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Project Cost Vetting Report

**Borana Weaves
Limited**

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Executive Summary

Executive Summary

Name of the Company	Borana Weaves Limited (hereinafter referred to as 'Company' or BWL)
Date of incorporation	28 th October 2020
Constitution	Company Limited by Shares
CIN No.	U17299GJ2020PLC117745
Industry	Manufacture of Textiles fabric (Polyester Grey / Greige Fabric)
Registered Office Address	Plot No. AA/34, B 16/16, Hojiwala Ind. Estate, SUSML, Sachin, Surat, Gujarat, India, 394230.
Nature of activity	Manufacturing of Grey / Greige fabric from polyester yarn
Directors/Promoters of Firm	Mr. Ankur Mangilal Borana
	Mr. Rajkumar Mangilal Borana
	Mr. Mangilal Ambalal Borana
	Mr. Kanav Sham Sunder Arora
	Mr. Arvind Kumar Rathi
	Ms. Nitika Abhishek Soni
Brief details of the Project	<p>BWL, based in Surat, Gujarat, is engaged in the manufacturing of Grey / Greige fabric from polyester yarn. The Company operates three existing units with a combined installed capacity distributed as follows:</p> <ul style="list-style-type: none"> • Unit 1 : 4,66,56,000 meters (144 Nos of Waterjet Looms) • Unit 2 : 8,94,24,000 meters (256 Nos of Waterjet Looms) • Unit 3 : 9,72,00,000 meters (300 Nos of Waterjet Looms) <p>To support its growth strategy, BWL is planning to expand its operations by establishing a fourth unit. The proposed Unit 4 will have an installed capacity of 11,27,52,000 meters (348 Nos of waterjet Looms). The Company intends to raise funding for proposed expansion project through an Initial Public Offering (IPO) proceedings amounting to INR 713.48 million.</p>
Proposed Plant Location	Unit 4 : B 5/3, B 5/4 and B 5/5, Hojiwala Ind. Estate, SUSML, Sachin, Surat, Gujarat, India
Plant Capacity	<p>Existing Capacity</p> <ul style="list-style-type: none"> • Unit 1 : 4,66,56,000 meters

	<ul style="list-style-type: none"> Unit 2 : 8,94,24,000 meters Unit 3 : 9,72,00,000 meters <p>Proposed Capacity</p> <ul style="list-style-type: none"> Unit 4 : 11,27,52,000 meters
Proposed Product mix	Grey / Greige Fabric
Raw Material	Yarn, Polyester
Current status	<ul style="list-style-type: none"> The promoters have procured the land in their name and same would be leased to the Company . The land is in possession of the Company and boundary wall construction work was in progress. The Company has obtained budgetary quotations from reputed Plant and Machinery suppliers and presently negotiations are underway.
Estimated Project Cost	INR 713.48 million
Means of Finance (via IPO Proceeds)	INR 713.48 million

Scope of Work

D&B-India has been appointed for conducting a Project Cost Vetting study for the proposed expansion Project of M/s. Borana Weaves Limited at Surat, Gujarat. The scope of work was finalized as under:

- Capex Analysis
 - Assessment of land development cost
 - Assessment of building and civil cost
 - Assessment of plant & machinery cost
 - Assessment of reasonableness of the project cost

Date of Inspection

D&B India has conducted site visit of the Proposed project site of BWL on 18th October 2024. The purpose of the visit was to understand current status of implementation and to obtain information about the project.

Site Visit Pictures and Observations

The site pictures taken during the visit as shown below





Fabric folding (Plaiting)



Final Product (Grey / Greige Fabric)

Source: BWL

Proposed Facility





The site visit observations are as follows

- The existing textile manufacturing plant (unit -1) was observed to be fully operational, producing grey fabric from polyester yarn using established production processes.
- The polyester fabric production machinery appeared to be in satisfactory working condition, with routine maintenance evident. No major mechanical issues were observed.
- The flow of raw polyester yarn to the production floor was well-organized, with clearly defined paths for movement. No major disruptions in material handling were noted.
- On unit – 4, Construction work for the new expansion project was in the early stages and only the boundary wall construction was in progress.
- The layout of the expansion site was being prepared, and space allocation for future construction activities was visible. No technical drawings or plans were available for review during the visit.

