal
Proprietor
FCS No. 3530 COP No. 3863

Note: This report is to be read with our letter of even date which is annexed as **'Annexure-I'** and forms an integral part of this report.

'Annexure-I'

To,
The Members
Borana Weaves Limited
Plot No. B-5/3, B-5/4, B-5/5, B-5/6, B-5/7, B-5/7/1, Road No. 9, Hojiwala Estate,
Sachin Udhyog Nagar Sahkari Mandli Ltd, Sachin G.I.D.C., Surat, Chorasi, Gujarat, India, 394230

Our secretarial audit report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on the secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Where ever required, we have obtained the Management representation about the compliance of laws rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For K. Dalal & Co.
Company Secretaries

Sd/-
Kunjal Dalal
Proprietor
FCS No. 3530 COP No. 3863

Place: Surat
Date: 10/08/2026
UDIN: F003530H001068759
Peer Review Certificate No.: 8134/2026
Unique Code: S2001GJ037300

ANNEXURE-4

ENERGY CONSERVATION MEASURES, TECHNOLOGY ABSORPTION AND R & D EFFORTS AND FOREIGN EXCHANGE EARNINGS AND OUTGO

{Pursuant to Rule 8 of Companies (Accounts) Rules, 2014}

A. CONSERVATION OF ENERGY

1. The steps taken or impact on conservation of energy:
   a. Identification and monitoring of operation of High energy consuming load centre and also specific loads like Compressors, & Diesel Generators etc., daily monitoring of consumption of 'A' class loads.
   b. Use of Energy Efficient Lighting systems
   c. Switching off machines / equipment when not in use and switching off lights in areas not having adequate activity by regrouping/repositioning the activity so that there will not be any wastage of energy due to lighting.
   d. Monitoring of utilization of energy in lighting and other auxiliary equipment.
   e. Creating awareness among employees about the necessity of energy conservation by celebrating energy conservation week.
2. The steps taken by the Company for utilizing alternate sources of energy:
   a. Utilization of natural daylight and improved ventilation in work areas to reduce dependency on artificial lighting.
   b. Monitoring of utilization of energy in lighting and other auxiliary equipment.
   c. Creating awareness among employees about the necessity of energy conservation by celebrating energy conservation week.
3. The capital investment on energy conservation equipment: During the year the Company has undertaken several initiatives for energy conservation in Solar and Wind Energy Sector.

B. TECHNOLOGY ABSORPTION

1. The efforts made towards technology absorption
   - Adoption of advanced computerized systems for yarn and fabric quality monitoring.
   - Collaboration with textile research institutions for adopting innovative production techniques.
   - Efforts towards technology absorption included continued efforts for process improvements and improved formulation types/strengths to improve the efficacy, productivity and profitability of the Company.
2. The benefits derived like product improvement, cost reduction, product development or import substitution; Product development, value addition and sustainable or import substitution.
   - In case of imported technology (imported during last three years reckoned from the beginning of the financial year)
   - The details of technology imported: The Company has not imported any technology during the last three financial years
   - The year of import: Not applicable
   - Weather the technology been fully absorbed: Not applicable.
3. If not fully absorbed areas where absorption has not taken place & reasons thereof: Not Applicable
4. The expenditure incurred on research & development during the year 2025-26: NIL

C. FOREIGN EXCHANGE EARNING AND OUTGO

Sr. No.	Particulars	F.Y.2025-26	F.Y.2024-25
1	Foreign exchange earnings	NIL	NIL
2	Foreign exchange Outgo	NIL	NIL

ANNEXURE-5

ANNUAL REPORT ON CSR ACTIVITIES FOR FINANCIAL YEAR 2025-26

[Pursuant to clause (o) of sub-section (3) of section 134 of the Act and Rule 9 of the Companies (Corporate Social Responsibility) Rules, 2014]

1.	**Brief outline on CSR policy of the Company:** The focus areas of the Company under its CSR programme are promotion of education, preventive health care, rural development, skill enhancement, environment protection and any other project as defined in Schedule VII of the Companies Act, 2013.				
2.	**Composition of the CSR Committee:**				
	Sr. No.	**Name of Director**	**Designation/ Nature of Directorship**	**Number of meetings of CSR Committee held During the year**	**Number of meetings of CSR Committee attended during the year**
	1.	Mr. Rajkumar Mangilal Borana	Chairman- Executive Director	2	2
	2.	Mr. Ankur Mangilal Borana	Member- Executive Director	2	2
	3.	Mrs. Nitika Abhishek Soni	Member- Non–Executive Independent Director	2	2
3.	The web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the Company: www.boranagroup.in/uploads/reports/122_policy-on-corporate-social-responsibility.pdf				
4.	Provide the executive summary along with web-link(s) of Impact Assessment of CSR Projects carried out in pursuance of sub-rule (3) of rule 8, if applicable.: **Not Applicable**				
5.	**a.** Average net profit of the Company as per Section 5 of Section 135:- Rs. 3,251.72 Lacs				
	b. Two percent of average net profit of the Company as per Section 135 (5) i.e. for last three financial years :Rs. 65.03 Lakhs				
	c. Surplus arising out of the CSR projects or programmes or activities of the previous financial years: Rs. 24.42 Lakhs				
	d. Amount required to be set-off for the financial year, if any: Rs. 24.42 Lakhs				
	e. Total CSR obligation for the financial year (5b+5c-5d): Rs. 65.03 Lakhs				
6.	**a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project):** Company spent on CSR Projects other than Ongoing Project and details are mentioned in **Annexure-A**				
	b) Amount spent in Administrative Overheads: NIL				
	c) Amount spent on Impact Assessment, if applicable: NIL				
	d) Total amount spent for the Financial Year (a+b+d+e): Rs. 51 Lakhs				
	e) CSR amount spent or unspent for the Financial Year: Rs. 51 Lakhs				

		Amount unspent (in Rs.)	
	Total Amount Spent for the Financial Year	Total Amount transferred to Unspent CSR Account as per Section 135(6)	Amount transferred to any fund specified under Schedule VII as per second proviso to Section 135(5)

	(in Rs.)					
		Amount	Date of Transfer	Name of Fund	Amount	Date of Transfer
	Rs. 51 Lakhs	--	--	--	--	--
	f) Excess amount for set-off, if any: Rs. 10.39 Lakhs					

Sr. No.	**Particular**	**Amount in Rs.**
(1)	**(2)**	**(3)**
i.	Two percent of average net profit of the Company as per Section 135(5)*	Rs. 65.03 Lakhs
ii.	Total amount spent for the financial year	Rs. 51 Lakhs
iii.	Excess amount spent for the financial year[(ii)-(i)]	Rs. 10.39 Lakhs
iv.	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	Rs. 24.42 Lakhs
v.	Amount available for set-off in succeeding financial years[(iii)-(iv)]	Rs. 10.39 Lakhs

*__Note: After setting off surplus of previous year of Rs. 24.42 Lakhs__

7.	Details of unspent CSR amount for the preceding three financial years: Not Applicable
8.	Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the financial year: No
9.	Specify the reason(s),if the Company has failed to spend two percent of the average net profit as per Section 135(5): Not Applicable

Date: August 11, 2026

For and on behalf of the Board of directors

Place: Surat

Rajkumar Mangilal Borana
Chairman CSR Committee
DIN: 01091166

Mangilal Ambalal Borana
Chairman & Managing Director
DIN: 01091167

Annexure: A

1	2	3	4	5	
S.N.	**Name of Project**	**Item from the list of activities in Schedule VII of the act**	**Local area yes/no**	**Location of the project**	
				State	**Dist.**
1	Agarwal Samaj Vidya Vihar Trust	(ii)	Yes	Gujarat	Surat
2	Protecting Fauna	(iv)	No	Gujarat	Bharuch
3	Golf Federation of India	(ii)	No	Haryana	Gurgaon
4	Friends of Tribal Society	(i) (ii)	No	Gujarat	Patan

	8	9	
Amount spent for the Project	**Mode of implement at ion – Direct (Yes/No)**	**Mode of implementation - through implementation agency**	
		Name	**CSR Registration No.**
8,00,000	No	Agarwal Samaj Vidya Vihar Trust	CSR00014518
20,00,000	No	Shri Surbhi Gau Seva Charitable Trust	CSR00102119
20,00,000	No	Golf Federation of India	CSR00045439
3,00,000	No	Friends of Tribal Society	CSR00001898

Date: August 11, 2026

For and on behalf of the Board of directors

Place: Surat

Rajkumar Mangilal Borana
Chairman CSR Committee
DIN: 01091166

Mangilal Ambalal Borana
Chairman & Managing Director
DIN: 01091167

ANNEXURE–6

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

DISCLAIMER

Statements in the Directors' Report & Management Discussion and Analysis describing the Company's objectives, projections, estimates, expectations or predictions may be "forward looking statements" within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make difference to the Company's operations include raw material availability and its prices, cyclical demand and pricing in the Company's principal markets, changes in government regulations, tax regimes, economic developments within India and the countries in which the Company conducts business and other ancillary factors.

1. **INDUSTRY STRUCTURE AND DEVELOPMENTS:**

Global Textile Industry Structure

The global textile market size is valued at USD 1,210 billion in 2026 and is forecasted to reach at USD 1,610 billion by 2033, at a CAGR of 4.2% from 2026 to 2033. Asia Pacific dominated the global market, accounting for the largest revenue share of 49.9% in 2025. The demand for textiles is rising due to fast fashion, growing urbanization, and increasing disposable incomes in emerging economies.

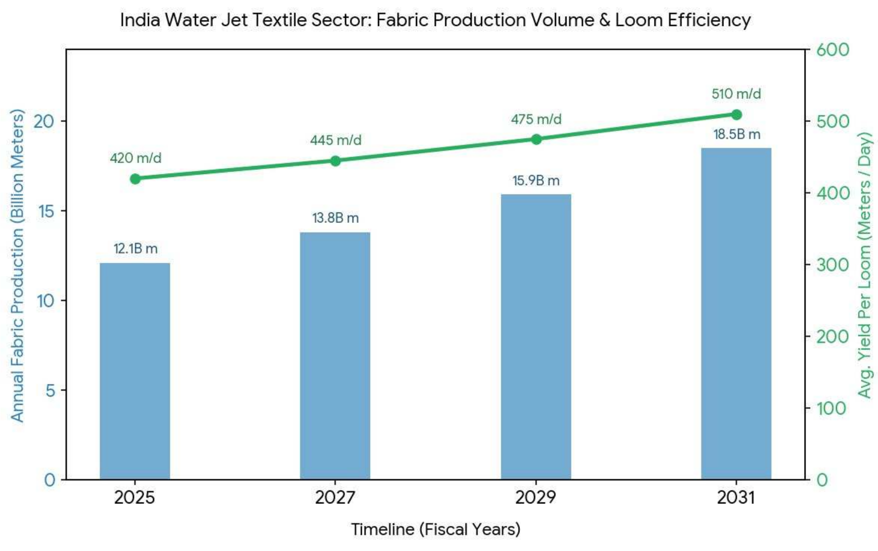
Market Dynamics

The global weaving industry is a vital segment of the textile value chain, responsible for converting yarn into woven fabrics used in apparel, home textiles, technical textiles, automotive interiors, and industrial applications. It bridges upstream fiber spinning and downstream garment manufacturing. The industry is characterized by a diverse production base, varying levels of technological advancement, and increasing emphasis on sustainability and innovation.

The market is heavily concentrated in the Asia-Pacific region, characterized by a mix of high-tech automated mills and decentralized, small-scale local operations.

Indian Weaving Industry Structure

India is one of the major textile production bases in the world in weaving sector. The total fabric production from water jet looms in India is projected to grow from 12.1 billion meters in 2025 to over 18.5 billion meters by 2031. The weaving and overall textile industry in India has a bright outlook. The market is Driven by massive domestic demand, government support like PM MITRA Parks, China Plus One, and a shift in global buyers looking for stable supply chains, India accounts for major global loom capacity.



2. OPPORTUNITIES AND THREATS:

a) Opportunities:

1. Rising Global Demand for Textiles

Growing population, urbanization, and increasing disposable incomes are driving demand for apparel, home textiles, and technical textiles, creating significant growth opportunities for the weaving industry.

2. Government Support in India
Government initiatives such as the PM MITRA Parks Scheme, Production Linked Incentive (PLI) Scheme for Textiles, China Plus One and export promotion measures are encouraging modernization, investment, and capacity expansion.

3. Growing Export Opportunities
India is strengthening its position as a reliable sourcing destination as global brands diversify their supply chains beyond China. Free Trade Agreements (FTAs) with several countries are expected to enhance market access and boost exports.

4. Adoption of Advanced Technology
Investment in Water Jet Machines, automation of manufacturing activities and use advanced technologies is improving productivity, fabric quality and resulting in cost efficiency.

5. Increasing Demand for Sustainable Textiles
Consumers and global brands are increasingly demanding eco-friendly products made from organic cotton, recycled fibers, and sustainably produced fabrics, creating opportunities for manufacturers investing in green production.

6. Growth of E-commerce and Fast Fashion
The rapid expansion of online retail platforms and changing fashion trends are increasing demand for diversified woven fabrics and shorter production cycles.

7. Value Addition and Product Diversification
Manufacturers can improve profitability by producing high-value fabrics, designer textiles, functional fabrics, and technical textiles, rather than relying solely on conventional woven fabrics.

b) Threats:

1. Volatility in Raw Material Prices
Frequent fluctuations in the prices of cotton, polyester, and other fibers significantly affect production costs and profit margins.

2. Intense Global Competition
Competition from low-cost textile-producing countries such as China, Bangladesh, Vietnam, Pakistan, and Turkey places pressure on pricing and market share.

3. Rising Energy and Logistics Costs
Increasing electricity tariffs, fuel prices, freight charges, and transportation costs reduce operational efficiency and profitability.

4. Supply Chain Disruptions
Global geopolitical tensions, pandemics, shipping delays, and trade restrictions can interrupt the supply of raw materials and delay product deliveries.

5. Stringent Environmental Regulations
Compliance with stricter environmental standards related to water usage, wastewater treatment, carbon emissions, and chemical management requires substantial investments.

6. Labour Shortages and Rising Wages
The weaving industry faces challenges in attracting and retaining skilled workers, while rising labor costs affect competitiveness.

7. Currency Exchange Rate Fluctuations
Changes in exchange rates impact export earnings and increase the cost of imported machinery and raw

materials.

8. Rapidly Changing Consumer Preferences
Fast-changing fashion trends and increasing demand for customized products require manufacturers to remain flexible and continuously innovate.

9. Fragmented Industry Structure
The Indian weaving industry consists largely of small and medium enterprises (SMEs), which often face challenges in accessing advanced technology, finance, and export markets.

10. Technological Obsolescence
Companies that do not modernize their machinery and production processes risk lower productivity, inferior product quality, and reduced competitiveness in global markets.

3. SEGMENT WISE OR PRODUCT-WISE PERFORMANCE:

The revenue performance is as under:

(Amount in Lakhs)

F.Y.	Grey Sale	Yarn Sale	Down Grade Sale	Beam Sale	Wastage Sale
2024-25	25158.04	3355.35	13.97	424.14	79.53
2025-26	35341.49	1773.08	41.98	1586.60	116.15

4. OUTLOOK:

India's textile industry, a cornerstone of the nation's economic fabric and it is experiencing remarkable growth. India's textile industry is projected to reach $350 billion by 2030, driven by a 10% compound annual growth rate. Export figures paint an equally promising picture. In FY26, the total exports of textiles and apparel (including handicrafts) stood at US$ 35.52 billion, with Ready-Made Garments (US$ 15.77 billion), Cotton Textiles (US$ 10.25 billion), and Man-Made Textiles (US$ 5.23 billion) as the key contributors.

The industry's robust performance is particularly noteworthy in its role as an employment generator. With projections suggesting the creation of 3.5 crore jobs by 2030, the textile sector continues to be one of the largest employers in India's manufacturing landscape.

The government's proactive stance has played a crucial role in this success story. The Production Linked Incentive (PLI) scheme has emerged as a game-changer, attracting substantial foreign direct investment and enhancing production capabilities. The PM MITRA scheme, focusing on integrated textile parks, is addressing infrastructure gaps and streamlining operations.

The Union Budget 2026–27 places the textile sector at the heart of India’s growth, underlining its strategic importance to the economy. By prioritising this labour-intensive industry, the Budget acknowledges textiles as a key driver of job creation, export growth, rural livelihoods and sustainable manufacturing.

The industry's growth is also being driven by evolving global market dynamics. Western markets' increasing demand for sustainable and ethically produced textiles has created new opportunities for Indian manufacturers.

Growth opportunities: Interestingly, the current political crisis in Bangladesh has opened new avenues for Indian textile manufacturers. Global buyers, seeking stable supply chains, are increasingly turning to India, presenting an opportunity to capture a larger market share.

Sustainability and Innovation: Manufacturers are shifting toward eco-friendly practices to meet both domestic demands and stringent international export standards. The technological landscape is evolving too, with a growing focus on technical textiles driven by demand from automotive and healthcare sectors. This diversification is creating new revenue streams and fostering innovation within the industry.

Regional Dominance: Gujarat remains the undisputed powerhouse of Indian textile and weaving sector resulting in major production, housing a vast majority of the country's manufacturing capacity.

Key Risks and Challenges: The path forward isn't without challenges. The industry's fragmented nature, with numerous small and medium enterprises, poses scalability challenges. Rising freight rates and complex logistics continue to pressure profit margins.

Borana Weaves Limited is well-positioned to capitalize on the growing opportunities in the textile sector, supported by its modern manufacturing infrastructure, established production capabilities and focus on operational efficiency. The Company intends to strengthen its core business of manufacturing greige fabric, enhance capacity utilisation, improve cost efficiencies and explore opportunities in value-added and man-made fibre-based textile products. With a continued focus on quality, sustainability, technology and efficient resource utilisation, the Company aims to strengthen its competitive position and achieve sustainable long-term growth.

5. RISK AND CONCERNS:

The Company's operations are exposed to various risks including fluctuations in raw material prices, changing consumer preferences, competitive pressures, foreign exchange volatility, regulatory changes, and macroeconomic uncertainties. The management continuously evaluates these risks and implements suitable mitigation strategies through prudent procurement practices, cost optimization initiatives, diversified customer relationships, and efficient inventory management.

