
1. Company Business

Borana Weaves Limited, headquartered in Surat, Gujarat, specializes in manufacturing unbleached synthetic grey fabric used in downstream applications like dyeing and printing. These fabrics cater to fashion, home décor, technical textiles, and traditional sectors. The company operates three units with high-tech water jet looms and plans to expand with a fourth unit. Its production is vertically integrated, including spinning and texturizing processes.

2. Industry Analysis and TAM

The Indian textile industry is one of the largest globally, supported by rising demand for sustainable, eco-friendly fabrics and government incentives like PLI schemes. Borana Weaves operates in the grey fabric segment, a niche but essential part of the value chain. The segment is growing with increased demand from fashion and technical textile industries. The Surat region offers strong supply chain and ecosystem benefits, particularly in synthetic yarns.

3. Company Financials

In Cr.

Particulars	December 31, 2024	March 31, 2024	March 31, 2023	March 31, 2022
Revenue from Operations	211.61	199.05	135.39	42.33
Growth in Revenue from Operations		47.01%	219.84%	
Gross Profit	82.65	76.57	49.11	11.83

Gross Profit Margins	39.06%	38.47%	36.28%	27.95%
EBITDA	46.03	41.17	26.06	5.17
EBITDA Margins	21.75%	20.68%	19.25%	12.22%
PAT	29.30	23.58	16.30	1.79
PAT Margins	13.85%	11.85%	12.04%	4.25%
ROCE	27.11%	27.42%	34.93%	12.23%
Net Working Capital days (In days)	67	61	66	98
CFOA	25.77	22.13	6.89	-8.32

4. Comparison with Peers

As per RHP, no listed peers.

5. IPO Details: Pre and Post Promoters' Holding

- Issue Size: 67,08,000 equity shares-Rs. 144.89 Cr. (Fresh Issue)
- Promoter Pre-Issue Holding: 87.19%
- Promoter Post-Issue Holding: 65.23

Promoters include Mangilal Borana and family, holding shares via individual names and HUFs. None of the promoter shares are pledged.

6. Objects of the Issue

- Establishment of a new manufacturing unit in Surat: ₹71.35 Cr

- **Incremental working capital requirement: ₹26.5 Cr**
 - **General corporate purposes**
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7. Pros and Cons

Pros:

- **High EBITDA and PAT margins (among the best in the sector)**
- **Strategic Surat location near textile supply hubs**
- **Strong growth in revenue and profits over FY22–FY24**
- **Capacity expansion planned for FY26 and beyond**

Cons:

- **Entirely dependent on grey fabric (no diversification)**
 - **No current international presence**
 - **Geographical Concentration as 98% revenue from Gujarat.**
 - **High debts.**
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