- The workforce and construction equipment allocated to the new project appeared to be sufficient for the current phase of boundary wall construction.
- The unit is well connected to the internal road of 9 m width of Sachin Udyognagar Industrial area. This facilitates easy access to the man and material movement.

Team of Consultants

The Team of Consultants who have worked on the project has been mentioned below –

Mr. Ajaysingh Rajput – A Finance & engineering professional with around 17 years of experience including 15 years of experience in Project appraisal, & consultancy domain. Ajay has carried out project appraisal across industries like steel, power, textile, agriculture, pharmaceutical, hotel, real estate, infrastructure, etc. for greenfield, brownfield and restructuring projects as well as project monitoring as LIE. He also worked on market assessment, competition benchmarking, opportunity assessment for assessment and other strategic assignments to advice corporates on making investment decision in various industries like chemical, oil & gas, agriculture, etc. Prior to joining Dun & Bradstreet, Ajay was working with Mott Macdonald, project management consulting firm where he executed feasibility study, LIE and market study to advice the client and banks in taking investment decision and monitoring projects.

Mr. Swapnil Bhatkar - holds a bachelor's degree in Mechanical Engineering and MBA Finance. Work experience in Plant Design, Financial Feasibility and Management Consultancy. Professional work experience with Thyssenkrupp GmbH, Mott Macdonald and Dun and Bradstreet Tangram in past 14 years. Domain area include Plant design, Cost Analysis, Production Bottlenecks and Business Process Reengineering (BPR). The sectors which have extensively work are steel, pharmaceutical, Metals and Auto ancillaries.

Project Cost

The Project cost has been estimated at INR 713.48 million . The summary of the project cost has been provided in the table below:

Particulars	Total (INR million)
Land Cost	-
Civil & Structural Work, Site Development	174.94
Plant & Equipment & Utilities	459.73
Membership Fees	51.34
Electrical Expenses	21.29
Total Hard Cost	707.31
Contingency	6.17
Pre-operative Expenses	-
IDC	-
Total Soft Cost	6.17
Working Capital Funding	-
Total Project Cost	713.48

Source: Quotations as obtained by BWL and validated by D&B-India

Land Cost

The Company has not acquired any new land and plans to expand the proposed facility on land leased from the Promoters, the details of which are given below:

Lessor	Lessee	Date of lease agreement	Type of Deed	Village	Block Nos.	Plot No.	Area Total (Sqm)
Nareshkumar Ambalal Borana (HUF)	Borana Weaves Limited	11 th October 2024	Lease Deed	Lajpore	447, 449, 450	B-5/3	3,612
Rajkumar Mangilal Borana (HUF)	Borana Weaves Limited	11 th October 2024	Lease Deed	Lajpore	447, 449	B-5/4	3,612
Ankur Mangilal Borana (HUF)	Borana Weaves Limited	11 th October 2024	Lease Deed	Lajpore	447	B-5/5	3,612

Source: BWL

As informed by the Company the lease rental is not considered as part of Project cost.

Civil Cost

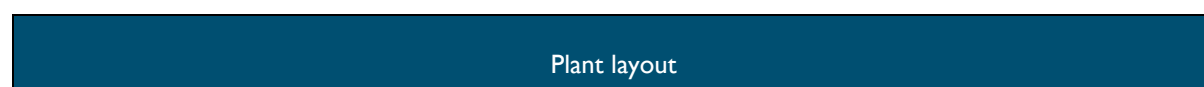
The civil cost including utilities is approximately INR 174.94 million. The table below shows detailed breakup of the civil cost.