The list of the potential risks the industry is exposed to domestically/internationally is given below:

a. **Raw Material Price Risk:** The weaving manufacturing industry is inherently dependent on key raw materials such as yarn, dyes, chemicals and other inputs. Volatility in commodity prices arising from market imbalances, climatic conditions, or geopolitical developments may impact production costs and operating margins.

b. **Global Economic and Market Risk:** Macroeconomic uncertainties, inflationary pressures, geopolitical conflicts, and fluctuations in consumer spending patterns across major economies may influence demand for textile and apparel products, thereby affecting industry growth prospects.

c. **Foreign Exchange Risk:** Fluctuations in foreign currency exchange rates may impact export realizations, import costs, and overall competitiveness in global markets.

d. **Competitive Intensity Risk:** The Indian textile sector competes with both domestic and international manufacturers. Increased competition from low-cost manufacturing countries and changing global sourcing patterns may exert pressure on pricing, market share, and profitability.

e. **Regulatory and Sustainability Compliance Risk:** The increasing focus on environmental stewardship, social responsibility, and governance standards has led to stricter regulatory requirements globally. Compliance with evolving environmental, labour, and sustainability regulations may require continuous investments in technology, systems, and processes.

f. **Supply Chain and Logistics Risk:** The industry relies on efficient procurement and distribution networks. Disruptions arising from geopolitical tensions, transportation constraints, raw material shortages, or global trade disturbances may impact operational continuity and delivery schedules.

g. **Energy and Utility Cost Risk:** Manufacturing operations require significant consumption of power, fuel, water, and other utilities. Any substantial increase in utility costs may affect operational efficiency and cost competitiveness.

h. **Financial Risk:** It is the uncertainty associated with how firms finance its business like by issue of shares, debentures, taking loans from government / financial institutions etc. Such financial transactions also include risk of default in payment of interest, dividend or repayment of capital due to various internal or external factors like increase in credit days of debtors, inflation, interest rate fluctuations, change in government policies etc. It may lead to loss of liquidity, falling assets value, significant change in cash inflow and outflow etc.

i. **Liquidity Risk:** Liquidity Risk reflects the possibility/position that a party may have insufficient funds to settle an obligation for full value when due because of insufficient capital or difficulty in selling as asset or an investment to generate capital, but will have funds to cover settlement obligations on some unspecified date thereafter. In non-bankruptcy situations, the allowable methods to cover short positions are generally driven by local market conventions. As a result, liquidity could be adversely affected by prohibitions on transactions such as Repos, Reverse Repos, Securities Lending and other allied components.

j. **Global Risk:** Global risk refers to an uncertain event or condition that can cause significant negative impact to several countries or industries for a long period of time. India is still emerging in the market of textile industries. There is a tremendous competition around the world. Indian manufacturers will have to face a tough fight to sustain in the competition. Due to poor infrastructure facilities, the production and transaction cost remain high in India. Also, India’s logistic disadvantage due to its geographical location can give it a major thumb-down in global trade. As a result, high cost of shipments and longer lead time coupled with lack of infrastructure facility may prove to be a major hindrance. To overcome this problem, India needs to increase the size of its industrial infrastructure to capture the efficiencies of the economies of scale and it must cluster the textile production.

k. **Political Risk:** Political risk may be defined as the probability that a political event will impact adversely on a firm’s profit. It represents the financial risk that a country’s government will suddenly change its policies. A new law or a change in an existing could have a significant impact on an investment. Whatever laws the government passes today may be extinct tomorrow. This risk covers restriction on remittances in the buyer’s country or any government action which may block or delay payment to the exporter, war, revolution or civil commotion in the buyer’s country, cancellation or imposition of new export / import licensing restrictions in the buyer’s country, any other kind of loss occurring either in India or outside India which is not within the control of the exporter or the buyer.

l. **Technology and Innovation Risk:** Rapid advancements in manufacturing technologies, automation, and digitalization require continuous modernization and innovation. Failure to adopt emerging technologies may affect productivity, product quality, and competitive positioning.

6. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY:

The Company has established adequate internal control systems commensurate with the size and nature of its business to ensure efficient operations, safeguarding of assets, accuracy of financial reporting, and compliance with applicable laws and regulations. These controls are regularly reviewed through internal audits to ensure their effectiveness and continuous improvement. The management believes that the internal control framework is adequate and operating effectively to support the Company's business objectives and governance standards.

7. FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFOMRMANCE:

During the year 2025-26, the Company recorded total revenue of Rs. 38,859.31 Lakhs against Rs. 29,031.04 Lakhs in the year 2024-25, representing an increase of around 33.85% during the year the Net Profit after tax of the Company for the year 2025-26 stood at Rs. 6,461.20 Lakhs as compared to Rs. 4,020.23 Lakhs in the year 2024-25 which has increased by around 60.71%.

To conserve resources for the Company's future growth plans, no dividend is being recommended by the Directors for the year ended March 31, 2026.

8. MATERIAL DEVELOPMENTS IN HUMAN RESOURCES:

At Borana Weaves Limited, employees are recognized as the cornerstone of the Company's success and sustainable growth. The Company remains committed to fostering a positive, inclusive, and performance-driven work environment that encourages continuous learning, innovation, and professional development. During the year under review, focused efforts were made towards skill enhancement, employee engagement, leadership development, and workplace safety through various training and development initiatives. The Company continues to promote a culture of collaboration, accountability, and operational excellence while ensuring employee well-being and welfare. Industrial relations remained cordial and harmonious throughout the year, reflecting the Company's commitment to maintaining a motivated and empowered workforce aligned with its long-term business objectives.

9. DETAILS OF SIGNIFICANT CHANGES IN KEY FINANCIAL RATIO:

Ratio	2025-26	2024-25	Variance
Debtor's Turnover Ratio	17.10	17.67	-3.24%
Inventory Turnover Ratio	6.26	7.23	-13.33%
Interest Coverage Ratio	6.42	3.96	62.31%
Current Ratio	4.33	2.62	65.10%
Debt-Equity Ratio	0.25	0.67	-63.40%
Operating Profit Ratio	18.97	17.26	1.71%
Net Profit Ratio	16.63%	13.85%	20.07%

Explanation for Change in the Ratio by more than 25% as compared to previous year:

Interest Coverage Ratio: The variance is due decrease in debt.
Current Ratio: The variance is due to substantial rise in Current assets.
Debt-Equity Ratio: The variance is due to increase in Shareholder's Equity due to IPO Proceeds.

10. RETURN ON NETWORTH AS COMPARE TO IMMEDIATELY PREVIOUS FINANCIAL YEAR ALONG WITH A DETAILED EXPLANATION THEREOF:

Financial Year	2025-26	2024-25
Net Profit after tax	6,486.89	4,016.16
Average Shareholder's Equity	28157.50	8754.95
Return on Net Worth	**23.03%**	**45.87%**

There is a variance of 49.79 % due to increase in capital employed due to IPO Proceeds and increase in Net profit.

11. SUSTAINABLE DEVELOPMENT:

Sustainability has been deeply embedded into the Company's business and has become an integral part of its decision-making process while considering social, economic and environmental dimensions. During the year 2025-26, a Sustainable Development Strategy was developed with a focus conversation of energy and efficient use of technology.

12. HEALTH & SAFETY:

The Company places the highest priority on the health, safety, and well-being of its employees. Adequate safety measures, including fire protection systems, first-aid facilities, proper ventilation, and work place safety infrastructure, are maintained across its operations. Regular safety awareness and training programs are conducted to promote a safe working environment and ensure compliance with applicable health and safety standards. These initiatives contribute to employee well-being, operational efficiency, and sustainable business growth.

13. INFRASTRUCTURE:

The Company is equipped with modern infrastructure facilities which assist in smooth production. The Company's manufacturing unit is outfitted with advanced machines and equipment and a trained staff, who have years of experience behind them. To sell products to the clients, the Company has facilitated a smooth transportation mechanism through a strong base of transporters and traders.

14. CAUTIONARY STATEMENT:

The above Management Discussion and Analysis contain certain forward-looking statements within the meaning of applicable security laws and regulations. These pertain to the Company's future business prospects and business profitability, which are subject to several risks and uncertainties and the actual results could materially differ from those in such forward-looking statements. The risks and uncertainties relating to these statements include, but are not limited to, risks and uncertainties, regarding a fluctuation in earnings, our ability to manage growth, competition, economic growth in India, ability to attract and retain highly skilled professionals, time and cost over runs on contracts, government policies and actions with respect to investments, fiscal deficits, regulation etc. In accordance with the Code of Corporate Governance approved by the Securities and Exchange Board of India, shareholders and readers are cautioned that in the case of data and information external to the Company, no representation is made on its accuracy or comprehensiveness though the same are based on sources thought to be reliable. The Company does not undertake to make any announcement in case any of these forward-looking statements become materially incorrect in future or update any forward-looking statements made from time to time on behalf of the Company.

Date: August 11, 2026

Place: Surat

For and on behalf of the Board of Directors

Mangilal Ambalal Borana
Chairman & Managing Director
DIN: 01091167

ANNEXURE–7

The disclosures pertaining to remuneration as required under section 197(12) of the Companies Act, 2013 read with rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Amendment Rules, 2016 are as under:

The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer and Company Secretary during the financial year 2025-26, ratio of the remuneration of the employees of the Company for the financial year 2025-26 and the comparison of remuneration of each Key Managerial Personnel (KMP) against the performance of the Company are as under:

Sr. No.	Name of Director/KMP and Designation	Remuneration of Director/ KMP for F.Y. 2025-26 (Per Annum)	% increase in Remuneration in the F.Y. 2025-26	Ratio of Remuneration of each Director to median remuneration of employees
1	**Mr. Mangilal Ambalal Borana** Executive Chairman & Managing Director	12,00,000	--	7.90:1
2	**Mr. Rajkumar Mangilal Borana** Executive Director and CFO	6,00,000	100%	3.95:1
3	**Mr. Ankur Mangilal Borana** Executive Director and CEO	6,00,000	100%	3.95:1
4	**Mr. Kanav Sham Sunder Arora^** Non-Executive Independent Director	N.A.	N.A.	N.A.
5	**Mr. Arvind Kumar Rathi^** Non-Executive Independent Director	N.A.	N.A.	N.A.
6	**Mrs. Nikita Abhishek Soni^** Non-Executive Independent Director	N.A.	N.A.	N.A.
7	**Ms. Seema Manish Luniya** Company Secretary & Compliance Officer	1,20,000	N.A.	0.79:1

^*Remuneration excludes sitting fees.*

i. The median remuneration of employees of the Company during the financial year was Rs. 1,51,920 per annum (Calculated based on salary as on March 31, 2026)
ii. The median remuneration increased by **24.25%** compared with the FY 2024-25 disclosed median remuneration of Rs. 1,22,273 per annum.
iii. There were 812 permanent employees on the rolls of the Company as on March 31, 2026.
iv. The average percentage increase made in the salaries of employees other than managerial personnel during the financial year 2025-26 was **2.00%**, whereas the increase in average managerial remuneration was **33.33%**. The average increase & decrease every year is an outcome of the Company's performance as against its peer group companies and standard industry practices aligned with the Remuneration Policy of the Company.
v. The Company affirms that remuneration is as per the Remuneration Policy of the Company which is uploaded on the website of the Company.

ANNEXURE-8

Certificate in terms of Regulation 17(8) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

To,
The Board of Directors
Borana Weaves Limited

Dear Sir(s)/Madam,

In accordance with Regulation 17(8) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, I certify that:

We, Ankur Mangilal Borana, the Chief Executive Officer and Mr. Rajkumar Mangilal Borana, Chief Financial Officer of M/s Borana Weaves Limited, certify that:

(A) We have reviewed the financial statements and the cash flow statement of Borana Weaves Limited for the year ended March 31, 2026 and that to the best of our knowledge and belief:
   i. These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.
   ii. These statements together present a true and fair view of the Company's affairs and are in compliance with the existing accounting standards, applicable laws and regulations.

(B) There are, to the best our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violate the Company's code of conduct.

(C) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of the internal control systems of the listed entity pertaining to financial reporting. We have not come across any report able deficiencies in the design or operation of such internal controls.

(D) We have indicated to the auditors and the audit committee:
   i. There has not been any significant change in internal control over financial reporting during the financial year ended March 31, 2026;
   ii. There has not been any significant change in accounting policies during the financial year ended March 31, 2026; and
   iii. We are not aware of any instance during the year of significant fraud with involvement therein of the management or any employee having a significant role in the Company's internal control system over financial reporting.

Date: August 11, 2026

Place: Surat

For and on behalf of the Board of Directors

Ankur Mangilal Borana	**Rajkumar Mangilal Borana**
Chief Executive Officer	Chief Financial Officer

ANNEXURE- 9

DECLARATION BY MANAGING DIRECTOR THAT THE MEMBERS OF BOARD OF DIRECTORS AND SENIOR MANAGEMENT PERSONNEL HAVE AFFIRMED WITH THE CODE OF CONDUCT OF BOARD OF DIRECTORS AND SENIOR MANAGEMENT

All the members of the Board of Directors of the Company and Senior Management Personnel have affirmed compliance with the Code of Conduct for the financial year ended March 31, 2026 as applicable to them as laid down in Companies Act, 2013 with the code of conduct of board members and senior management personnel.

Date: August 11, 2026

For and on behalf of the Board of Directors

Place: Surat

Mangilal Ambalal Borana
Chairman & Managing Director
DIN: 01091167

ANNEXURE– 10

CERTIFICATE ON CORPORATE GOVERNANCE

To
The Members of
Borana Weaves Limited
Plot No. B 5/3, B 5/4, B 5/5, B 5/6, B
5/7, B 5/7/1, Road No. 9 Hojiwala
Industrial Estate, SUSML,
Sachin, Surat-394230

We have examined the compliance of conditions of Corporate Governance by **Borana Weaves Limited** ('the Company') for the year ended March 31, 2026 as stipulated in the applicable regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The compliance of conditions of Corporate Governance is the responsibility of the Management of the Company. Our examination was limited to a review of procedures and implementations thereof adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance for the year under the review as stipulated in the applicable regulations of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

For K. Dalal & Co.
Company Secretaries

Place: Surat
Date: 10/08/2026
UDIN: F003530H001068792
Peer Review Certificate No.: 8134/2026
Unique Code: S2001GJ037300

Sd/-
Kunjal Dalal
Proprietor
FCS No. 3530 COP No. 3863

ANNEXURE–11

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

[Pursuant to Regulation 34(3) and Schedule V Para C clause (10) (i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

To,
The Members,
Borana Weaves Limited
Plot No. B 5/3, B 5/4, B 5/5, B 5/6, B 5/7, B 5/7/1,
Road No. 9 Hojiwala Industrial Estate, SUSML, Sachin, Surat-394230

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **BORANA WEAVES LIMITED** having CIN: L17299GJ2020PLC117745 and having registered office at Plot No. B 5/3, B 5/4, B 5/5, B 5/6, B 5/7, B 5/7/1, Road No. 9 Hojiwala Industrial Estate, SUSML, Sachin, Surat-394230 (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of the information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in as considered necessary and explanations furnished to me by the Company & its officers, We hereby certify that none of the Directors on the Board of the Company as stated below for the financial year ending on March 31, 2026 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

S. No.	Name of Director	DIN	Date of Appointment in Company
1.	Mr. Mangilal Ambalal Borana	01091167	14/06/2021
2.	Mr. Ankur Mangilal Borana	01091164	17/11/2022
3.	Mr. Rajkumar Mangilal Borana	01091166	17/11/2022
4.	Mr. Kanav Sham Sunder Arora	00933401	17/07/2024
5.	Mr. Arvind Kumar Rathi	07842066	17/07/2024
6.	Mrs. Nitika Abhishek Soni	10708045	17/07/2024

Ensuring the eligibility for the appointment / continuity of every director on the board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on the verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For K. Dalal & Co.
Company Secretaries

Place: Surat
Date: 10/08/2026
UDIN: F003530H001068781
Peer Review Certificate No.: 8134/2026
Unique Code: S2001GJ037300

Sd/-
Kunjal Dalal
Proprietor
FCS No. 3530 COP No. 3863

SECTION THREE

FINANCIAL STATEMENTS

Independent Auditor's Report and audited standalone financial statements for the year ended March 31, 2026.

FY 2025-26

INDEPENDENT AUDITOR'S REPORT

To the Members of

Borana Weaves Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of Borana Weaves Limited ("the Company") which comprises the Balance Sheet as at March 31st, 2026, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the financial year ended thereon and notes to the standalone financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statement 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 Indian Accounting Standards ('Ind AS') specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2026, and its profit (including other comprehensive income/ (loss)), its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013, as amended ("the Act"). Our responsibilities under those Standards are further described in the "Auditor's Responsibilities for the Audit of the Standalone 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 together with the ethical requirements that are relevant to our audit of the 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 Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have not identified any matter to be a key audit matter for the purpose of it to be communicated in our report.

Information other than the Financial Statements and Auditor's Report thereon

The Company's Board of Directors is responsible for the other information. The other information comprises Board's Report including Annexures to Board's Report but does not include the financial statements and our auditor's report thereon.
Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

Management's Responsibilities for the Standalone Financial Statements

The Board of Directors of the Company are responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that gives a true and fair view of the net profit of the financial position, financial performance and cash flows of the Company in accordance with the applicable accounting standards 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 the 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 Statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board of Directors are 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 the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

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

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole is 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 theses 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 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. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.

- Conclude on the appropriateness of the Board of Directors' 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 Company's ability 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 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 financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economics decisions of a reasonably knowledgeable user of the financial statement may be influenced. We consider quantitative materiality and qualitative factor in (i) planning the scope of our audit work and in evaluating the result of our work and (ii) to evaluate the effect of any identified misstatements in the financial statements.

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.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure A" a statement on the matters specified in in paragraphs 3 and 4 of the Order, to the extent applicable.

2. As required by Section 143(3) of the Act, we report that:

a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
c) The Balance Sheet, the Statement of Profit and Loss (including Other Comprehensive Income) and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014, as amended;
e) On the basis of the written representations received from the directors as on March 31st, 2026 taken on record by the Board of Directors, none of the directors is disqualified as on March 31st, 2026 from being appointed as a director in terms of Section 164 (2) of the Act;
f) With respect to the adequacy of the internal financial controls over financial reporting of the Company with reference to these financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure B" to this report;
g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:

1) The Company does not have major pending litigations which would impact its financial position.

2) The Company does not have long-term contracts including derivative contracts, for which there are material foreseeable losses.

3) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

4) (a) The management has represented that to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(s) or entity(ies),including foreign entities (“Intermediaries”), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(b) The management has represented, that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been received by the company from any person(s) or entity(ies), including foreign entities (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, 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 provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

(c) Based on audit procedures which we considered reasonable and appropriate in the circumstances, nothing has come to their notice that has caused them to believe that the representations under sub-clause (i) and (ii) contain any material misstatement.

5) The company has not declared or paid any dividend during the year and hence compliance under section 123 of the Companies Act, 2013 is not applicable.

6) Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Company with effect from April 1, 2023, and The Company has used such accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has been operated throughout the period of six months for all transactions recorded in the software and the audit trail feature has not been tampered with and the audit trail has been preserved by the company as per the statutory requirements for record retention.