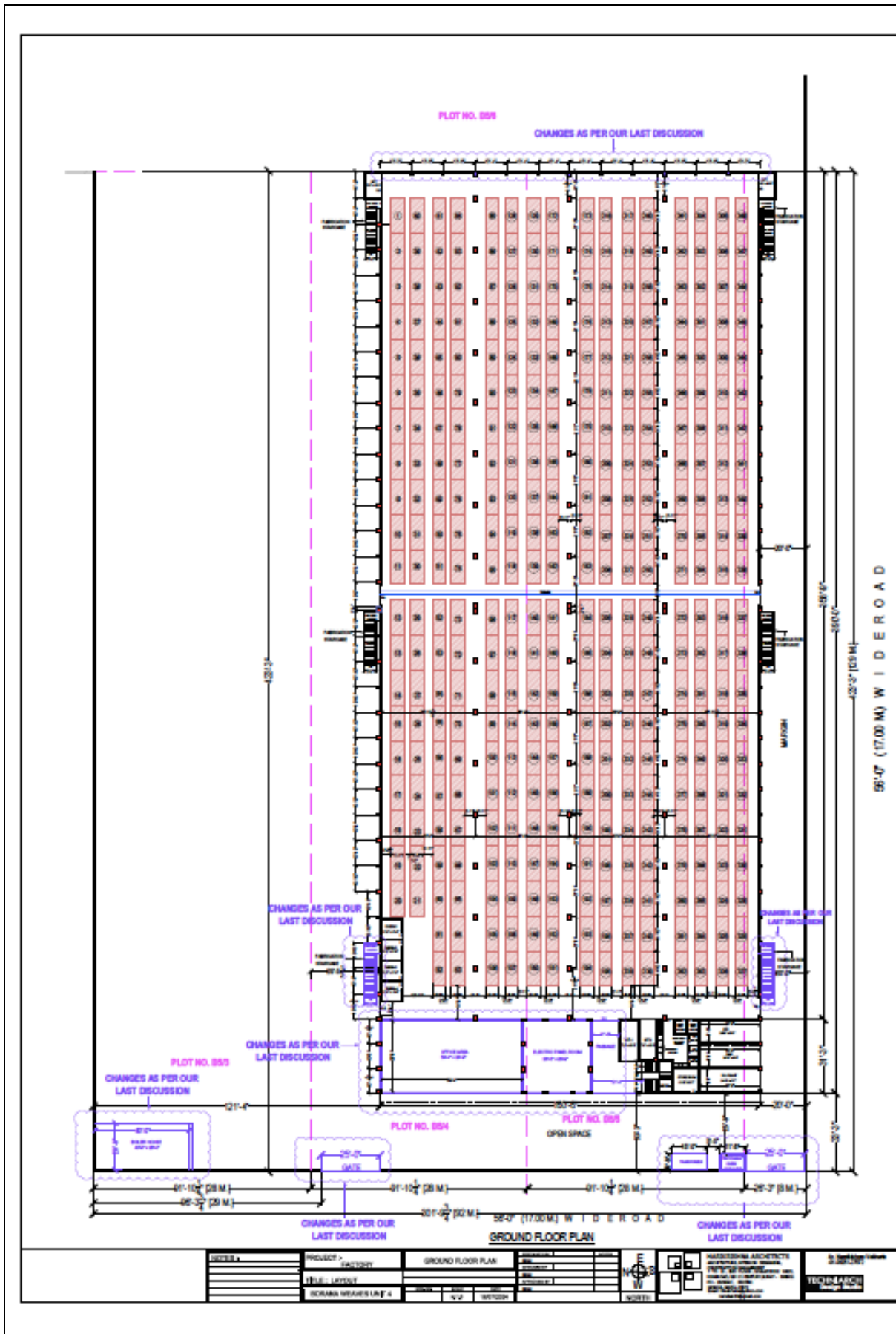
Sr. No.	Type of Work	Description	Area (sq. ft)	Rate per sq. ft	Amount
1	RCC	Ground Floor	63,237	1,500	9,48,55,500
2		Office Slab	2,145	1,500	32,17,500
3		Watchman Cabin-1	137	1,500	2,05,500
4		Watchman Cabin-2	88	1,500	1,32,000
		Sub Total-1			9,84,10,500
5	Roof Shed	Boiler House	820	1,000	8,20,000
6		First Floor	65,207	1,000	6,52,07,000
		Sub Total-2			6,60,27,000
7	Road Area	Road Area	25,230	400	1,00,92,000
8	Compound Wall	Compound Wall	2,059	200	4,11,800
		Sub Total-3			1,05,03,800
		GRAND TOTAL			17,49,41,300