For KSA & Co.
Firm reg. no. : 003822C
Chartered Accountants

Arun Kanodiya
Partner
Membership no. : 077131
UDIN: 26077131PVNHJU4880

Place: Surat
Date: 14/05/2026

<u>Annexure "A" referred to in clause 1 of paragraph on the report on other legal and regulatory requirements of our report of even date</u>

Re: Borana Weaves Limited

i.

a) 1.) The company has maintained proper records showing full particulars, including quantitative details and location of Property, Plant and Equipment.
2.) The Company does not own intangible Asset.

b) The major Property, Plant and Equipment of the company have been physically verified by the management at reasonable intervals during the financial year and no material discrepancies were noticed on such verification.

c) Based on the examination of the registered sale deed/ transfer deed / conveyance deed provided to us, we report that, the title deeds, of all the immovable properties disclosed in financial statements included in Property, Plant and Equipment and Investment Property are held in the name of the Company as at the balance sheet date except for Factory Building given below.

Description	No. of cases	Area	Gross block as on 31st March, 2026 (In Rs.)	Net Block as on 31st March, 2026 (In Rs.)	Remarks
Factory Building			29,88,96,060.71	26,64,53,615.71	The building shown in Balance Sheet is Factory Building constructed by company on land which belongs to Director's and their relative and rent has been charged on same. Hence there is no separate title deed of Factory building so constructed.

d) The company has not revalued any of its Property, Plant and Equipment (including Right of Use assets) or intangible assets during the financial year.

e) According to the information and explanations given to us by the management, no proceedings have been initiated or are pending against the company for holding any Benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) (as amended in 2016) and rules made thereunder.

ii.

a) According to the information and explanations given to us, physical verification of inventory has been conducted at reasonable intervals by management and coverage and procedure of such verification by management is appropriate in our opinion, No material discrepancies were noticed in the aggregate for each class of inventory during the financial year.

b) The company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets. Quarterly returns or statements filed by the company with such banks or financial institutions are generally in agreement with the books of account of the Company.

iii. a) According to the information and explanations given to us the company has not provided any guarantee or security but granted a loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties.

Sr. No.	Name	Amount of loans & advances outstanding as on 31st March, 2026 (in Rs.)
1.	Khwaish Exim LLP	2,39,03,630.00
2.	Nirmit Dalmia	10,17,123.00
3.	R & B Denims Limited	3,00,00,000.00
4.	Whitelotus Industries Limited	3,50,00,000.00
5.	Nakoda Developers	1,59,35,753.00

b) In our opinion, the investments made are, prima facie, not prejudicial to the company's interest.

iv. According to the information and explanation given to us, the company has complied with provisions of section 185 and 186 of the Companies Act, 2013 in respect of loans, investments, guarantee and security as applicable.

v. The Company has not accepted any deposit or amounts which are deemed to be deposits. Hence, reporting under this clause of CARO is not applicable.

vi. According to the information and explanations given to us, the Company has maintained cost records under sub-section (1) of Section 148 of the Companies Act, 2013.

vii.

a) According to the information and explanations given to us and on the basis of our examination of the records of the company, amount deducted/accrued in books of accounts in respect of undisputed statutory dues including provident funds, employee's state insurance, income tax, sales tax value added tax, duty of customs duty of excise, Goods and Service tax, cess and other material statutory dues have been generally regularly deposited during the period of six months by the Company with the appropriate authorities.

b) According to the information and explanations given to us no undisputed amounts in respect of provident funds, employee's state insurance, income tax, sales tax value added tax, duty of customs duty of excise, goods and service tax, cess were arrears, as at 31st March, 2026 for a period of more than six months from the date they became payable.

viii. According to the information and explanation given to us, no transactions which were not recorded earlier in the books of account have been surrendered or disclosed as income during the financial year in the tax assessments under the Income Tax Act, 1961 (43 of 1961);

ix.

a) In our opinion and according to the information and explanation given to us, the company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender during the financial year;

b) According to the information and explanation given to us and on the basis of our audit procedures, we report that the Company has not been declared willful defaulter by any bank or financial institution or government or any government authority;

c) According to the information and explanation given to us, term loans were applied for the purpose for which the loans were obtained;

d) According to the information and explanation given to us & overall examination of balance sheet of Company funds raised on short term basis have not been utilized for long term purposes;

e) According to the information and explanation given to us, the company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures;
f) According to the information and explanation given to us, the company has not raised loans during the financial year on the pledge of securities held in its subsidiaries, joint ventures or associate companies. Hence, reporting under this clause of CARO is not applicable.

x.

a) According to the information and explanations given to us by the management, the Company has raised money by way of initial public offer during the financial year. The funds raised by the company through public offers were applied for the purpose for which they were raised.
b) According to the information and explanations given to us by the management, the company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause 3 (x) (b) of the Order is not applicable.

xi.

a) To the best of our knowledge and according to the information and explanation given to us, no fraud by the company or on the company has been noticed or reported during the period covered by our audit.
b) In our opinion and according to the information and explanation given to us, no report under sub-section (12) of section 143 of the Companies Act has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government and hence, no reporting is required under this clause.
c) According to the information and explanation given to us, no whistle-blower complaints were received during the financial year by the company. Hence reporting under this clause is not applicable to company.

xii. In our opinion and according to the information and explanations given to us, the company is not a Nidhi company. Accordingly, paragraph 3 (xii) of the Order is not applicable.

xiii. In our opinion, the company is in compliance with section 177 and 188 of Companies Act, 2013 with respect to applicable transactions with the related parties and the details of related party transactions has been disclosed in the standalone financial statements as required by the applicable accounting standards.

xiv.

a) In our opinion and according to information & explanation given to us & based on our examination, there are adequate internal control procedures commensurate with the size of the company & nature of its business.

b) The Company has appointed Internal Auditors in accordance with the applicable provisions of the Companies Act, 2013. Our reporting under this clause is based on the audit evidence, records, information and explanations made available to us during the course of the audit. As the internal audit reports were not available for our examination, the same have not been considered for the purposes of this reporting.

xv. According to the information and explanations given to us, in our opinion during the financial year the company has not entered into any non-cash transactions with directors or persons connected with its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the company.

xvi. a) In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3 (xvi) (a) and (b) of the Order is not Applicable.

b) The company is not a Core Investment Company ("CIC") as defined in the regulations made by the Reserve Bank of India, accordingly the provisions of clause 3(xvi) (c) of the Order are not applicable.

c) Based on the information and explanations provided by the management, the Company does not have any CICs, which are part of the company. Accordingly, provisions of clause 3 (xvi) of the Order are not applicable.

xvii. According to the information and explanations given to us and based on the audit procedures conducted we are of opinion that the company has not incurred any cash losses in the financial year and the immediately preceding financial years;

xviii. There has been no resignation of the statutory auditors during the financial year and accordingly, no reporting is required.

xix. According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that company is incapable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of six months from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of six months from the balance sheet date, will get discharged by the company as and when they fall due.

xx. (a) & (b) According to the information and explanations given to us, the provisions of section 135 of the Act are applicable to the Company. The Company has made the required contributions during the financial year and there are no unspent amounts which are required to be transferred to the special account as on the date of our audit report.

xxi. The reporting under clause (xxi) is not applicable in respect of audit of standalone financial statements of the Company. Accordingly, no comment has been included in respect of said clause under this report.

For KSA & Co.
Firm reg. no. : 003822C
Chartered Accountants

Arun Kanodiya
Partner
Membership no. : 077131
UDIN: 26077131PVNHJU4880

Place: Surat
Date:14/05/2026

Annexure B to the Independent auditor's report of even date on the financial statements of Borana Weaves Limited

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act)

We have audited the internal financial controls over financial reporting of Borana Weaves Limited (the Company') as on March 31st, 2026 in conjunction with our audit of the financial statements of the Company for the financial year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the 'Guidance Note') issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting with reference to these financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing as specified under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls and, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting with reference to these financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting with reference to these financial statements and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, with reference to these financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting with reference in these financial statements.

Meaning of Internal Financial Controls Over Financial Reporting with reference to these Financial Statements

A company's internal financial control over financial reporting with reference to these financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of the financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting with reference to these financial statements includes those policies and procedures that

(1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;

(2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of the financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company;
(3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting with reference to these Financial Statements

Because of the inherent limitations of internal financial controls over financial reporting, with reference to these financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting with reference to these financial statements to future periods are subject to the risk that the internal financial control over financial reporting with reference to these financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting with reference to these financial statements and such internal financial controls over financial reporting with reference to these financial statements were operating effectively as at March 31st, 2026, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For KSA & Co.
Firm Reg. no. : 003822C
Chartered Accountants

Arun Kanodiya
Partner
Membership no. : 077131
UDIN: 26077131PVNHJU4880

Place: Surat
Date:14/05/2026

BORANA WEAVES LIMITED
CIN: U17299GJ2020PLC117745
Regd. Off.: Plot No. AA/34, B-16/16, Hojiwala Industrial Estate, SUSML, Surat, Gujarat - 394230.
Website: https://boranagroup.in/ | Email: info@boranagroup.in

STATEMENT OF ASSETS AND LIABILITIES AS AT MARCH 31, 2026

(Rs. in Lakhs except as stated)

SR. NO.	PARTICULARS	NOTE NO.	As at March 31, 2026	As at March 31, 2025
I.	**Assets**			
(1)	**Non-Current Assets**			
	(a) Property, Plant and Equipment	3	14,648.91	6,632.24
	(b) ROU Assets	3	112.14	134.22
	(c) Capital Work-in-Progress	4	8,093.61	3.81
	(d) Financial Assets			
	(i) Investments	5	145.62	45.30
	(ii) Other Financial Assets	6	1,446.06	932.97
	(e) Deferred Tax Assets (net)	16	-	31.15
	Total Non-Current Assets		**24,446.34**	**7,779.69**
(2)	**Current Assets**			
	(a) Inventories	7	4,733.10	2,541.64
	(b) Financial Assets			
	(i) Trade Receivables	8	2,364.19	2,181.54
	(ii) Cash and Cash Equivalents	9	168.45	4.02
	(c) Current Tax Assets (Net)	10	-	-
	(d) Other Current Assets	11	4,924.76	3,087.62
	Total Current Assets		**12,190.50**	**7,814.82**
	Total Assets		**36,636.84**	**15,594.51**
II.	**Equity and Liabilities**			
(1)	**Equity**			
	(a) Share Capital	12	2,664.53	1,993.73
	(b) Other Equity	13	25,492.97	6,761.22
	Total Equity		**28,157.50**	**8,754.95**
(2)	**Liabilities**			
	Non-Current Liabilities			
	(a) Financial Liabilities			
	(i) Borrowings	14	5,565.60	3,744.27
	(ii) Lease Liabilities	14(a)	98.40	117.72
	(c) Deferred Tax Liabilities (Net)	16	2.11	-
	(d) Other Non-Current Liabilities		-	-
	Total Non-Current Liabilities		**5,666.11**	**3,861.99**
	Current Liabilities			
	(a) Financial Liabilities			
	(i) Borrowings	14	1,384.85	2,160.32
	(ii) Lease Liabilities	14(a)	32.40	32.40
	(iii) Trade Payables	17		
	(A) total outstanding dues of micro and small enterprises; and		3.90	92.36
	(B) total outstanding dues of creditors other than micro and small enterprises.		19.29	284.51
	(iv) Other Financial Liabilities	18	968.89	-
	(b) Other Current Liabilities	19	162.05	8.25
	(c) Provisions	15	239.76	271.07
	(d) Current Tax Liabilities (Net)	10	2.09	128.66
	Total Current Liabilities		**2,813.23**	**2,977.57**
	Total Liabilities		**8,479.34**	**6,839.56**
	Total Equity and Liabilities		**36,636.84**	**15,594.51**

The accompanying notes 1 - 40 form an integral part of these Financial Statements.

As per our report of even date

For KSA & Co.
Chartered Accountants
Firm Reg. No.: 003822C

CA Arun Kanodiya
Partner
Membership no.: 077131
Date:14/05/2026
Place: Surat

For and on behalf of Board of Directors of
BORANA WEAVES LIMITED

Rajkumar Mangilal Borana
Chief Financial Officer
DIN: 01091166

Ankur Mangilal Borana
Chief Executive Officer
DIN: 01091164

Seema Lunia
Company Secretary

Mangilal Ambalal Borana
Chairman/Managing Director
DIN: 01091167

BORANA WEAVES LIMITED
CIN: U17299GJ2020PLC117745
Regd. Off.: Plot No. AA/34, B-16/16, Hojiwala Industrial Estate, SUSML, Surat, Gujarat - 394230.
Website: https://boranagroup.in/ | Email: info@boranagroup.in

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2026

(Rs. in Lakhs except as stated)

SR. NO.	PARTICULARS	NOTE NO.	For Year Ended March 31, 2026	For Year Ended March 31, 2025
I.	Revenue from Operations	21	38,859.31	29,031.04
II.	Other Income	22	821.49	478.66
III.	**Total Income [I + II]**		**39,680.80**	**29,509.70**
IV.	**Expenses**			
	(a) Cost of Materials Consumed	23	22,777.63	17,803.18
	(b) Changes in Inventories of Finished Goods and Work-in-Progress	24	7.10	(29.35)
	(c) Employee Benefit Expenses	25	2,814.13	1,915.45
	(d) Finance Costs	26	349.05	505.04
	(e) Depreciation and Amortization Expenses	27	1,781.02	1,306.03
	(f) Other Expenses	28	4,108.74	3,024.08
	Total Expenses		**31,837.67**	**24,524.43**
V.	**Profit / (Loss) before exceptional and extraordinary items and tax [III-IV]**		**7,843.13**	**4,985.27**
VI.	Exceptional and Extraordinary items	29	(3.42)	(73.01)
VII.	**Profit / (Loss) before tax [V+VI]**		**7,839.71**	**4,912.26**
VIII.	**Tax Expense:**	30		
	(1) Current Year Tax		1,332.32	905.00
	(2) Deferred Tax		33.27	(23.50)
	(3) Earlier Year Tax		12.92	10.53
IX.	**Profit / (Loss) for the period [VII-VIII]**		**6,461.20**	**4,020.23**
X.	**Other Comprehensive Income:**	31		
	(i) Items that will not be reclassified to profit or loss		25.69	(4.07)
	Total Other Comprehensive Income		**25.69**	**(4.07)**
XI.	**Total Comprehensive Income for the period [IX+X]**		**6,486.89**	**4,016.16**
XII.	**Earnings per equity share from continuing operations (in INR)**	32		
	(1) Basic		24.35	20.14
	(2) Diluted		24.35	20.14

The accompanying notes 1 - 40 form an integral part of these Financial Statements.

As per our report of even date

For KSA & Co.
Chartered Accountants
Firm Reg. No.: 003822C

CA Arun Kanodiya
Partner
Membership no.: 077131

For and on behalf of Board of Directors of
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Date:14/05/2026
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STATEMENT OF CASH FLOW FOR THE YEAR ENDED MARCH 31, 2026

(Rs. in Lakhs except as stated)

	Particulars	**Year ended 31st March, 2026**	**Year ended 31st March, 2025**
A	**CASH FLOW FROM OPERATING ACTIVITIES**		
	Profit Before Tax and after Extra-ordinary Items	7,839.71	4,912.26
	Add: Extra-ordinary loss on sale of fixed asset	3.42	73.01
	Adjustment to reconcile profit before tax to net cash flows:		
	Add: Interest Expense	349.05	505.04
	Add: Depreciation	1,781.02	1,306.03
	Add: Remeasurement of defined benefit obligation	25.69	(15.44)
	Operating Profit before Working Capital Changes	**9,998.89**	**6,780.90**
	Adjustment For:		
	(Increase)/decrease in trade receivables	(182.64)	(1,077.20)
	(Increase)/decrease in inventories	(2,191.47)	(164.86)
	(Increase)/decrease in other current assets	(1,837.14)	(1,284.88)
	(Increase)/decrease in other non-current assets	(613.40)	(1.05)
	Increase/(decrease) in trade payables	(353.69)	(954.54)
	Increase/(decrease) in other financial liabilities	968.89	(24.03)
	Increase/(decrease) in other current liabilities	153.79	4.31
	Increase/(decrease) in provisions	(31.31)	(131.42)
	Cash Generated From Operations before taxes	**5,911.92**	**3,147.23**
	Income taxes paid	(1,471.81)	(883.20)
	NET CASH FLOW FROM OPERATING ACTIVITIES (A)	**4,440.11**	**2,264.03**
B	**CASH FLOW FROM INVESTING ACTIVITIES:**		
	Purchase of Fixed Assets	(17,897.65)	(997.15)
	Adjustment/Sale of Fixed Assets	28.82	283.31
	NET CASH USED IN INVESTING ACTIVITIES (B)	**(17,868.83)**	**(713.84)**
C	**CASH FLOW FROM FINANCING ACTIVITIES:**		
	Increase/(decrease) in short term borrowings (net)	(775.47)	55.75
	Increase/(decrease) in long term borrowings (net)	1,821.33	(1,060.92)
	Increase/(decrease) in Lease Liability	(19.32)	(17.63)
	Increase in Issued Share Capital (Due to IPO Proceeds)	670.80	-
	Increase / (Decrease) in Securities Premium net off IPO Expenses (Due to IPO Proceeds)	12,244.86	-
	Interest Paid	(349.05)	(505.04)
	ROC Expense Relate to Bonus Issued	-	(19.50)
	NET CASH FLOW FROM FINANCING ACTIVITIES (C)	**13,593.15**	**(1,547.34)**
	Net Increase in Cash & Cash equivalents [A+B+C]	164.43	2.85
D	Cash and Cash equivalents at the beginning of the year (D)	4.02	1.17
E	**Cash and Cash equivalents at the end of the year (E)**	**168.45**	**4.02**
	Components of the Cash and Cash Equivalents		
	Cash on Hand	8.65	4.02
	Balances with Banks	159.80	-
	Cash and Cash equivalents in Cash Flow Statement	**168.45**	**4.02**

The accompanying notes 1 - 40 form an integral part of these Financial Statements.

Note: The above statement of Cash Flow has been prepared under the "Indirect method" as set out in Ind AS - 7 - Statement of Cash Flows.

As per our report of even date
For KSA & Co.
Chartered Accountants
Firm Reg. No.: 003822C

CA Arun Kanodiya
Partner
Membership no.: 077131
Date:14/05/2026
Place: Surat

For and on behalf of Board of Directors of
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STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2026

(Rs. in Lakhs except as stated)

A. EQUITY SHARE CAPITAL (Refer Note 12):

PARTICULARS	As at March 31, 2026	As at March 31, 2025
Balance at the beginning of the year	1,993.73	3.98
Addition during the year	670.80	1,989.75
Reduction during the year	-	-
Balance at the end of the year	**2,664.53**	**1,993.73**

B. OTHER EQUITY (Refer Note 13):

PARTICULARS	RESERVES & SURPLUS		OTHER COMPREHENSIVE INCOME	TOTAL
	SECURITY PREMIUM RESERVE	RETAINED EARNINGS		
Balance as at March 31, 2024	**597.09**	**4,168.59**	**-**	**4,765.68**
Add: Profit / (Loss) for the year	-	4,020.23	-	4,020.23
Less: ROC fees for increase in Authorised Share Capital	(19.50)	(1,989.75)	-	(2,009.25)
Less: Adjustments for Provision of Gratuity for the year ended March 31, 2024	-	(11.37)	-	(11.37)
Add: Other Comprehensive Income /(Loss) for the year	-	-	(4.07)	(4.07)
Balance as at March 31, 2025	**577.59**	**6,187.70**	**(4.07)**	**6,761.22**
Add: Profit / (Loss) for the year	-	6,461.20	-	6,461.20
Add: Securities Premium Credited on Shares Issued	12,988.51	-	-	12,988.51
Less: Intial Public Offering (IPO) Expenses Written Off	(743.65)	-	-	(743.65)
Add: Other Comprehensive Income /(Loss) for the year	-	-	25.69	25.69
Balance as at March 31, 2026	**12,822.45**	**12,648.90**	**21.62**	**25,492.97**

The accompanying notes 1 - 40 form an integral part of these Financial Statements.
As per our report of even date

For KSA & Co.
Chartered Accountants
Firm Reg. No.: 003822C

CA Arun Kanodiya
Partner
Membership no.: 077131

Date:14/05/2026
Place: Surat

For and on behalf of Board of Directors of
BORANA WEAVES LIMITED

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Company Secretary

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Chairman/Managing Director
DIN: 01091167

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31st MARCH, 2026

1. **Corporate Information**

Borana Weaves Limited is a public limited company and incorporated under the provisions of the Companies Act, 2013. The company is engaged in twisting, Sizing & texturizing of Yarn & Weaving of Grey Cloth on Water Jet Looms. The company is converted into Limited Company w.e.f. 24th September, 2024.

The registered office of the company is located at Plot No. AA/34, B-16/16, Hojiwala Ind. Estate, SUSML, Surat, Gujarat -394230. The Corporate Identification Number (CIN) of the company is U17299GJ2020PLC117745.

The Equity shares of the Company are listed on National Stock Exchange ("NSE") & Bombay Stock Exchange ("BSE").

2. **Basis of Preparation**

The Company has applied provisions of the Companies Act, 2013 for preparation of the financial statements. The Financial Statements are prepared and presented under the historical cost convention on accrual basis of accounting, in accordance with the accounting principles generally accepted in India and comply with the mandatory Indian Accounting Standards, unless stated otherwise, (Issued by the Institute of Chartered Accountants of India). Notified under relevant provision of Company Act, 2013.

All amounts included in the financial statements are reported in lakhs of Indian rupees except share and per share data, unless otherwise stated. Due to rounding off, the numbers presented throughout the document may not add up precisely to the totals and percentages may not precisely reflect the absolute figures.

Use of Estimates

The preparation of the financial statement in conformity with Indian GAAP requires the management to make judgments, estimates and assumptions that effect the reported amounts of revenues, expenses, assets and liabilities at the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future period.

SIGNIFICANT ACCOUNTING POLICIES

2.1 Revenue Recognition & Other Income

- Revenue is recognized upon transfer of control of the products to customers at a point in time i.e. when the products are delivered to the carrier in an amount that reflects the consideration that the company expects to receive in exchange for those products
- Dividend is recognized at the time of receipt.
- Interest income is accrued on a time proportion basis, by reference to the principal outstanding and effective interest rate applicable.
- Interest subsidy and Electricity duty are accounted for on the basis of receipts or where there is reasonable assurance that the Company will comply with the conditions attaching to them and that the subsidies will be received or when actually received by the Company. Subsidies from the Government are recognized in profit or loss on a systematic basis over the periods in which the Company recognizes as expenses the related costs for which the subsidies are intended to compensate.

2.2 Property, Plant, Equipment (PPE) and Intangible Assets:

- The Company has elected to continue with the carrying value of Property, Plant and Equipment ('PPE') recognized as of transition date measured as per the Previous GAAP and use that carrying value as its deemed cost of the PPE as on the transition date.

- Property, Plant, Equipment and Intangible Assets (Fixed Assets) are stated at cost, net of accumulated depreciation and impairment losses if any. The cost comprises purchase price, borrowing cost capitalization if criteria and met and directly attribute cost of bringing attributable cost of bringing the assets to its working condition for the intended use. Any trade discounts and rebates are deducted in arriving at the purchase price.
- Subsequent expenditure related to an item of fixed assets is added to its book value only if it increased the future benefits from the existing asset beyond its previously assessed standard of performance. All other expenses on existing Property, Plant, Equipment and Intangible Assets, including day to day repair and maintenance expenditure and cost of replacing parts, are charged to statement of profit and loss for the period during which such expenses are incurred.
- The Company adjusts exchange difference arising on transaction of long-term foreign currency monetary items pertaining to the acquisition of a depreciable asset to the cost of the assets and depreciates the same over the remaining life of project.
- An item of property, plant and equipment is derecognized upon the disposal or when no future benefits are expected from its use or disposal. Gains and losses on disposal of an item of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment, and are recognized net within other income / expenses in the statement of profit and loss.
- Property, Plant and Equipment (Fixed Assets) under installation or under construction as at Balance Sheet are shown as Capital Work in Progress. However, apart from the above stated assets, Wind Mill & Solar Power System also to be considered as a Capital Work in Progress in the current financial year as it is an under-installation phrase.

2.3 Depreciation

- The depreciable amount of an asset is determined after deducting its residual value. Where the residual value of an asset increases to an amount equal to or greater than the asset's carrying amount, no depreciation charge is recognized till the asset's residual value decreases below the asset's carrying amount. Depreciation of an asset begins when it is available for use, i.e., when it is in the location and condition necessary for it to be capable of operating in the intended manner. Depreciation of an asset ceases at the earlier of the date that the asset is classified as held for sale in accordance with IND AS 105 and the date that the asset is derecognized. The estimated useful lives of assets are as follows:

Assets	Estimated Useful life (in Years)
Factory Building	30
Furniture and Fittings	10
Office Equipment	5
Plant & Machinery	15
Computers (end user device)	6
Motor Vehicles	8
Solar System	25

Impairments of non-financial assets:

The Company assesses at each balance sheet date whether there is any indication that an asset or cash generating unit (CGU) may be impaired. Indefinite life intangibles are subject to a review for impairment annually or more frequently if events or circumstances indicate that it is necessary. If any such indication exists, the Company estimates the recoverable amount of the asset. The recoverable amount is the higher of an asset's or CGU's fair value less costs of disposal or its value in use. 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 the 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 the fair value less costs of disposal, recent market transactions are considered. An impairment loss is recognized if the carrying amount of an asset or CGU exceeds its recoverable amount, Impairment losses are recognized in the statement of profit and loss.

If at the balance sheet date there is an indication that a previously assessed impairment loss no longer exists, an impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized.

2.4 Employee Benefits

Short term employee benefits:

All employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits. Undiscounted value of benefits such as salaries, incentives, allowances and bonus are recognized in the period in which the employee renders the related service.

Long term benefits:

Defined Contribution Plans:

The Company contributes to the employee's approved provident fund scheme. The Company’s contribution paid/payable under the scheme is recognized as an expense in the statement of profit and loss during the period in which the employee renders the related services.

Defined Benefit Plans:

Gratuity Liability is a defined benefit obligation and is provided on the basis of an actuarial valuation model made at the end of the Financial Year. Contributions to such fund is charged to Profit & Loss Account. Actuarial Valuation of the Gratuity is done at the end of the Financial Year and accounted for accordingly.

2.5 Inventories

- Inventories consist of raw materials and finished goods. Raw material is valued at cost. Finished goods are valued at lower of cost and net realizable value (NRV).
- Cost of raw materials includes cost of purchases and other costs incurred in bringing the inventories to their present location and condition.
- Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be used are expected to be sold at or above cost.

2.6 Borrowing Cost

- The total borrowing cost on the acquisition of fixed assets, if pertaining to the period up to the date on which the said fixed assets have been put-to-use, has been capitalized in the respective fixed assets and the cost for the period after the said fixed assets have been put-to-use has been debited to the Profit and Loss Account.

2.7 Investments

- Investments, which are readily realizable and intended to be held for not more than one year from the date one which such investments are made, are classified as current investments. All other investments are classified as long-term investments.
- On initial recognition, all investments are measured at cost. The cost comprises the purchase price and directly attributable acquisition charges such as brokerage, fees and duties.
- Current investments are carried at the lower of cost and fair value determined on an individual investment basis. Long-term investments are carried at cost. However, provision for diminution in value is made to recognize a decline other than temporary in the value of such long-term investments.
- On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the statement of profit and loss.

2.8 Cash Flows and Cash and cash equivalent

- Statement of cash flows is prepared in accordance with the indirect method prescribed in the relevant IND AS. For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, cheques and drafts on hand, deposits held with Banks, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and book overdrafts.

However, Book overdrafts are to be shown within borrowings in current liabilities in the balance sheet for the purpose of presentation.

2.9 Financial Assets:

A. Fair Value Assessment:

- 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, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of asset and liability if market participants would take those into consideration. Fair value for measurement and / or disclosure purposes in these Financial Statements is determined in such basis except for transactions in the scope of Ind AS - 2, 17 and 36. Normally at initial recognition, the transaction price is the best evidence of fair value.
- The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.
- 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 those are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.
- All financial assets and financial liabilities for which fair value is measured or disclosed in the Financial Statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole.

B. Subsequent Measurement:

For purposes of subsequent measurement financial assets are classified in three categories:

- Financial assets measured at amortized cost
- Financial assets at fair value through OCI
- Financial assets at fair value through profit or loss

C. Financial assets measured at amortized cost:

- Financial assets are measured at amortized cost if the financials asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. These financials assets are amortized using the effective interest rate ('EIR') method, less impairment. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included in finance income in the Statement of Profit And Loss. The losses arising from impairment are recognized in the Statement of Profit And Loss.

D. Financial assets at fair value through OCI ('FVTOCI'):

- Financial assets are measured at fair value through other comprehensive income if the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. At initial recognition, an irrevocable election is made (on an instrument-by-instrument basis) to designate investments in equity instruments other than held for trading purpose at FVTOCI. Fair value changes are recognized in the other comprehensive income ('OCI'). However, the Company recognizes interest income, impairment losses and reversals and foreign exchange gain or loss in the Statement of Profit And Loss. On de-recognition of the financial asset other than equity instruments designated as FVTOCI, cumulative gain or loss previously recognized in OCI is reclassified to the Statement of Profit and Loss.

E. Financial assets at fair value through profit or loss ('FVTPL'):

- Any financial asset that does not meet the criteria for classification as at amortized cost or as financial assets at fair value through other comprehensive income is classified as financial assets at fair value through profit or loss. Further, financial assets at fair value through profit or loss also include financial assets held for trading and financial assets designated upon initial recognition at fair value through profit or loss. Financial assets are classified as held for trading if they are acquired for the purpose of selling or repurchasing in the near term. Financial assets at fair value through profit or loss are fair valued at each reporting date with all the changes recognized in the Statement of Profit And Loss.

F. De-recognition:

- The Company derecognizes a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the financial asset, the Company recognizes its retained interest in the asset and an associated liability for amounts it may have to pay.

G. Impairment of Financial Assets:

The Company assesses impairment based on expected credit loss ('ECL') model on the following:

- Financial assets that are measured at amortized cost; and
- Financial assets measured at FVTOCI
- ECL is measured through a loss allowance on a following basis:
- The 12 month expected credit losses (expected credit losses that result from those default events on the financial instruments that are possible within 12 months after the reporting date)
- Full life time expected credit losses (expected credit losses that result from all possible default events over the life of financial instruments)

2.10 Financial Liabilities:

The Company's financial liabilities include trade payable.

A. Initial recognition and measurement:

- All financial liabilities at initial recognition are classified as financial liabilities at amortized cost or financial liabilities at value through profit or loss, as appropriate. All financial liabilities classified at amortized cost are recognized initially at fair value net of directly attributable transaction costs. Any difference between the proceeds (net of transaction costs) and the fair value at initial recognition is fair recognized in the Statement of Profit And Loss.

B. Subsequent measurement:

The subsequent measurement of financial liabilities depends upon the classification as described below:-

Financial Liabilities classified as Amortized Cost:

- Financial Liabilities that are not held for trading and are not designated as at FVTPL are measured at amortized cost at the end of subsequent accounting periods. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. Interest expense that is not capitalized as part of costs of assets is included as Finance costs in the Statement of Profit And Loss.

Financial Liabilities classified as Fair value through profit And loss (FVTPL):

- Financial liabilities classified as FVTPL includes financial liabilities held for trading and financial liabilities designated upon initial recognition as FVTPL. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. Financial liabilities designated upon initial recognition at FVTPL only if the criteria in Ind AS 109 is satisfied.
- Exports benefits are accounted for in the year of exports based on the eligibility and when there is certainty of receiving the same.

A. De-recognition:

- A financial liability is de-recognized when the obligation under the liability is discharged / cancelled / expired. 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 de recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the Statement of Profit and Loss.

B. Offsetting of financial instruments:

- Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.
- Other incomes, other than interest and dividend are recognized when the same are due to be received and right to receive such other income is established.

2.11 Foreign Currency Transactions

A. Initial Recognition

- On initial recognition, transactions in foreign currencies are recorded in the functional currency (i.e., Indian Rupee), by applying to the foreign currency amount the spot exchange rate between the functional currency and the foreign currency at the date of the transaction.

B. Measurement of foreign currency items at reporting date

- Foreign currency monetary items are translated at the closing exchange rates. Non-monetary items that are measured at historical cost in a foreign currency, are translated using the exchange rate at the date of the transaction. Non-monetary items that are measured at fair value in a foreign currency, are translated using the exchange rates at the date when the fair value is measured.

C. Recognition of exchange difference

- Exchange differences arising on the settlement of monetary items or on translating monetary items at rates different from those at which they were translated on initial recognition during the period or in previous financial statements is recognized in profit or loss in the period in which they arise.

2.12 Taxation

- Current Tax is determined as the amount of tax payable u/s 115 BAB in respect of Book Profit of the financial year.
- Deferred tax on account of timing differences, being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods, is provided using the tax rates and tax laws enacted or substantially enacted by the Balance sheet date.

2.13 Provisions, Contingent Liabilities and Contingent Assets:

- Provisions are recognized when there is a present legal or constructive obligation as a result of a past event and it is probable (i.e. more likely than not) 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. Such provisions are determined based on management estimate of the amount required to settle the obligation at the balance sheet date. When the Company expects some or all of a provision to be reimbursed, the reimbursement is recognized as a standalone asset only when the reimbursement is virtually certain.
- If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance costs.
- Present obligations arising under onerous contracts are recognized and measured as provisions. An onerous contract is considered to exist when a contract under which the unavoidable costs of meeting the obligations exceed the economic benefits expected to be received from it.
- Contingent liabilities are disclosed on the basis of judgment of management/independent experts. These are reviewed at each balance sheet date and are adjusted to reflect the current management estimate.
- Contingent Assets are not recognized, however, disclosed in financial statement when inflow of economic benefits is probable.

2.14 Leases:

- At inception of a contract, the Company assesses whether a contract is, or contains, a lease. 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:
- the contract involves the use of an identified asset - this may be specified explicitly or implicitly and should be physically distinct or represent substantially all of the capacity of a physically distinct asset. If the supplier has a substantive substitution right, then the asset is not identified.
- the Company has the right to obtain substantially all of the economic benefits from use of the asset throughout the period of use; and
- the Company has the right to direct the use of the asset. The Company has this right when it has the decision-making rights that are most relevant to changing how and for what purpose the asset is used. In rare cases where the decision about how and for what purpose the asset is used is predetermined, the Company has the right to direct the use of the asset if either:

  # the Company has the right to operate the asset; or
  # the Company designed the asset in a way that predetermines how and for what purpose it will be used.

At inception or on reassessment of a contract that contains a lease component, the Company allocates the consideration in the contract to each lease component on the basis of their relative stand-alone prices.

Company as a lessee:

The Company recognizes a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of right-of-use assets are determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain measurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate. Generally, the Company uses its incremental borrowing rates as the discount rate.

Lease payments included in the measurement of the lease liability comprise the following:
- fixed payments, including in-substance fixed payments.
- Variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date.
- Amounts expected to be payable under a residual value guarantee; and
- the exercise price under a purchase option that the Company is reasonably certain to exercise, lease payments in an optional renewal period if the Company is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Company is reasonably certain not to terminate early.

The lease liability is measured at amortized cost using the effective interest method. It is re-measured when there is change in future lease payments arising from a change in an index or rate, if there is change in the Company's estimate of the amount expected to be payable under a residual value guarantee, or if the Company changes its assessment of whether it will exercise a purchase, extension or termination option.

When the lease liability is re-measured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset or is recorded in statement of profit and loss if the carrying amount of the right-of-use asset has been reduced to zero.

Leasehold land is amortized over the period of lease being remaining as on the date of purchase is stated as below:
1) Plot no. AA/34 of Sachin Udhyognagar Sahakari Sangh Limited: - 9 Years
2) Plot no. B 16/16 of Sachin Udhyognagar Sahakari Sangh Limited: - 9 Years
3) Plot no. AA/93 of Sachin Udhyognagar Sahakari Mandali Limited: - 10 Years

Further mentioned, Wind Mill & Solar Power system are under installation condition at the year end, which is on the leasehold land, the details for such properties will be shown in the year in which the same is put to use.

Short-term leases and leases of low-value assets:

The Company has elected not to recognize right-of-use assets and lease liability for the short-term leases that have lease term of 12 months of less and leases of low-value assets. The Company recognizes the lease payments associated with such leases as an expense on a straight-line basis over the lease term.

2.15 Income Taxes:

Income tax expense represents the sum of tax currently payable and deferred tax. Tax is recognized in the Statement of Profit and Loss, except to the extent that it relates to items recognized directly in equity or in other comprehensive income.

Current Tax:

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities.

The tax rates and the a tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the country where the Company operates and generates taxable income. Current tax assets and liabilities are offset only if there is a legally enforceable right to set it off the recognized amounts and it is intended to realize the asset and settle the liability on a net basis or simultaneously.

Deferred Tax:

Deferred tax is provided using the balance sheet method on temporary differences between the tax base of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognized for all taxable temporary differences, except:

- When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss,
- Taxable temporary differences arising on the initial recognition of goodwill.
- Temporary differences related to investments in subsidiaries, associates, and joint arrangements to the extent that the Company is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future.

Deferred tax assets are recognized for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses (including unabsorbed depreciation) can be utilized, except:

- When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognized deferred tax assets are re-assessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Deferred tax relating to items recognized outside profit or loss is recognized outside profit or loss. Deferred tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity.