Source: Quotations as obtained by BWL and validated by D&B-India

Quotation received from Harikrishna Architects dated 15th March 2025. Quotation is valid for 6 months from the date of issue.

The plant layout as provided by the Company is shown below





Source: BWL

Further to above table D&B-India notes

Comments on Civil Cost	
Area to be constructed	<p>The proposed building is G+ 1 structure of floor plate area 63,237 sqft (excluding office slab) for ground floor and 65,207 sqft for 1st floor.</p> <p>In addition to this it has</p> <ul style="list-style-type: none"> • Watchman Cabin 1 = 137 sqft • Watchman Cabin 2 = 88 sqft, • Boiler House = 820 sqft, • Office slab area = 2,145 sft <p>The infrastructure also includes</p> <ul style="list-style-type: none"> • Road area = 25,230 sqft, • Compound Wall = 2,059 sqft.
Type of Building/ Construction	<p>RCC building with G+ 1 structure</p> <ul style="list-style-type: none"> • Column grid spacing and beam design to support heavy machinery loads and vibration control. • Ground floor: Heavy-duty, anti-skid industrial flooring with epoxy coating to handle high foot and machinery traffic. • First floor: Reinforced concrete with vibration damping properties; provisions for load-bearing machines. • Ground floor: 4.5 to 6 meters clear height to accommodate large textile machinery. • First floor: 3.5 to 4.5 meters clear height for auxiliary operations and storage. • Provision for material lifts or goods elevators between floors. • Adequate loading/unloading bays at ground level for raw materials and finished goods.
Adequacy of building	<p>The building is located in plot of 56 m x 129 m = 77,730 sqft as shown in plant layout. Further the Based on D&B India assessment, the proposed building plan and required area for the plant is adequate.</p>
Reasonableness of Cost	<p>The factory building construction rates are as follows</p> <ul style="list-style-type: none"> • RCC for Ground floor, Office slab and Watchman Cabin @ INR 1500 per sqft • Roof Shed for Boiler House and First floor @ INR 1000 per sqft • Road area @ INR 400 per sqft • Compound Wall @ INR 200 per sqft <p>These estimates are provided by M/s Harekrishna Architects and Quotation issued in their name dated 15th March 2025.</p>
Document Validated	BOQ and budgetary Estimate provided by Architect
Source: D&B-India	

Plant and Machinery

The list of Imported plant and machinery cost for expansion of BWL manufacturing unit is summarized below:

No.	Vendor Name	Machinery Name	QTY	BASIC VALUE (INR)	*EXIM CHF CHARGE (INR)	*EXIM GST+ DUTY (INR)	*NET TOTAL (INR)	Quotation Number	Quotation / Pro-forma Invoice Date	Validity of Quotation	Validity Date	Delivery Terms	D&B Comment
1	Qingdao Datung Machinery Co. Ltd,	WJ LOOMS	348	28,43,16,000 (33,06,000 USD)	73,27,920	5,05,81,800	34,22,25,720	DATUNG-401	12-03-2025	31 st August 2025	31 st August 2025	Within 40 days after getting the T/T	The quotation is found to be in order.
2	M CREATION CO LTD	SCREW COMPRESSOR	1	53,06,200 (61,700 USD)	1,26,890	14,54,562	68,87,652	MCX2409010	11-03-2025	6 months from the date of 11-03-2025	11-09-2025	Shipment will be effected within 40 days after advance payment	The quotation is found to be in order
3	SUZHOUSIFANG TECHNOLOGY CO.,LTD.	WARPING MC	1	87,72,000 (102,000 USD)	1,39,690	42,43,455	1,98,63,145	SF20250312A	12-03-2025	6 months from 12-03-2025	12-09-2025	-	The quotation is found to be in order