2.16 Current versus Non-Current classification:

The Company presents assets and liabilities in the Balance Sheet based on current/non-current classification.

a) An asset is current when it is:
- Expected to be realized or intended to be sold or consumed in the normal operating cycle,
- Held primarily for the purpose of trading,
- Expected to be realized within twelve months after the reporting period, or
- 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.

b) A liability is current when:
- It is expected to be settled in the normal operating cycle,
- It is held primarily for the purpose of trading,
- It is due to be settled within twelve months after the reporting period, or
- 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.

c) Deferred tax assets and liabilities are classified as non-current assets and liabilities.

d) The operating cycle is the time between the acquisition of assets for processing and their realization in cash and cash equivalents.

2.17 Government Grants and Subsidies

Government grants are initially measured at amount receivable from the Government and are recognized on an accrual basis only if there is reasonable assurance that they will be received and the company will comply with the conditions associated with the grant and for those grants which are uncertain are not recognized unless there is reasonable assurance of the same.

- In case of capital grants, they are deducted from the cost of the Fixed Assets against which the same is received & accordingly depreciation is charged on the reduced value of the asset.
- In case of grants that compensate the Company for expenses incurred are recognized in Statement of Profit and Loss by decreasing the Expense e.g. Power subsidy to be reduced from Factory Power Expenses.

2.18 Earnings per Share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements and stock split in equity shares issued during the year and excluding treasury shares. The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events, such as bonus shares and stock split, other than the conversion of potential equity shares that have changed the number of equity shares outstanding, without a corresponding change in resources.

Diluted EPS adjust the figures used in the determination of basic EPS to consider.
- The after-income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- The weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

2.19 Expenses related to Initial Public Offering (IPO)

IPO expenses are generally accounted for as a deduction from equity (security premium) to the extent they are incremental costs directly attributable to the equity transaction. These expenses include costs like legal, accounting, and regulatory fees, printing costs, and stamp duties. However, if the IPO is not probable or no longer probable, the expenses are charged to the profit and loss account. When an IPO is considered probable, expenses are parked in an advance account. When shares are issued, the advance amount is debited to equity related to listing expenses whereas Roadshow expenses, which are generally considered promotional activities, are typically not directly related to the equity issue.

In essence, the IND AS treatment of IPO expenses focuses on ensuring that costs directly attributable to the equity issuance are properly recognized as deductions from equity, while other costs are expensed as incurred.
Accordingly, the Initial Public Offer (IPO) proceeding expenses which are directly attributable to the offerings are written off from security premium account where the company has received the premium amount from public offerings.

For KSA & Co.
Firm reg. no. : 003822C
Chartered Accountants

Arun Kanodiya
Partner
Membership no. : 077131
UDIN: 26077131PVNHJU4880

Place: Surat
Date: 14th May, 2026

(Rs. in Lakhs except as stated)

3 Property, Plant and Equipment

PARTICULARS		LAND	BUILDINGS	PLANT & MACHINERY	FURNITURE & FITTINGS	MOTOR VEHICLES	COMPUTERS	SOLAR ROOF TOP SYSTEM	ROU ASSETS	Total
GROSS CARRYING VALUE										
Balance as at March 31, 2024		**260.24**	**845.14**	**7,359.83**	**38.64**	**204.53**	**17.00**	**-**	**195.09**	**8,920.47**
Adj.:	Additions during the year	193.89	70.17	712.84	9.47	-	6.97	-	-	993.34
	Deletions during the year	-	-	(294.44)	-	(197.49)	-	-	-	(491.92)
	Other Adjustments	-	-		-	-	-	-	-	-
Balance as at March 31, 2025		**454.13**	**915.31**	**7,778.23**	**48.10**	**7.04**	**23.97**	**-**	**195.09**	**9,421.89**
Adj.:	Additions during the year	20.32	2,073.65	6,686.85	60.75	-	76.01	868.43	21.84	9,807.85
	Deletions during the year	-	-	(33.05)	-	-	-	-	(21.84)	(54.89)
	Other Adjustments	-	-	-	-	-	-	-	-	-
Balance as at March 31, 2026		**474.46**	**2,988.96**	**14,432.03**	**108.85**	**7.04**	**99.98**	**868.43**	**195.09**	**19,174.85**
ACCUMULATED DEPRECIATION										
Balance as at March 31, 2024		**-**	**65.15**	**1,326.14**	**7.86**	**38.31**	**8.74**	**-**	**38.79**	**1,484.98**
Adj.:	Depreciation charged for the year	-	78.00	1,164.92	9.96	26.54	4.52	-	22.08	1,306.03
	Disposals made during the year	-	-	(74.72)	-	(60.89)	-	-	-	(135.61)
	Other Adjustments	-	-	-	-	-	-	-	-	-
Balance as at March 31, 2025		**-**	**143.15**	**2,416.34**	**17.82**	**3.96**	**13.26**	**-**	**60.87**	**2,655.40**
Adj.:	Depreciation charged for the year	-	181.27	1,533.02	12.65	0.93	12.88	8.17	32.09	1,781.02
	Disposals made during the year	-	-	(12.64)	-	-	-	-	(10.01)	(22.64)
	Other Adjustments	-	-	-	-	-	-	-	-	-
Balance as at March 31, 2026		**-**	**324.42**	**3,936.72**	**30.47**	**4.89**	**26.14**	**8.17**	**82.95**	**4,413.77**
NET CARRYING VALUE										-
Balance as at March 31, 2026		**474.46**	**2,664.54**	**10,495.30**	**78.38**	**2.15**	**73.84**	**860.26**	**112.14**	**14,761.07**
As at March 31, 2025		454.13	772.16	5,361.89	30.28	3.08	10.71	-	134.22	6,766.48

Notes:

(1) The Title Deeds of immovable properties are held in the name of the Company, whereas, some of the title deeds are held in the name of the directors on which rent or lease payments are charged.

(2) The Company has not revalued its property, plant and equipment.

(3) Plant & Machinery, Plant & Machinery For Wind Mill and Land & Building are hypothecated against the borrowings

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

(Rs. in Lakhs except as stated)

4 Capital Work-in-Progress

PARTICULARS	As at March 31, 2026	As at March 31, 2025
Balance at the beginning of the year	3.81	-
Adj.: Additions during the year	8,098.04	3.81
Assets Capitalised during the year	(8.24)	-
Balance at the end of the year	**8,093.61**	**3.81**

a Capital Work-in-Progress ageing schedule:

CWIP as at March 31, 2026

(Rs. in Lakhs except as stated)

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Projects in progress	8,093.61	-	-	-	**8,093.61**
Suspended projects	-	-	-	-	**-**
Total	**8,093.61**	**-**	**-**	**-**	**8,093.61**

CWIP as at March 31, 2025

(Rs. in Lakhs except as stated)

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Projects in progress	3.81	-	-	-	**3.81**
Suspended projects	-	-	-	-	**-**
Total	**3.81**	**-**	**-**	**-**	**3.81**

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

(Rs. in Lakhs except as stated)

5 Investments

	PARTICULARS	As at March 31, 2026	As at March 31, 2025
A.	**Non-Current Investments:**		
	(a) Investments measured at Cost:		
	(i) Investment in Shares:		
	1 26300 (26300) Equity Shares of Rs. 100/- each fully paid up of The Sutex Co-operative Bank Ltd.	26.30	26.30
	2 76000 (76000) Equity Shares of Rs. 25/- each fully paid up to Mehsana Urban Co-operative Bank Ltd.	19.00	19.00
	3 Investments in Shares / Mutual Funds	100.32	-
	Total Investments	**145.62**	**45.30**

6 Other Financial Assets

	PARTICULARS	As at March 31, 2026	As at March 31, 2025
A.	**Non-Current - Other Financial Assets:**		
	(a) Membership Contribution - Water Jet Loom	983.40	652.20
	(b) *Other Security Deposits:*		
	(i) Deposits DGVCL	448.05	266.19
	(i) Other Security Deposits	14.61	14.58
	Total	**1,446.06**	**932.97**

Notes:

(1) Other Security Deposits includes security deposits provided to Reliance Industries Limited amounting to Rs. 1281000/- and Rs. 90000/- each to CDSL & NSDL in F.Y. 2025-26.

7 Inventories

PARTICULARS	As at March 31, 2026	As at March 31, 2025
(a) Yarn	4,576.37	2,377.80
(b) Grey Cloth	149.25	158.01
(c) Stores & Spares	7.49	5.83
Total	**4,733.10**	**2,541.64**

Notes:

(1) Inventory has been hypothecated against borrowings.

8 Trade Receivables

PARTICULARS	As at March 31, 2026	As at March 31, 2025
Secured Receivables - Considered good	2,364.19	2,181.54
	2,364.19	**2,181.54**
Less: Allowance for expected credit loss (using Simplified Approach)	-	-
Total	**2,364.19**	**2,181.54**
Current Trade Receivables	2,364.19	2,181.54
Total	**2,364.19**	**2,181.54**

Notes:

(1) Trade receivables are non-interest bearing and are generally due upto 60 days.

(2) There are no debts due by Directors or other Officers of the Company or any of them either severally or jointly with any other person or debts due by firms or private companies respectively in which any Director is a Partner or a Director or a Member except as disclosed in note 34.

(3) Trade Receivables have been hypothecated against borrowings .

(4) Ageing schedule for outstanding Trade Receivables.(Refer Note 8.1)

9 Cash and Cash Equivalents

PARTICULARS	As at March 31, 2026	As at March 31, 2025
(a) Cash on hand	8.65	4.02
(b) Balances with Banks	159.80	-
Total	**168.45**	**4.02**

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

(Rs. in Lakhs except as stated)

10 Current Tax Assets / (Liabilities) (Net)

PARTICULARS	As at March 31, 2026	As at March 31, 2025
Advance Tax paid	1,250.00	750.00
TDS / TCS receivable for current period	80.23	23.62
	1,330.23	773.62
Less: Provision for Tax for the period	(1,332.32)	(905.00)
Total	**(2.09)**	**(131.38)**

11 Other Current Assets

PARTICULARS	As at March 31, 2026	As at March 31, 2025
(a) Advance to Suppliers, Unsecured Considered Good	680.65	1,358.85
(b) Balance with Government Authorities		
Interest Subsidy Receivable	40.51	22.33
DGVCL - WM units Receivable	267.89	461.55
GST Input Credit Receivable	2,794.82	1,017.25
(c) Prepaid Expenses	64.89	12.38
(d) Other Receivable (Loan Procesings Fees Not Written Off)	17.43	24.04
(e) Others (IPO Expenses Not Written Off)	-	191.23
(f) Loans & Advances	1,058.57	-
Total	**4,924.76**	**3,087.62**

(Rs. in Lakhs except as stated)

8.1 Ageing Schedule as at March 31, 2026:

Particulars	Not Due	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Undisputed:							
(a) Considered Good	-	2,356.60	7.59	-			2,364.19
(b) Having significant Credit Risk	-	-	-	-	-	-	-
(c) Credit Impaired	-	-	-	-	-	-	-
Disputed:							
(a) Considered Good	-	-	-	-	-	-	-
(b) Having significant Credit Risk	-	-	-	-	-	-	-
(c) Credit Impaired	-	-	-	-	-	-	-
Total	-	2,356.60	7.59	-	-	-	2,364.19
Less: Provision for ECL	-	-	-	-	-	-	-
Net Trade Receivables	-	2,356.60	7.59	-	-	-	2,364.19

Ageing Schedule as at March 31, 2025:

Particulars	Not Due	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Undisputed:							
(a) Considered Good	-	2,181.54	-	-	-	-	2,181.54
(b) Having significant Credit Risk	-	-	-	-	-	-	-
(c) Credit Impaired	-	-	-	-	-	-	-
Disputed:							
(a) Considered Good	-	-	-	-	-	-	-
(b) Having significant Credit Risk	-	-	-	-	-	-	-
(c) Credit Impaired	-	-	-	-	-	-	-
Total	-	2,181.54	-	-	-	-	2,181.54
Less: Provision for ECL	-	-	-	-	-	-	-
Net Trade Receivables	-	2,181.54	-	-	-	-	2,181.54

(Rs. in Lakhs except as stated)

12 Share Capital

PARTICULARS	As at March 31, 2026		As at March 31, 2025	
	No. of Shares	Amount	No. of Shares	Amount
Authorised Capital				
Equity Shares of Face Value INR 10/- each.	30,000,000	3,000.00	30,000,000	3,000.00
*Issued, Subscribed Capital & Paid up**				
Equity Shares of Face Value INR 10/- each.	26,645,295	2,664.53	19,937,295	1,993.73

* During the year, the Company raised capital through an Initial Public Offer (IPO), which was completed on 27 May 2025. Prior to the IPO, the issued share capital comprised 1,99,37,295 equity shares. Pursuant to the fresh issue of shares under the IPO, the issued number of equity shares increased to 2,66,45,295, while the authorised share capital remained intact.

a Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting period

Particulars	As at March 31, 2026		As at March 31, 2025	
	No. of Shares	Amount	No. of Shares	Amount
Opening Balance	19,937,295	199,372,950.00	39,795	397,950.00
Add: Issued during the year	-	-	19,897,500	198,975,000.00
Add: Shares Issued during the year (through Initial Public Offer (IPO))	6,708,000	67,080,000.00	-	-
Add / (Less): Others adjustments				
Closing Balance	26,645,295	266,452,950.00	19,937,295	199,372,950.00

b Terms / Rights attached to shares:

The Company has only one class of equity shares having a par value of Rs. 10 per share. Each holder of equity share is entitled to one vote per share. The dividend, if any, proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholder.

c Details of shareholders holding more than 5% shares in Company:

Particulars	As at March 31, 2026		As at March 31, 2025	
	No. of Shares	Holding %	No. of Shares	Holding %
Mangilal Ambalal Borana	3,747,480	14.06%	3,747,480	18.80%
Rajkumar Mangilal Borana	3,684,855	13.83%	3,684,855	18.48%
Dhwani Ankur Borana	2,505,000	9.40%	2,505,000	12.56%
Rajkumar Mangilal Borana HUF	2,282,055	8.56%	2,282,055	11.45%
Mangilal Ambalal Borana HUF	2,229,450	8.37%	2,229,450	11.18%
Borana Filaments Pvt. Ltd.	1,447,890	5.43%	1,447,890	7.26%
Ankur Mangilal Borana	1,242,480	4.66%	1,242,480	6.23%

d Details of Shares held by Promoters and Promoter Group:

For the year ended March 31, 2026:

Particulars	As at March 31, 2026		As at March 31, 2025		% change during period
	No. of Shares	Holding %	No. of Shares	Holding %	
Mangilal Ambalal Borana	3,747,480	14.06%	3,747,480	18.80%	0.00%
Rajkumar Mangilal Borana	3,684,855	13.83%	3,684,855	18.48%	0.00%
Ankur Mangilal Borana	1,242,480	4.66%	1,242,480	6.23%	0.00%
Dhwani Ankur Borana	2,505,000	9.40%	2,505,000	12.56%	0.00%
Rajkumar Mangilal Borana HUF	2,282,055	8.56%	2,282,055	11.45%	0.00%
Mangilal Ambalal Borana HUF	2,229,450	8.37%	2,229,450	11.18%	0.00%
Borana Filaments Pvt. Ltd.	1,447,890	5.43%	1,447,890	7.26%	0.00%

For the year ended March 31, 2025:

Particulars	As at March 31, 2025		As at March 31, 2024		% change during period
	No. of Shares	Holding %	No. of Shares	Holding %	
Mangilal Ambalal Borana	3,747,480	18.80%	7,480	18.80%	50000%
Rajkumar Mangilal Borana	3,684,855	18.48%	7,355	18.48%	50000%
Ankur Mangilal Borana	1,242,480	6.23%	2,480	6.23%	50000%
Dhwani Ankur Borana	2,505,000	12.56%	5,000	12.56%	50000%
Rajkumar Mangilal Borana HUF	2,282,055	11.45%	4,555	11.45%	50000%
Mangilal Ambalal Borana HUF	2,229,450	11.18%	4,450	11.18%	50000%
Ankur Mangilal Borana HUF	243,585	1.22%	3,350	8.42%	7171%
Borana Filaments Pvt. Ltd.	1,447,890	7.26%	2,890	7.26%	50000%

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

(Rs. in Lakhs except as stated)

13 Other Equity

	PARTICULARS	As at March 31, 2026	As at March 31, 2025
(a)	**Securities Premium Account***		
	Opening Balance	577.59	597.09
	Add: Credited during the year	12,988.51	-
	(Less): Utilised during the year	(743.65)	(19.50)
	Closing Balance	**12,822.45**	**577.59**
(b)	**Surplus in Statement of Profit and Loss**		
	Opening Balance	6,187.70	4,168.59
	Add: Profits / (Loss) for the year	6,461.20	4,020.23
	(Less): Bonus Share Issued During the Year Out of Accumulated Profit	-	(1,989.75)
	(Less): Adjustments for Provision of Gratuity for the year ended March 31, 2024	-	(11.37)
	Closing Balance	**12,648.90**	**6,187.70**
(c)	**Other Comprehensive Income**		
	Opening Balance	(4.07)	-
	Add: Profits / (Loss) for the year	25.69	(4.07)
	(Less): Transfers to other reserves	-	-
	Closing Balance	**21.62**	**(4.07)**
Total Reserves and Surplus		**25,492.97**	**6,761.22**

Notes:

(a) The company has raised capital during the year through Initial Public Offer (IPO) proceedings as on 27 May, 2025. As a result of fresh issue, the issued number of shares has been increased to 2,66,45,295 and the authorised number of shares shall remains intact.

(b) Retained earnings are the profits that the Company has earned till date, less any transfers to general reserve, dividends, or other distributions paid to shareholders.

(c) Other Comprehensive Income includes impact of remeasurement gain/(losses) net of taxes on defined benefit plans on account of changes in actuarial assumptions or experience adjustments within the plans.

(d) Securities premium is used to record the premium on issue of shares or debentures. The reserve will be utilised in accordance with the provisions of the Companies Act, 2013. *The Securities Premium increased during the year pursuant to the issuance of equity shares under the Initial Public Offering (IPO). The premium received has been utilized to set off eligible IPO-related expenses in accordance with the applicable provisions of the Companies Act, 2013.

14 Borrowings

	PARTICULARS	As at March 31, 2026	As at March 31, 2025
A.	**Non-Current Borrowings**		
	(a) Secured Borrowings		
	(i) Term Loan from Banks	6,503.94	4,637.32
	Less: Current Maturities of Term Borrowings	(938.34)	(893.05)
	Total Non-Current Borrowings	**5,565.60**	**3,744.27**

B.	**Current Borrowings**		
	(a) Secured Borrowings		
	(i) Loans repayable on demand:		
	(1) Cash Credits	446.52	1,267.28
	(ii) Current maturities of Term Borrowings	938.34	893.05
	Total Current Borrowings	**1,384.85**	**2,160.32**

Notes:

(1) Terms of Borrowings & Security Details:

Cash Credits Facility

a) Rate of Interest - Cash Credit - The Sutex Co Op Bank Ltd @ 9% p.a.
b) Rate of Interest - Cash Credit - The Mehsana Urban Co Operative Bank Ltd @ 9.50% p.a.
c) Rate of Interest - Cash Credit - HDFC Bank Ltd @ 7.50% p.a.
d) Pari-Passu Charge on Book Debts & Stock-in-trade of Company by all 3 Banks & there is no default in repayment of Loans and Interest.

Term Loan

a) a.) Rate of Interest - 9.00% (8.50%) The Sutex Co Op Bank Ltd
b.) Rate of Interest - 8.75% (9.25%) The Mehsana Urban Co Op Bank Ltd
c.) Rate of Interest - 7.50% (8.20%) HDFC Bank Ltd
b) There is no default of repayment of Term Loans From The Sutex Co-Op Bank Ltd
a.) Secured by mortgage over Plot No AA/93, Hojiwala Industrial Estate, Sachin, Surat
b.) Secured by mortgage over Office No. 2096, Shri Mahavir Textile Market, Ring Road, Surat
c.) Secured by mortgage over Shop No. S-1236, Surat Textile Market, Ring Road, Surat
c) There is no default of repayment of Term Loans From The Mehsana Urban Co-Op Bank Ltd
a.) Secured by mortgage over Land & Building situated at Plot No A-4/6, Road No.11, Hojiwala Industrial Estate, Sachin, Surat
d) There is no default of repayment of Term Loans From HDFC Bank Ltd
a.) Secured by mortgage over Plot No B-5/6, Sachin Udhyog Nagar Shakari Mandari Limited , Sachin, Surat
b.) Secured by mortgage over Plot No B-5/7, Sachin Udhyog Nagar Shakari Mandari Limited , Sachin, Surat
c.) Secured by mortgage over Plot No B-5/7-1, Sachin Udhyog Nagar Shakari Mandari Limited , Sachin, Surat
d.) Secured by mortgage over Property at Plot No B-16/16, Sachin Udhyog Nagar Shakari Mandari Limited , Sachin, Surat

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

(Rs. in Lakhs except as stated)

14(a) Lease Liability

PARTICULARS	As at March 31, 2026	As at March 31, 2025
Lease Liability (Current)	32.40	32.40
Lease Liability (Non - Current)	98.40	117.72
Total Lease Liability	**130.80**	**150.12**

15 Provisions

	PARTICULARS	As at March 31, 2026	As at March 31, 2025
A.	**Current Provisions:**		
	(a) Provision for Employee Benefits	251.23	154.13
	(b) Provision for Gratuity	22.90	29.88
	(c) Provision for Electricity Expenses Payable*	(55.16)	70.91
	(d) Other Provisions	20.80	16.15
	Total	**239.76**	**271.07**

** Advance Payment has been made against DGVCL Electricity Bill for the Financial Year 2025-26.*

16 Deferred Tax Asset / (Liabilities) (Net)

	PARTICULARS	As at March 31, 2026	As at March 31, 2025
(a)	**Opening Balance**		
	(i) Remeasurement of Defined Benefit Plan	(3.18)	-
	(ii) Property, Plant and Equipment & Intangible Assets	30.96	7.65
	(iii) Investments and Financial Assets	3.37	-
	Total	**31.15**	**7.65**
(b)	**Recognised in Profit and Loss/ Retained Earnings**		
	(i) Remeasurement of Defined Benefit Plan	(18.71)	(14.43)
	(ii) Property, Plant and Equipment & Intangible Assets	(48.14)	180.40
	(iii) Investments and Financial Assets	28.84	19.66
	Total	**(38.01)**	**185.63**
(c)	**Recognised in Other Comprehensive Income**		
	(i) Remeasurement of Defined Benefit Plan	25.69	(4.07)
	Total	**25.69**	**(4.07)**
(d)	**Closing Balance**		
	(i) Remeasurement of Defined Benefit Plan	1.20	(3.18)
	(ii) Property, Plant and Equipment & Intangible Assets	(8.26)	30.96
	(iii) Investments and Financial Assets	4.95	3.37
	Total	**(2.11)**	**31.15**

17 Trade Payables

	PARTICULARS	As at March 31, 2026	As at March 31, 2025
A.	**Current Trade Payables**		
	(i) Total Outstanding dues of Micro and Small Enterprises	3.90	92.36
	(ii) Total Outstanding dues to Creditors Other than Micro and Small Enterprises	19.29	284.51
		23.19	376.88
	Total Payables	**23.19**	**376.88**

Notes:

(1) Trade Payables are Non-Interest Bearing.

(2) There are no debts due to Directors or other Officers of the Company or any of them either severally or jointly with any other person or debts due to firms or private companies respectively in which any Director is a Partner or a Director or a Member except as disclosed in note 37.

(3) The details of amounts outstanding to Micro, Small and Medium Enterprises based on information available with the Company is as under:

Disclosures required under section 22 of Micro, Small and Medium Enterprise Development Act, 2006:

	PARTICULARS	As at March 31, 2026	As at March 31, 2025
(i)	Principal amount remaining unpaid to any supplier as at the end of the Financial Year	3.90	92.36
(ii)	Interest due thereon remaining unpaid to any supplier as at the end of the Financial Year	-	-
(iii)	The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed day	-	-
(iv)	The amount of interest due and payable for the year	-	-
(v)	The amount of interest accrued and remaining unpaid at the end of the accounting year	-	-
(vi)	The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid	-	-

(4) Ageing schedule for outstanding trade payables(Refer note 17.1)

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

(Rs. in Lakhs except as stated)

18 Other Financial Liabilities

	PARTICULARS	As at March 31, 2026	As at March 31, 2025
A.	**Current - Other Financial Liabilities:**		
	(a) Sundry Creditors for Capital Goods & Other Expenses*	968.89	-
	Total	**968.89**	**-**

**Sundry Creditors for Capital Goods(847.44) & Other Expenses(121.45)*

19 Other Current Liabilities

	PARTICULARS	As at March 31, 2026	As at March 31, 2025
(a)	Statutory dues payables		
	(i) Other Statutory Dues Payable		
	TDS / TCS Payable	71.73	7.97
(b)	Current Account (Overdrawn)	90.32	-
(b)	Other payables		
	Other Vendor Payable	-	0.29
	Total	**162.05**	**8.25**

20 Current Tax Assets / (Liabilities) (Net)

PARTICULARS	As at March 31, 2026	As at March 31, 2025
Advance Tax paid	1,250.00	750.00
TDS / TCS Receivable for Current Year	80.23	26.34
	1,330.23	776.34
Less: Provision for Tax for the Year	(1,332.32)	(905.00)
Total	**(2.09)**	**(128.66)**

(Rs. in Lakhs except as stated)

17.1 Ageing Schedule as at March 31, 2026:

Particulars	Not Due	Outstanding for following periods from due date of payment				Total
		Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Undisputed:						
(a) MSME	-	3.90	-	-	-	3.90
(b) Others	-	19.29	-	-	-	19.29
Disputed:						
(a) MSME	-	-	-	-	-	-
(b) Others	-	-	-	-	-	-
Total	-	23.19	-	-	-	23.19

(Rs. in Lakhs except as stated)

Ageing Schedule as at March 31, 2025:

Particulars	Not Due	Outstanding for following periods from due date of payment				Total
		Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Undisputed:						
(a) MSME	-	92.36	-	-	-	92.36
(b) Others	-	284.51	-	-	-	284.51
Disputed:						
(a) MSME	-	-	-	-	-	-
(b) Others	-	-	-	-	-	-
Total	-	376.88	-	-	-	376.88

(Rs. in Lakhs except as stated)

21 Revenue from Operations

PARTICULARS	For Year Ended March 31, 2026	For Year Ended March 31, 2025
(a) Sales of Goods	38,859.31	29,031.04
Total Revenue from Operations	**38,859.31**	**29,031.04**

Notes:

(1) Disaggregation of Revenue based on Product Type:

PARTICULARS		For Year Ended March 31, 2026	For Year Ended March 31, 2025
(a)	**Sales of goods (Net of Claim, Discount and Returns):**		
(i)	Grey Sale	35,341.49	25,158.04
(ii)	Yarn Sale	1,773.08	3,355.35
(iii)	Down Grade Sale	41.98	13.97
(iv)	Beam Sale	1,586.60	424.14
(v)	Wastage Sale	116.15	79.53
Total Revenue from Operations		**38,859.31**	**29,031.04**

(2) Disaggregation of Revenue based on Geography:

PARTICULARS		For Year Ended March 31, 2026	For Year Ended March 31, 2025
(a)	Domestic Revenue	38,859.31	29,031.04
(b)	Export Revenue	-	-
Total		**38,859.31**	**29,031.04**

22 Other Income

PARTICULARS	For Year Ended March 31, 2026	For Year Ended March 31, 2025
(a) Interest Income:		
(i) Interest Income on Financial Assets measured at Amortised Cost		
(1) Interest on Bank Deposits	210.89	-
(2) Interest on Other Deposits	25.39	18.84
(3) Interest on Unsecured Loans	125.92	12.48
(ii) Interest Received from Customers	44.75	14.73
(b) Capital Gains:		
(i) Short-Term Gain on Sale of Mutual Funds	76.55	-
(c) Other Gains:		
(i) Gain/Loss on Lease Termination	0.50	-
(ii) Interest Subsidy	335.12	368.96
(iii) ED Refund (DGVCL)	-	56.74
(d) Dividend Income	2.37	6.92
Total Other Income	**821.49**	**478.66**

(Rs. in Lakhs except as stated)

23 Cost of Materials Consumed

PARTICULARS		For Year Ended March 31, 2026	For Year Ended March 31, 2025
(a)	**Yarn:**		
	Stock at the Beginning of Year	2,377.80	2,242.29
	Add: Purchases during the Year (Net of Returns, Claims and Discounts)	24,976.20	17,938.69
		27,354.00	20,180.98
	Less: Stock at the end of Year	4,576.37	2,377.80
	Consumption of Yarn	**22,777.63**	**17,803.18**
Total		**22,777.63**	**17,803.18**

24 Changes in Inventories of Finished Goods and Work-in-Progress

PARTICULARS			For Year Ended March 31, 2026	For Year Ended March 31, 2025
a	**Inventories at the beginning of the Year**			
	(i)	Finished Goods	158.01	134.48
	(ii)	Store & Spares	5.83	-
			163.84	**134.48**
b	**Inventories at the end of the Year**			
	(i)	Finished Goods	149.25	158.01
	(ii)	Store & Spares	7.49	5.83
			156.74	**163.84**
Net Changes in Inventory			**7.10**	**(29.35)**

25 Employee Benefit Expenses

PARTICULARS		For Year Ended March 31, 2026	For Year Ended March 31, 2025
(a)	Labour and Wages	2,362.67	1,625.77
(b)	Bonus Expenses	194.20	132.91
(c)	Labour Leave Salary	116.57	79.42
(d)	Director's Remuneration	1.20	18.00
(e)	Provident Fund Expenses	16.19	11.93
(f)	Loading Unloading Expense	46.12	-
(g)	Salary Expenses	57.70	31.80
(h)	ESIC Expenses	0.56	1.04
(i)	Gujarat Labour Welfare Fund	0.21	0.15
(j)	Current Service Cost	16.63	13.62
(k)	Net Interest Cost on Gratuity	1.72	0.82
(l)	Past Service Cost	0.36	-
Total		**2,814.13**	**1,915.45**

26 Finance Costs

PARTICULARS			For Year Ended March 31, 2026	For Year Ended March 31, 2025
(a)	Interest Expense			
	(i)	Interest on Term Borrowings	323.06	425.78
	(ii)	Interest on Cash Credit Facilities	11.43	47.20
	(iii)	Interest on Car Loan	-	5.69
	(iv)	Interest on Unsecured loans	-	11.60
	(v)	Interest on lease liability	14.56	14.77
Total			**349.05**	**505.04**

(Rs. in Lakhs except as stated)

27 Depreciation and Amortization Expenses

PARTICULARS	For Year Ended March 31, 2026	For Year Ended March 31, 2025
(a) Depreciation on Property, Plant and Equipment	1,748.93	1,283.95
(b) Depreciation on ROU Assets	32.09	22.08
Total	**1,781.02**	**1,306.03**

28 Other Expenses

PARTICULARS			For Year Ended March 31, 2026	For Year Ended March 31, 2025
(a)	**Manufacturing Expenses:**			
	(i)	Factory Power Expenses(Net)	1,955.77	1,628.44
	(ii)	Generator Diesel Expenses	0.54	0.90
	(iii)	Jobwork Expenses	898.81	447.73
	(iv)	CEPT Expenses	160.08	138.68
	(v)	Millgin Expenses	392.22	261.95
	(vi)	Millgin Expenses (Texturising Oil)	385.12	289.76
	(vii)	Packing Material Expense (POY)	-	1.56
	(viii)	Factory Shed Rent	8.85	2.40
	(ix)	Factory Shed Rent-Godown	16.50	6.50
	(x)	Maintanance Expense-Factory	0.69	0.59
(b)	**Other Administrative Expenses:**			
	(i)	Auditor's Remuneration:		
		(a) Statutory Audit Fees	1.50	1.00
		(b) Tax Audit Fees	2.50	2.00
		(c) Other Certification Fees	0.50	0.50
	(ii)	Bank Commission and Charges	8.45	2.83
	(iii)	Loan Processing Expenses	6.61	7.13
	(iv)	Brokerage Expense	0.33	-
	(v)	CSR Expense	51.00	55.00
	(vi)	Insurance Expenses	16.28	9.58
	(vii)	Factory Expenses	37.35	27.99
	(viii)	Legal and Professional Charges	70.22	65.40
	(ix)	Printing and Stationery Expenses	14.05	7.06
	(x)	Electric Expenses	5.51	13.88
	(xi)	Repair & Maintenance Expenses	33.34	15.59
	(xii)	Computer Expenses	1.45	0.83
	(xiii)	Conveyance Expenses	0.07	0.01
	(xiv)	Demat Charges	0.02	0.04
	(xv)	Mutual Fund Stamping Charges	0.46	-
	(xvi)	GST w/o A/c (Ineligible)	6.66	2.85
	(xvii)	Internet Expense	0.07	0.12
	(xviii)	I R Activity Expense	8.75	-
	(xix)	Short Term Capital Loss - Shares	12.02	0.00
	(xx)	GST and TCS Late Fees	0.01	0.07
	(xxi)	Factory Licence Fees	1.90	0.75
	(xxii)	GPCB Expenses	3.86	6.40
	(xxiii)	CPCB Expenses	0.05	0.03
	(xxiv)	Telephone Expenses	0.37	0.15
	(xxv)	Vehicle Expenses	0.14	1.40
(c)	**Selling and Distribution Expense:**			
	(i)	Advertisement and Business Promotion	6.71	25.00
Total			**4,108.74**	**3,024.08**

(Rs. in Lakhs except as stated)

29 Exceptional and Extraordinary items

PARTICULARS	For Year Ended March 31, 2026	For Year Ended March 31, 2025
(a) Profit on sale of PPE	(3.42)	(73.01)
Total	**(3.42)**	**(73.01)**

30 Tax Expense:

PARTICULARS		For Year Ended March 31, 2026	For Year Ended March 31, 2025
(a)	Current Year Tax	1,332.32	905.00
(b)	Deferred Tax	33.27	(23.50)
(c)	Earlier Year Tax	12.92	10.53
Total Tax Expenses		**1,378.51**	**892.03**

31 Other Comprehensive Income

	PARTICULARS	For Year Ended March 31, 2026	For Year Ended March 31, 2025
A.	**Items that will not be reclassified to profit or loss**		
	Re-measurement of Defined Benefits Plan	25.69	(4.07)
		25.69	**(4.07)**
	Total Other Comprehensive Income	**25.69**	**(4.07)**

32 Earnings per equity share (in INR)

	PARTICULARS	For Year Ended March 31, 2026	For Year Ended March 31, 2025
A.	**Basic Earnings Per Share:**		
	Profit for the year from Continuing Operations	6,486.89	4,016.16
	Total profit for calculation of Basic EPS	**6,486.89**	**4,016.16**
	Basic Weighted Average Number of Equity Shares Outstanding	**26,645,295.00**	**19,937,295.00**
	Basic EPS from Continuing Operations	24.35	20.14
	Total Basic EPS	**24.35**	**20.14**
B.	**Diluted Earnings Per Share:**		
	Profit for the year from Continuing Operations	6,486.89	4,016.16
	Total profit for calculation of Diluted EPS	**6,486.89**	**4,016.16**
	Diluted Weighted Average Number of Equity Shares Outstanding	**26,645,295.00**	**19,937,295.00**
	Diluted EPS from Continuing Operations	24.35	20.14
	Total Diluted EPS	**24.35**	**20.14**

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026 **(Rs. in Lakhs except as stated)**

Notes 33:

CORPORATE SOCIAL RESPONSIBILITY (CSR) EXPENDITURE:

As per section 135 of the Companies Act, 2013, amount required to be spent by the Company during the year ended March 31, 2026 is as per details given below:

(i)	Amount required to be spent by the Company during the Year	65.03
(ii)	Surplus of the Previous Year Adjusted in Current Year	24.42
(iii)	**Net Amount required to be spent by the company during the year Current (i-ii)**	**40.61**
(iv)	Amount of Expenses incurred during the Current Year	51.00
(v)	**Surplus of the Current F.Y. to be adjusted in Next F.Y. (iv-iii)**	**10.39**
(vi)	Shortfall at the end of the year	Nil
(vii)	Total of Previous Year Shortfall	Nil
(viii	Reason for Shortfall	NA
(ix)	Nature of CSR Activities - Promoting Environement related activities , Promoting education and health care	

(x)	Related Party Transaction	Nil

As a part of its corporate social responsibility, the Company has made donations to several charitable organisations engaged in similar social activities as planned by the Company which prima facie includes promotion of education and health care and Promoting Environement related activities.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

Note 34:
RELATED PARTY DISCLOSURES:
The disclosures of transactions with the related parties as required by IND AS 24 "Related Party Disclosures" are given as under. Related parties

have been identified on the basis of representation made by the management of the company and information available with the company.