	SUZHOU SIFANG TECHNOLOGY CO.,LTD.	SIZING MC		67,08,000 (78,000 USD)									
	TOTAL			30,51,02,200	75,94,500	5,62,79,817	36,89,76,517						

Source: Quotations as obtained by BWL and validated by D&B-India

The list of Indigenous plant and machinery cost for expansion of BWL manufacturing unit is summarized below:

N O .	Vendor Name	Machinery Name	QTY	BASIC VALUE (INR)	*EXIM CHF CHARGE (INR)	DISCOUNT (INR)	*EXIM GST+ DUTY (INR)	*NET TOTAL (INR)	Quotation Number	Quotation / Pro-forma Invoice Date	Validity of Quotation	Validity Date	Delivery Terms	D&B Comment
1	Shreeji Electricals	TRANSFORMER	1	28,95,000	-	-	5,21,100	34,16,100	J-830-RI	12-03-2025	6 months from date of offer	12-09-2025	5-6 weeks from drawing approval	The quotation is found to be in order

2	Bhagat Textile Engineers,	TEXTURISING MC	5	6,25,00,000	-	-	1,12,50,000	7,37,50,000	89	12-03-2025	6 months	12-09-2025	-	The quotation is found to be in order
3	Cromwell Industries	LIFT	4	25,75,000	-	1,03,000	4,44,960	29,16,960	551	12-03-2025	6 months from the date here of	12-09-2025	Within 3-4 weeks with complete erection	The quotation is found to be in order
4	SD Corporation	PIPE LINE	5	18,75,000	46,875	-	3,45,938	22,67,813	SDC 0012 /24-25	12-03-2025	6 months	12-09-2025	6 to 7 days, from pipe & fitting material receipt of Advance.	The quotation is found to be in order
5	Mech plus Solution	COOLER	14	8,40,000	-	-	1,51,200	9,91,200	-	12-03-2025	6 months	12-09-2025	1 week from the date of purchase order and	The quotation is found

	Pvt Ltd												full payment received	to be in order
6	Mech plus Solution Pvt Ltd	COOLER INSTALLATION		18,96,500	-	-	3,41,370	22,37,870	-	12-03-2025	6 months	12-09-2025	1 week from the date of purchase order and full payment received	The quotation is found to be in order
7	Shri Sai Enterprises	RO Plant	2	29,70,000	-	-	5,34,600	35,04,600	-	12-03-2025	The quotation is valid for 6 months from date of issue	12-09-2025	Within 3-4 weeks from the date of receipt of PO along with advance	The quotation is found to be in order
8	SUNLINE ENERGY	PUMP	1	14,17,750	-	-	2,55,195	16,72,945	-	13-03-2025	6 months	13-09-2025	Within 3-4 weeks	The quotation is found

Membership Fees

The details of Membership Fees is as given below:

NO.	Vendor Name	Description	BASIC VALUE (INR)	GST (INR)	NET TOTAL (INR)	Quotation Number	Quotation Date	Validity of Quotation	Validity Date	D&B Comment
1.	SACHIN UDYOG NAGAR SAHAKARI MANDLI LTD	CETP MEMBERSHIP	3,82,80,000	68,90,400	4,51,70,400	B00030	15-03-2025	6 months	15-09-2025	The quotation is found to be in order
2.	HOJIWALA INFRASTRUCTURE LTD	MEMBERSHIP FEES	52,25,000	9,40,500	61,65,500	HIL/ 24-25/ 0010	12-03-2025	6 months	12-09-2025	The quotation is found to be in order
TOTAL			4,35,05,000	78,30,900	5,13,35,900					