(i) Name of the Related Party and Description of Relationship:

A. Key Managerial Personnel (KMP) & Directors:
Mangilal Ambalal Borana (Chairman & Managing Director)
Rajkumar Mangilal Borana (Executive Director & Chief Financial Officer)
Ankur Mangilal Borana (Executive Director & Chief Executive Officer)
Kanav Shamsunder Arora (Independent Director)
Arvind Kumar Rathi (Independent Director)
Nitika Abhishek Soni (Independent Women Director)
Seema Manish Luniya (Company Secretary & Compliance Officer)

B. Enterprises Where Control Exists:
NIL

C. Relatives of KMPs & Directors:
Sharmila Rajkumar Borana
Mohinikumari Mangilal Borana
Vijaya Rathod
Vivaan Rajkumar Borana (Minor)
Kanishka Rajkumar Borana
Rajkumar Mangilal Borana HUF
Mangilal Borana HUF
Dhwani Ankur Borana
Jinay Ankur Borana (Minor)
Jiyaan Ankur Borana (Minor)
Ankur Mangilal Borana HUF
Nareshkumar Ambalal Borana
Nareshkumar Ambalal Borana HUF
Deepika Arvind Rathi
Rampyari Devi Rathi
Narayan Dhanraj Rathi
Manmoham Rathi
Vaibhav Rathi (Minor)
Keshav Rathi (Minor)
Arvind Rathi HUF
Ridhima Kanav Arora
Abhishek Soni
Shrikant Malani
Shakuntala Malani
Radhika Malani
Raghav Malani
Vihanca Soni (Minor)
Aayansh Soni (Minor)
Arush Deepak Dalmia (Minor)
Sarojdevi Bhutra
Shantidevi Pradeep Kumar Kothari
Sanju Basant Sharda
Manish Bhimraj Luniya
Puranmal Kankaria
Leela Devi Kankaria
Vinod Kankaria
Rohit Kankaria
Bhimraj Luniya
Prabhadevi Luniya
Neena S Arora
Kyra K Arora (Minor)
Shamsunder J Arora

D. Enterprises Owned or Significantly Influenced by Directors, KMP or their Relatives:
Rawatkhedia Silk Mill LLP
Wealthford Consultancy LLP
Borana Industries LLP
R&B Denims Limited
Pandesara Infrastructure Limited
Borana Filaments Private Limited
Aether Industries Limited
New National Fabrics
Raju Enterprises
Sharmila Enterprises
Vijaya Textiles
Vijay Corporation
Ricon Textile Limited
Ankur Enterprises
Saroj Synthetics
Jinay Enterprises
Hojiwala Infrastructure Limited
Abhishek Soni HUF
Rathi Agarwal & Associates LLP
Credence Ecofibre Private Limited
Landmark Agglo Décor Private Limited
Nakshatra Creations Private Limited
Nakshatra Fashion
Nakshatra Trendz

Arham Weaves Private Limited	Roman Curves
Bthere Trendzone	Style Lab
Kanishka Fashion	RB Industries
Lalita Textiles	Ricon Industries
Bright Synthetics	Sachin Paper Mills Private Limited

(ii)Transaction with Related Parties:

(Rs. in Lakhs except as stated)

PARTICULARS	As at March 31, 2026	As at March 31, 2025
A.Director's Remuneration		
Rajkumar Borana	6.00	3.00
Ankur Borana	6.00	3.00
Mangilal Borana	12.00	12.00
	24.00	**18.00**
B.Factory Shed Rent Expense		
Mangilal Borana	4.20	4.20
Mohinidevi Borana	2.10	4.20
Rajkumar Borana	14.40	14.40
Ankur Borana	14.10	12.00
Ankur Mangilal Borana HUF	3.27	1.27
Rajkumar Mangilal Borana HUF	2.54	1.27
Nareshkumar Ambalal Borana HUF	2.54	1.27
RB Industries	1.50	-
	44.65	**38.61**
C.Director's Sitting Fees		
Kanav Arora	0.40	-
Arvind Kumar Rathi	0.40	-
Nitika Abhishek Soni	0.40	-
	1.20	**-**
D.Salary		
Dhwani Borana	18.00	18.00
	18.00	**18.00**
E.Loan taken		
Arham Weaves Private Limited	-	185.00
Sachin Paper Mills Private Limited	-	50.00
Borana Industries LLP	-	300.00
	-	**535.00**
F.Loan Given		
R & B Denims Limited	27.00	303.48
Borana Industries LLP	0.90	222.10
	27.90	**525.57**
G.Loan Repaid		
Arham Weaves Private Limited	-	185.00
Sachin Paper Mills Private Limited	-	50.00
Borana Industries LLP	-	300.00
	-	**535.00**
H.Loan Repayment Received		
R & B Denims Limited	27.00	3.48
Borana Industries LLP	222.89	0.11
	249.89	**3.59**
I.Purchase		
R & B Denims Limited	-	625.31
RB Industries	-	958.06
Ricon Textiles Private Limited	10.11	-
	10.11	**1,583.37**

J.Sales		
Arham Weaves Private Limited	1,182.26	1,224.67
Ricon Textiles Private Limited	841.82	682.37
Sachin Paper Mills Private Limited	116.15	74.53
RB Industries	688.02	-
Sharmila Enterprise	-	35.75
Borana Industries LLP	-	1,442.23
	2,828.25	**3,459.55**
K.Jobwork Expense		
Borana Industries LLP	898.81	442.98
	898.81	**442.98**
L.Interest On Loans & Advances		
Borana Industries LLP	0.90	1.10
R & B Denims Limited	27.00	3.48
	27.90	**4.57**
M.Other Operating Expense		
Hojiwala Infrastructure Limited (CEPT Expenses)	157.56	135.36
Hojiwala Infrastructure Limited (Membership Expenses)	331.25	-
	488.81	**135.36**
N.Other Transactions		
Ankur Borana (Car Transfer)	-	136.60
	-	**136.60**

III. Outstanding Balances with Related Parties:

PARTICULARS	As at March 31, 2026	As at March 31, 2025
A.Trade Receivable		
Arham Weaves Private Limited	-	128.07
Sachin Paper Mills Private Limited	8.19	7.76
Ricon Textile Limited	10.76	42.22
RB Industries	43.20	-
	62.15	**178.05**
B. Loan Given		
Borana Industries LLP	-	221.99
R & B Denims Limited	300.00	300.00
	300.00	**521.99**

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

Notes 35:

EMPLOYEE'S BENEFIT PLAN:

Actuarial Assumption

Particulars	Gratuity (F.Y. 2025-26)	Gratuity (F.Y. 2024-25)
Discount Rate (Per annum)	6.59% per annum	7.17% per annum
Salary Growth Rate	5.00% per annum	5.00% per annum
Retirement Age	60 Years	60 Years
Mortality	IALM 2012-14 (Urban)	IALM 2012-14 (Urban)
Withdrawal Rate (For service 4 year & below)	30.00% per annum	30.00% per annum
Withdrawal Rate (For service 5 year & above)	5.00% per annum	5.00% per annum

Table Showing Present Value of Obligation

(Rs. in Lakhs except as stated)

Period	**01-04-2025 to 31-03-2026**	**01-04-2024 to 31-03-2025**
Present Value of Obligation at the beginning of the Period	**29.88**	**11.37**
Interest Cost	1.72	0.82
Current Service Cost	16.63	13.62
Past Service Cost	0.36	-
Benefits Paid (if any)	-	-
Actuarial (gain)/loss	(25.69)	4.07
Present Value of Obligation at the end of the Period	**22.90**	**29.88**

Amount Recognised in the Balance Sheet

(Rs. in Lakhs except as stated)

Period	**As on 31-03-2026**	**As on 31-03-2025**
Present Value of Obligation at the end of the Period	(22.90)	(29.88)
Fair Value of plan assets at the end of period	-	-
Net Liability/(asset) recognized in Balance Sheet and related analysis	(22.90)	(29.88)
Funded Status- Surplus/ (Deficit)	**(22.90)**	**(29.88)**

Expense recognized in the statement of Profit and Loss:

(Rs. in Lakhs except as stated)

Period	**01-04-2025 to 31-03-2026**	**01-04-2024 to 31-03-2025**
Interest Cost	1.72	0.82
Current Service Cost	16.63	13.62
Past Service Cost	0.36	-
Expected Return on plan asset	-	-
Expenses to be recognized in P&L	**18.71**	**14.43**

Balance Sheet Reconciliation

(Rs. in Lakhs except as stated)

Period	**01-04-2025 to 31-03-2026**	**01-04-2024 to 31-03-2025**
Opening Net Liability	**29.88**	**11.37**
Expenses Recognized in Statement of Profit or Loss	18.71	14.43
Expenses Recognized in OCI	(25.69)	4.07
Net Liability/(Asset) Transfer In	**(6.98)**	**18.51**
Net (Liability)/Asset Transfer Out	-	-
(Benefit Paid Directly by the Employer)	-	-
(Employer's Contribution)	-	-
Net Liability/(Asset) Recognized in the Balance Sheet	**22.90**	**29.88**

Maturity Profile of Defined Benefit Obligation: Maturity analysis of benefit obligations.

(Rs. in Lakhs except as stated)

PARTICULARS	As on 31-03-2026	As on 31-03-2025
1st following year	0.19	0.17
2nd following year	0.41	0.24
3rd following year	0.99	0.69
4th following year	1.47	1.51
5th following year	1.87	2.33
payable thereafter	61.89	85.67

Sensitivity Analysis Gratuity Plan

Sensitivity Analysis: Significant actuarial assumptions for the determination of the defined benefit obligation are discount rate and expected salary increase rate. Effect of change in mortality rate is negligible. Please note that the sensitivity analysis presented below may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumption would occur in isolation of one another as some of the assumptions may be correlated. The results of sensitivity analysis are given below:

(Rs. in Lakhs except as stated)

Period	As on 31-03-2026	As on 31-03-2025
Defined Benefit Obligation on current assumption	22.90	27.68
Delta effect of +1% change in Rate of Discounting	(2.54)	(3.62)
Delta effect of -1% change in Rate of Discounting	3.07	4.43
Delta Effect of +1% Change in Rate of Salary Increase	3.10	4.46
Delta Effect of -1% Change in Rate of Salary Increase	(2.60)	(3.71)
Delta Effect of +1% Change in Rate of Employee Turnover	(0.37)	(0.72)
Delta Effect of -1% Change in Rate of Employee Turnover	0.29	0.62

Note 36:

Reconciliation of Effective Tax Rate:

Provision for current tax is made in the accounts on the basis of estimated tax liability as per the applicable provisions of the Income Tax Act, 1961.

The reconciliation between the income before income taxes and the income tax provision to the amount computed by applying the statutory income tax rate is summarized below.

(Rs. in Lakhs except as stated)

PARTICULARS	As on 31-03-2026	As on 31-03-2025
Current Tax	1,332.32	905.00
Deferred Tax	33.27	(23.50)
Short/Excess Tax Provision of the earlier year	12.92	10.53

Total Income Tax Expenses	**1,378.51**	**892.03**
Reconciliation:		
Profit from Continuing Operations	7,843.13	4,985.27
Profit from Discontinuing Operations	-	-
Profit before tax	**7,843.13**	**4,985.27**
Applicable Tax Rate	17.16%	17.16%
Taxes at applicable rate	**1,345.88**	**855.47**
Tax Effect for:		
Exempted / Non-taxable income	-	-
Disallowed Expenses	13.11	11.93
Adjustment for depreciation	(57.33)	37.60
Other disallowances / adjustments	-	-
Income chargeable at special rates	30.66	0.00
Adjustment for earlier year taxes	12.92	10.53
Deferred Tax Adjustments	33.27	(23.50)
Net Income Tax Expenses recognised in profit & loss	**1,378.51**	**892.02**

Note 37:

FINANCIAL INSTRUMENTS:

A. **Accounting classification and fair value measurement:**

The fair value of financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

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

The carrying amount of trade receivable, trade payable, loans, cash and cash equivalents, other bank balances and other receivables as at 31st March, 2026 and 31st March, 2025 are considered to be the same as their fair values, due to their short-term nature. Financial Instruments with fixed and variable interest rates are evaluated by the Company based on parameters such as interest rate and individual credit worthiness of the counterparty. Based on this evaluation, allowances are taken to account for the expected losses of these receivables.

Fair value hierarchy

The fair value hierarchy is based on inputs to valuation techniques that are used to measure fair value that are either observable or unobservable and consists of following:

Level 1 - Category includes financial assets and liabilities, that are measured in whole or in significant part by reference to published quoted price (unadjusted) in an active market.

Level 2 - Category includes financial assets and liabilities measured using a valuation technique based on assumptions that are supported by prices from observable current market transactions. These include assets and liabilities for which pricing is obtained via pricing services, but where prices have not been determined in an active market, financial assets with fair values based on broker quotes and assets that are valued using the Company's own valuation models whereby the material assumptions are market observable. The majority of Company's over-the-counter derivatives and several other instruments not traded in active markets fall within this category.

Level 3 - Category includes financial assets and liabilities measured using valuation techniques based on non market observable inputs. This means that fair values are determined in whole or in part using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data. However, the fair value measurement objective remains the same, that is, to estimate an exit price from the perspective of the Company. The main asset classes in this category are unlisted equity investments as well as unlisted funds.

The carrying value and fair value of financial instruments by categories as on March 31, 2026 were as follows:

(Rs. in Lakhs except as stated)

PARTICULARS	CARRYING AMOUNT				FAIR VALUE			
	FVTPL	FVTOCI	AMORTISED COST / COST	TOTAL	LEVEL 1	LEVEL 2	LEVEL 3	TOTAL
FINANCIAL ASSETS								
Non-Current Investments:								
- Investments in Unquoted Securities	45.30	-	-	**45.30**	-	-	45.30	**45.30**
- Investments in Quoted Securities	100.32	-	-	**100.32**	100.32	-	-	**100.32**
Other Financial assets	-	-	462.66	**462.66**	-	-	462.66	**462.66**
Current Investments:				-				-
Trade Receivables	-	-	2,364.19	**2,364.19**	-	-	-	-
Cash and Cash Equivalents	-	-	8.65	**8.65**	-	-	-	-
Bank Balances other than Cash and Cash Equivalents above	-	-	159.80	**159.80**	-	-	-	-
Current Loans	-	-	1,058.57	**1,058.57**	-	-	-	-
TOTAL	**145.62**	**-**	**4,053.86**	**4,199.48**	**100.32**	**-**	**507.96**	**608.28**
FINANCIAL LIABILITIES								
Borrowings								
- Borrowings from Banks	-	-	6,950.46	**6,950.46**	-	-	-	-
Trade Payables	-	-	23.19	**23.19**	-	-	-	-
Other Financial Liabilities	-	-	968.89	**968.89**	-	-	968.89	**968.89**
TOTAL	**-**	**-**	**7,942.53**	**7,942.53**	**-**	**-**	**968.89**	**968.89**

The carrying value and fair value of financial instruments by categories as on March 31, 2025 were as follows:

(Rs. in Lakhs except as stated)

PARTICULARS	CARRYING AMOUNT				FAIR VALUE			
	FVTPL	FVTOCI	AMORTISED COST / COST	TOTAL	LEVEL 1	LEVEL 2	LEVEL 3	TOTAL
FINANCIAL ASSETS								
Non-Current Investments:								
- Investments in Unquoted Securities	45.30	-	-	**45.30**	-	-	45.30	**45.30**
- Investments in Quoted Securities	-	-	-	**-**	-	-	-	**-**
Other Financial assets	-	-	280.77	**280.77**			280.77	**280.77**
Current Investments:								
Trade Receivables	-	-	2,181.54	**2,181.54**	-	-	-	**-**
Cash and Cash Equivalents	-	-	4.02	**4.02**	-	-	-	**-**
Bank Balances other than Cash and Cash Equivalents above			-	**-**	-	-	-	**-**
Current Loans	-	-	-	**-**	-	-	-	**-**
TOTAL	**45.30**	**-**	**2,466.33**	**2,511.63**	**-**	**-**	**326.07**	**326.07**
FINANCIAL LIABILITIES								
Borrowings								
- Borrowings from Banks	-	-	5,904.59	**5,904.59**	-	-	-	**-**
Trade Payables	-	-	376.88	**376.88**	-	-	-	**-**
Other Financial Liabilities	-	-	-	**-**	-	-	-	**-**
TOTAL	**-**	**-**	**6,281.47**	**6,281.47**	**-**	**-**	**-**	**-**

B. Financial risk management objectives and policies:

The Company's activities expose it to a variety of financial risks: market risk, credit risk and liquidity risk. The Company's primary focus is to foresee the unpredictability of financial markets and seek to minimise potential adverse effects on its financial performance.

The Company’s financial liabilities comprise of trade payable and other liabilities to manage its operation and financial assets include trade receivables, security deposits, loans and advances, etc, arises from its operation.

The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Company has implemented a robust Business Risk Management framework to identify, evaluate business risks and opportunities. This framework seeks to create transparency, minimise adverse impact on the business objectives and enhance the Company’s competitive advantage. The business risk framework defines the risk management approach across the enterprise at various levels including documentation and reporting. The framework has different risk models which help in identifying risks trend, exposure and potential impact analysis at a Company level.

The Audit Committee of the Board periodically reviews the risk management framework.

1) MARKET RISK:

Market risk is the risk of loss of future earnings, fair values or future cash flows that may result from adverse changes in market rates and prices. The Company’s size and operations result in it being exposed to the following market risks that arise from its use of financial instruments:

a) currency risk;

b) other price risk; and

c) interest rate risk

The above risks may affect the Company’s income and expenses, or the value of its financial instruments. The Company’s exposure to and management of these risks are explained below.

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 (where revenue, expense or capital expenditure is denominated in foreign currency). Foreign currency exchange rate exposure is partly balanced by purchasing of goods from the respective countries. The Company evalutes exchange rate exposure arising from foreign currency transactions and follows established risk management policies.

The Company's exposure to foreign currency risk at the end of the reporting period expressed in INR for major currency, are as follows:

Particulars	As on 31-03-2026	
	USD Dealings	Total
Financial Assets		
Trade Receivable (Net)	-	-
	-	-
Financial Liabilities		
Commission Payable	-	-
	-	-

Particulars	As on 31-03-2025	
	USD Dealings	Total
Financial Assets		
Trade Receivable (Net)	-	-
	-	-
Financial Liabilities		
Commission Payable	-	-
	-	-

Sensitivity Analysis:-

A 5% change in the exchange rate of INR against key foreign currencies would result in the following impact on the Group's profit before tax:

Increase/ (Decrease) Company's Profit and Equity

	As on 31-03-2026	As on 31-03-2025
5% weakening of Indian Rupee	0.00	0.00
5% Strengthening of Indian Rupee	0.00	0.00

Note: The Company is not materially exposed to market risk, as it has no significant exposure to fluctuations in interest rates, foreign exchange rates, commodity prices, or other market variables.

2) CREDIT RISK:

Credit risk is the risk that a counterparty fails to discharge its obligation to the Company. The Company's exposure to credit risk is influenced mainly by cash and cash equivalents, trade receivables and financial assets measured at amortised cost. The Company continuously monitors defaults of customers and other counterparties and incorporates this information into its credit risk controls.

a) Credit risk management:

i) Credit risk rating:

The Company assesses and manages credit risk of financial assets based on following categories arrived on the basis of assumptions, inputs and factors specific to the class of financial assets.

A: Low credit risk

B: Moderate credit risk

C: High credit risk

The Company provides for expected credit loss based on the following:

Asset group	Provision for expected credit loss
Low credit risk	12 month expected credit loss
Moderate credit risk	Life time expected credit loss
High credit risk	Life time expected credit loss or fully provided for

Cash and cash equivalents carry no credit risk and hence are not classified under either of the asset groups.

Based on business environment in which the Company operates, a default on a financial asset is considered when the counter party fails to make payments within the agreed time period as per contract. Loss rates reflecting defaults are based on actual credit loss experience and considering differences between current and historical economic conditions.

Assets are written off when there is no reasonable expectation of recovery, such as a debtor declaring bankruptcy or a litigation decided against the Company. The Company continues to engage with parties whose balances are written off and attempts to enforce repayment. Recoveries made are recognised in statement of profit and loss.

Summary of expected credit loss provided by the management is as follows:

FINANCIAL ASSET	ASSET GROUP	As on 31-03-2026	As on 31-03-2025
Investments	Low credit risk	-	-
Trade Receivables	Low credit risk	-	-
Loans	Low credit risk	-	-

ii) Concentration of trade receivables

The Company's exposure to credit risk for trade receivables is as follows - **(Rs. in Lakhs except as stated)**

Particulars	As on 31-03-2026	As on 31-03-2025
Related Party	62.15	232.97
Others	2,302.04	3,689.75
Total	**2,364.19**	**3,922.71**

b) Credit loss assessment for trade receivables:

Customer credit risk is managed by the management subject to the Company's established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed based on an extensive credit review and individual credit limits are defined in accordance with this assessment. Outstanding customer receivables are regularly monitored. At the year end the Company does not have any significant concentrations of bad debt risk. An impairment analysis is performed at each reporting date on an individual basis for major clients. The calculation is based on historical data. The Company does not hold collateral as security. The Company evaluates the concentration of risk with respect to trade receivables as low, as its customers are located in several jurisdictions and operate in largely independent markets.

3) LIQUIDITY RISK:

Liquidity risk is the risk that the Company will face in meeting its obligations associated with its financial liabilities. The Company's approach in managing liquidity is to ensure that it will have sufficient funds to meet its liabilities when due without incurring unacceptable losses. In doing this, management considers both normal and stressed conditions. The Company maintained a cautious liquidity strategy, with a positive cash balance throughout the year ended 31st March, 2026 and 31st March, 2025. Cash flow from operating activities provides the funds to service the financial liabilities on a day-to-day basis. The Company regularly monitors the rolling forecasts to ensure it has sufficient cash on an on-going basis to meet operational needs. Any short-term surplus cash generated, over and above the amount required for working capital management and other operational requirements, is retained as cash and cash equivalents (to the extent required) and any excess is invested in interest bearing term deposits and other highly marketable investments with appropriate maturities to optimise the cash returns on investments while ensuring sufficient liquidity to meet its liabilities.

Maturities of financial liabilities

The table below summarises the maturity profile of the Group's non-derivative financial liabilities based on contractual undiscounted payments.

(Rs. in Lakhs except as stated)

As on 31-03-2026	Less than 1 year	1-2 year	2-3 year	More than 3 years	Total
Term borrowings from financial institutions	938.34	872.22	820.37	3,873.01	**6,503.94**
Working Capital borrowings from financial institutions	446.52	-	-	-	**446.52**
Trade payable	23.19	-	-	-	**23.19**
Other financial liabilities	968.89	-	-	-	**968.89**
Total	**2,376.93**	**872.22**	**820.37**	**3,873.01**	**7,942.53**

As on 31-03-2025	Less than 1 year	1-2 year	2-3 year	More than 3 years	Total
Term borrowings from financial institutions	893.05	971.00	873.12	1,900.15	**4,637.32**
Working Capital borrowings from financial institutions	1,267.28	-	-	-	**1,267.28**
Trade payable	376.88	-	-	-	**376.88**
Other financial liabilities	-	-	-	-	**-**
Total	**2,537.20**	**971.00**	**873.12**	**1,900.15**	**6,281.47**

Note 38:

CAPITAL MANAGEMENT:

A. Risk management

Capital includes equity attributable to the equity holders to ensure that it maintains an efficient capital structure and healthy capital ratios in order to support its business and maximise shareholder value. The Company manages its capital structure and makes adjustments to it, in light of changes in economic conditions or its business requirements. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. No changes were made in the objectives, policies or processes during the year ended March 31, 2026 and March 31,2025.

The Company monitors capital using a gearing ratio, which is net debt divided by total equity.

Net debt = Total borrowings (including lease liabilities) less (Cash and cash equivalents + Bank balance other than cash and cash equivalents (excluding balance earmarked for unclaimed dividend and other liabilities) + Current investments).

Total 'equity' as shown in the balance sheet, including non controlling interest.

(Rs. in Lakhs except as stated)

Particulars	As on 31-03-2026	As on 31-03-2025
Total Debt	6,950.46	5,904.59
Less: Cash and cash equivalent including mutual fund and bank deposit with original maturity between 3 to 12 months	168.45	4.02
Net Debt (A)	**6,782.01**	**5,900.58**
Total Equity (B)	28,157.50	8,754.95
Net Debt to Equity Ratio (A/B)	**0.24**	**0.67**

In order to achieve this overall objective, the Company’s capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no breaches in the financial covenants of any interest-bearing loans and borrowings in the current period.

Note 39:
OTHER NOTES:

a. Accounting for Goods & Services Taxes (Indirect Taxes):

The Company is recording sales and purchases on exclusive method and GST are not passed through the profit and Loss accounts of the company.The Effect of Indirect Taxes (GST) on Sales will be as under:

(Rs. in Lakhs except as stated)

PARTICULARS	For Year Ended March 31, 2026	For Year Ended March 31, 2025
Gross Sales	40,893.33	30,749.22
Less: GST	2,034.02	1,718.18
Net Sales	**38,859.31**	**29,031.04**

b. Auditor's Remuneration:

(Rs. in Lakhs except as stated)

PARTICULARS	For Year Ended March 31, 2026	For Year Ended March 31, 2025
As Statutory Auditors*	1.50	1.00
As Tax Auditors*	2.50	2.00
As Other Certifications*	0.50	0.50
TOTAL	**4.50**	**3.50**

**Exclusive of GST*

c. Foreign currency transactions:

(USD in Lakhs)

PARTICULARS	For Year Ended March 31, 2026	For Year Ended March 31, 2025
Raw Materials purchased in Foreign Currency	85.77	-
Capital Goods purchased in Foreign Currency	48.59	6.56

d. Value of Imports on C.I.F. basis

(Rs. in Lakhs except as stated)

PARTICULARS	For Year Ended March 31, 2026	For Year Ended March 31, 2025
Raw Material	7,726.59	-
Capital Goods	4,260.51	550.33

e. Imported and Indigenous Consumption

(Rs. in Lakhs except as stated)

PARTICULARS	For Year Ended March 31, 2026	For Year Ended March 31, 2025
Raw materials		
- Imported Materials	7,452.74	-
- Indigenous Materials	15,324.89	17,803.18
- Percentage of Imported Materials	32.72%	0.00%
- Percentage of Indigenous Materials	67.28%	100.00%
Spare Parts and Components		
-Imported Components and spare parts	-	-
-Indigenous Components and spare parts	1,674.49	993.60
-Percentage of Imported Components and spare parts	0.00%	0.00%
-Percentage of Indigenous Components and spare parts	100.00%	100.00%

f. Figures pertaining to the previous years/period have been regrouped/rearranged, reclassified and restated wherever considered necessary, to make them comparable with those of current year/period.

g. During the financial year ended March 31, 2025, the Board of Directors of the Company vide resolution dated November 16, 2024 proposed and agreed to increase the issued share capital of the Company from existing Rs. 19,93,72,950 comprising of 1,99,37,295 equity shares of Face Value Rs. 10/- each to Rs. 26,64,52,950 comprising of 2,66,45,295 equity shares of Face Value Rs. 10/- each.

The above proposed increase in issued share capital was approved by the members of the Company at their Extra Ordinary General Meeting held on October 10, 2024. Further, the same was also intimated to the Registrar of Companies (RoC) Ahmedabad, vide filig of Form MGT-14 by the Company on October 18, 2024.

However, the process of Initial Public Offer (IPO) was completed and the company was listed on stock exchanges as on May 27, 2025.

Accordingly, the effect of issued share capital which got effective in the closure date of financials for F.Y. 2025-26 has given effect to in the current financial statements.
Accordingly,same is considered to be Adjusting Event.

h. The Company has a process whereby periodically all long-term contracts (including derivative contracts) are assessed for material foreseeable losses. At the year end, the Company did not have any long-term contracts (including derivative contracts) for which there were any material foreseeable losses.

i. Contingent liabilities and commitments:

(i) Contingent Liabilities:

(Rs. in Lakhs except as stated)

PARTICULARS	As on 31-03-2026	As on 31-03-2025
Bank Guarantees Issued for Ricon Textile Limited		
- HDFC Bank - Cash Credit	-	100.00
- HDFC Bank - Term Loan	-	882.36

j. The financial statements for the year ended 31st March, 2026 were approved by the Board of Directors on 14th May, 2026.

Notes 40:

OTHER STATUTORY INFORMATION:

a. No proceeding have been initiated or pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988).

b. The Company does not have any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.

c. The Government of India has implemented the new Labour Codes replacing various existing labour legislations. The management has represented that it is in the process of reviewing and aligning its employment policies, compensation structures, employee benefits, statutory registrations, records and compliance framework with the requirements of the Code on Wages, 2019, Code on Social Security, 2020, Industrial Relations Code, 2020 and Occupational Safety, Health and Working Conditions Code, 2020.
Pending completion of such review and assessment, the financial impact, if any, arising from changes in employee remuneration structure, social security contributions, leave encashment benefits, gratuity obligations, contractual labour compliances and other consequential matters cannot presently be ascertained.
Our reporting under this clause is based on the information and explanations provided by the management and the records produced before us. We are unable to comment on the completeness of the Company's compliance with the provisions of the aforesaid Labour Codes and the consequential financial impact, if any, on the financial statements.

d. The company have not advanced or given loan or invested fund (either borrowed fund or share premium or any other sources or kind of funds) to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
(i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or

(ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

e. The company have not received any fund from any person(s) or entity(ies), including foreign entities (Funding party) with the understanding (whether recorded in writing or otherewise) that the company shall:

(i) 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
(ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

f. The company does not have any such tranasaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessment under the Income Tax Act, 1961 (such as, search or survey or any other relevent provisions of the Income Tax Act, 1961)

g. The company has not been declared as Wilful defaulter by the Banks, Financial institution or other lenders.

h. The Company has complied with the number of layers prescribed under clause (87) of section 2 of the Companies Act, 2013 read with Companies (Restriction on number of Layers) Rules, 2017.

i. The Company does not have any immovable property (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the Company) whose title deeds are not held in the name of the Company.

j. The Company does not has revalued its Property, Plant & Equipments (including Right-of-use Assets) and intangible assets during the year.

k. The Company has not granted any loan or advances in nature of loans to directors, promoters, KMPs, and the Related Parties except as mentioned below during the year either jointly or severally whether repayable on demand or without specifying any terms or period.

(Rs. in Lakhs except as stated)

Type of Borrower	Amount of Loan or Advances in the nature of Loan outstanding	% to the total Loans and advances in the nature of Loans
Promoter	-	-
Directors	-	-
KMPs	-	-
Related party	300.00	100.00%

l. The Company has not entered into any scheme of arrangement which has an accounting impact on the current or previous financial year.

m. The Company have not traded or invested in Crypto currency or Virtual Currency during the current or previous year.

n. The Company has been sanctioned working capital facilities by Sutex Bank, Mehsana Bank and HDFC Bank of India against the security of current assets. We confirm that the Company has submitted the required quarterly returns and statements, including stock statements, invoice due statements, ageing analysis of invoice due, and other financial information, to the respective banks in accordance with the stipulated terms of sanction.
To the best of our knowledge and belief, and based on the records maintained, the said quarterly returns and statements submitted to the banks are in agreement with the audited books of account for the respective quarters and with the audited financial statements for the financial year ended March 31, 2026.

(Rs. in Lakhs except as stated)

Quarter	Particular of security provided	Amount as per books	Amount as reported in statement	Amount of discrepancy	Reason for discrepancies
Jun-25	Stock	2,079.21	2,079.21	0.00	
Jun-25	Debtors	2,019.69	2,019.70	0.00	
Jun-25	Creditors	500.53	500.53	-	
Sep-25	Stock	2,590.59	2,590.59	-0.00	
Sep-25	Debtors	2,318.83	2,320.31	1.49	reconciliation of accounts
Sep-25	Creditor	195.80	218.42	22.62	due to rate difference
Dec-25	Stock	2,153.06	2,153.05	-0.01	
Dec-25	Debtors	3,022.32	3,023.70	1.38	reconciliation of accounts
Dec-25	Creditor	354.82	360.56	5.74	due to rate difference
Mar-26	Stock	4,733.10	4,733.11	0.00	
Mar-26	Debtors	2,364.15	2,365.88	1.74	reconciliation of accounts
Mar-26	Creditor	135.50	136.26	0.76	Payment made but bill not clear

(i) The figures of stock as per books and statements submitted to banks are exclusive of GST.
(ii) The figures of stock and debtors as per the books were derived from the documents and records, generated from accounting software, available at the time and were used in the preparation of the stock statement submitted to the bank.

o. There are no charges or satisfaction which are yet to be registered with the Registrar of Companies beyond the statutory period.

p. Analytical Ratios:

Particulars		For Year Ended March 31, 2026	For Year Ended March 31, 2025
1	**Current Ratio:**		
	Current Assets (CA)	12,190.50	7,814.82
	Current Liabilities (CL)	2,813.23	2,977.57
	Current Ratio (CA/CL) (in times)	**4.33**	**2.62**
	Variance (%)	65.27%	98.48%
	Reason:		
a	The same is due to substantial rise in Current assets.		
2	**Debt-Equity Ratio:**		
	Total Debt (A)	6,950.46	5,904.59
	Shareholder's Equity (B)	28,157.50	8,754.95
	Debt-Equity Ratio (A/B) (in times)	**0.25**	**0.67**
	Variance (%)	-62.69%	-53.79%
	Reason:		
a	Due to increase in Shareholder's Equity due to IPO Proceeds .		
3	**Debt Service Coverage Ratio:**		
	Earnings available for debt service (A)	8,177.62	5,475.54
	Debt Service (B)	1,272.82	1,383.31
	Debt Service Coverage Ratio (A/B) (in times)	**6.42**	**3.96**
	Variance (%)	62.12%	43.48%
	Reason:		
a	The same is due to decrease in debt .		
4	**Return on Equity Ratio:**		
	Net Profits after taxes (A)	6,461.20	4,020.23
	Average Shareholder's Equity (B)	18,456.23	6,762.32
	Return on Equity Ratio (A/B) (in %)	**35.01%**	**59.45%**
	Variance (%)	-41.11%	-9.50%
	Reason:		
a	Due to increase in Average Shareholder's Equity due to IPO Proceeds .		
5	**Inventory Turnover Ratio:**		
	Cost of Goods Sold (A)	22,784.73	17,773.82
	Average Inventory (B)	3,637.37	2,459.21
	Inventory Turnover Ratio (A/B) (in times)	**6.26**	**7.23**
	Variance (%)	-13.42%	30.04%
	Reason:	**NA**	
6	**Trade Receivables Turnover Ratio:**		
	Revenue from Operations (A)	38,859.31	29,031.04
	Average Trade Receivables (B)	2,272.87	1,642.94
	Trade Receivables Turnover Ratio (A/B) (in times)	**17.10**	**17.67**
	Variance (%)	-3.23%	-18.08%
	Reason:	**NA**	

7	**Trade Payables Turnover Ratio:**		
	Net credit purchases and other expenses (A)	24,976.20	17,938.69
	Average Trade Payables (B)	684.48	854.15
	Trade Payables Turnover Ratio (A/B) (in times)	**36.49**	**21.00**
	Variance (%)	73.76%	52.28%
	Reason:		
a	The same is due to substantial rise in purchases during the period .		
8	**Net Capital Turnover Ratio:**		
	Revenue from Operations (A)	39,680.80	29,509.70
	Average Working Capital (B)	7,107.26	3,063.54
	Net Capital Turnover Ratio (A/B) (in times)	**5.58**	**9.63**
	Variance (%)	-42.06%	-54.53%
	Reason:		
a	The same is due to substantial rise in revenue from the operations during the period .		
9	**Net Profit Ratio:**		
	Net Profit (A)	6,461.20	4,020.23
	Revenue from Operations (B)	38,859.31	29,031.04
	Net Profit Ratio (A/B) (in %)	**16.63%**	**13.85%**
	Variance (%)	20.07%	16.87%
	Reason:		
a	The same is due to increase in net profit .		
10	**Return on Capital Employed:**		
	Earnings before interest and taxes (A)	8,174.20	5,402.53
	Capital Employed (B)	33,823.62	12,616.94
	Return on Capital Employed (A/B) (in %)	**24.17%**	**42.82%**
	Variance (%)	-43.56%	28.30%
	Reason:		
a	The same is due to increase in capital employed due to IPO Proceeds.		
11	**Return on Investment:**		
	Interest income (A)*	362.20	31.32
	Average investment (B)	1,189.51	932.45
	Return on Investment (A/B) (in %)	**30.45%**	**3.36%**
	Variance (%)	806.57%	72.40%
	Reason:	NA	
a	The same is due to interest on bank fixed deposits due to IPO Proceeds.		

*Note: Ratio has changed in Previous year due to change in disclosures and formulae of calculation.

As per our report of even date

For KSA & Co.
Chartered Accountants
Firm Reg. No.: 003822C

CA Arun Kanodiya
Partner
Membership no.: 077131

Date:14/05/2026
Place: Surat

For and on behalf of Board of Directors of
BORANA WEAVES LIMITED

Rajkumar Mangilal Borana
Chief Financial Officer
DIN: 01091166

Ankur Mangilal Borana
Chief Executive Officer
DIN: 01091164

Seema Lunia
Company Secretary

Mangilal Ambalal Borana
Chairman/Managing Director
DIN: 01091167

SCAN FOR DIGITAL ACCESS

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Creating enduring value.

REGISTERED AND CORPORATE OFFICE

Plot Nos. B 5/3, B 5/4, B 5/5, B 5/6, B 5/7 and B 5/7/1, Road No. 9, Hojiwala Industrial Estate, SUSML, Sachin, Surat, Gujarat, India - 394230

SHAREHOLDER AND DIGITAL CONTACT

www.boranagroup.in | info@boranagroup.in

Investor section: www.boranagroup.in/investors

CIN: L17299GJ2020PLC117745

NSE: BORANA | BSE: 544404