Source: Quotations as obtained by BWL and validated by D&B-India

The Company's membership with Sachin Udyog Nagar Sahakari Mandali Limited and Hojiwala Infrastructure Limited offer strategic benefits for its operations. Through Sachin Udyog Nagar Sahakari Mandali, Company gains access to Common Effluent Treatment Plant (CETP), enabling compliant wastewater treatment and support for regulatory standards in environmentally responsible manufacturing. This membership also connects the Company with local textile industry members, potentially facilitating partnership and resource sharing. Meanwhile, membership with Hojiwala Infrastructure Limited provides access to industrial infrastructure, ensuring operational stability, streamlined logistics, and access to essential resources. Together, these memberships support Company's compliance, sustainability efforts, and growth within the competitive textile industry in Surat.

Electrical Expenses

The quotation received for electrification is as given below:

N O .	Vendor Name	Description	Q T Y	BASIC VALUE (INR)	Transportation Charges (INR)	GST (INR)	NET TOTAL (INR)	Quotation Number	Quotation Date	Validity of Quotation	Validity Date	Delivery Terms	D&B Comment
1.	Shreeji Electricals	Electrification (11 KV PCE System Make SF6 Type LBS)	I	145,000	2,000	26,460	1,73,460	J-831-RI	12-03-2025	6 months from issue date	12-09-2025	15-20 days from date of order	The quotation is found to be in order
2.	Shreeji Electricals	Electrification (11 KV PCE System Make VCB Panel)	I	390,000	8,000	71,640	4,69,640	J-832-RI	12-03-2025	6 months from issue date	12-09-2025	6-8 weeks from the date of drawing approval and advance receipt	The quotation is found to be in order
3.	Shreeji Electricals	Electrification (Electrical Panel HT and LT material)	I	1,75,01,023	-	31,50,184	2,06,51,207	J-833-R2	12-03-2025	6 months	12-09-2025	-	The quotation is found

SACHIN UDYOG NAGAR SAHAKARI MANDLI LTD	Sachin Udyog Nagar Sahakari Mandal Ltd. is a cooperative industrial estate in Surat, India, providing infrastructure and support for various small and medium enterprises (SMEs) engaged in manufacturing and engineering.
HAREKRISHNA ARCHITECTS	Hare Krishna Architects, part of the Hare Krishna Group, was founded in 2008 and is based in Surat, Gujarat. The Company undertakes residential, commercial, and industrial projects, emphasizing sustainable construction and innovative techniques. Their portfolio spans residential complexes, industrial parks, and textile facilities in Surat, focusing on modern building practices with an environmentally conscious approach
HOJIWALA INFRASTRUCTURE LTD	Hojiwala Infrastructure Ltd., situated in Surat, India, is involved in real estate development, particularly industrial infrastructure and residential projects. It partners with local businesses to provide customized infrastructure solutions.
Cromwell Industries	Cromwell Industries, based in Surat, India, specializes in the manufacturing of hydraulic loading platform systems and other hydraulic equipment. The Company offers a diverse range of products, including hydraulic lifts, cylinders, and power packs, focusing on quality and innovation.
SD Corporation	SD Corporation, located in Masjid Bunder, Mumbai, specializes in supplying industrial products such as pipes, pressure gauges, and valves. The Company provides various types of pressure gauges, including general-purpose, digital, and hydraulic options, along with valves like butterfly and solenoid types. It serves industries that need reliable fluid control and pressure measurement solutions, including manufacturing, hydraulics, and engineering sectors
Mechplus Solution Pvt Ltd	Mechplus Solutions Private Limited is located in Isanpur, Ahmedabad, Gujarat. The Company provides air cooling solutions and specializes in manufacturing electrical machinery, catering to industrial and commercial cooling needs
Shri Sai Enterprises	Shri Sai Enterprises, located in Sachin, Surat, specializes in supplying a range of water treatment solutions. The Company primarily deals with reverse osmosis (RO) systems for both industrial and domestic use. Its product offerings include industrial RO plants, domestic RO water purifiers, filtration units, water softeners, and various spare parts for water treatment equipment. Additionally, they provide services for maintenance and repair of RO systems and other water purification equipment

SUNLINE
ENERGY
CORPORATION

Sunline Energy Corporation specializes in providing various pumping solutions, including suction and discharge manifolds as well as Vilo-brand vertical inline pumps. The Company emphasizes using materials such as stainless steel for durability and corrosion resistance.

Source: BWL

Further to the above table D&B-India notes

	Comments on P&M and MFA																								
Document Validated	<p>Quotations from:</p> <ol style="list-style-type: none"> 1. Qingdao Datung Machinery Co. Ltd, 2. M Creation Co Ltd, 3. Suzhou Sifang Technology Co Ltd, 4. Shreeji Electricals, 5. Bhagat Textile Engineers, 6. Sachin Udyog Nagar Sahakari Mandal Ltd, 7. Harekrishna Architects, 8. Hojiwala Infrastructure Ltd, 9. Cromwell Industries, 10. SD Corporation, 11. Mechplus Solution Pvt Ltd, 12. Shri Sai Enterprises, 13. Sunline Energy Corporation. 14. Exim Connect Private Limited 																								
Quotations Received	The Company has obtained quotations for 100% by value of P&M Cost																								
Comparative Study of Quotation & technology of different machinery suppliers	<p>Company had obtained 2 to 3 quotations for each machinery and the most preferred vendor is shortlisted and provided to D&B-India</p> <p>D&B-India notes that the vendors selected are of repute and Company should obtain critical spares and performance guarantee for each equipment.</p>																								
Suitability of the Technology	<p>Water jet looms use high-pressure water jets to propel the weft yarn through the shed, allowing for fast and efficient weaving of polyester grey fabric. This technology is ideal for synthetic fibers like polyester, as water minimizes friction and heat, reducing yarn breakage. Water jet looms offer high productivity and are well-suited for the mass production of uniform fabric .It helps in reduction of labour dependency which lead to reduction of labour cost and enhance production quality. However, they require high water consumption and are not suitable for natural fibers or heavy fabrics. While efficient for polyester fabric, the technology's reliance on water may pose challenges in regions with water scarcity.</p> <p>The technology chosen by the Company is well established and suitable for the proposed project.</p>																								
Adequacy of Plant & Machinery	<p>The comparison of the Looms and capacity of each unit is done in table below</p> <table border="1"> <thead> <tr> <th>Units</th> <th>No of water jet looms</th> <th>Capacity</th> <th>Meter per loom</th> <th>Per day production (meter)</th> <th>Per hour Production (Meter)</th> </tr> </thead> <tbody> <tr> <td>Unit 1</td> <td>144</td> <td>4,66,56,000</td> <td>3,24,000</td> <td>1,080</td> <td>45</td> </tr> <tr> <td>Unit 2</td> <td>256</td> <td>8,94,24,000</td> <td>3,49,313</td> <td>1,164</td> <td>49</td> </tr> <tr> <td>Unit 3</td> <td>300</td> <td>9,72,00,000</td> <td>3,24,000</td> <td>1,080</td> <td>45</td> </tr> </tbody> </table>	Units	No of water jet looms	Capacity	Meter per loom	Per day production (meter)	Per hour Production (Meter)	Unit 1	144	4,66,56,000	3,24,000	1,080	45	Unit 2	256	8,94,24,000	3,49,313	1,164	49	Unit 3	300	9,72,00,000	3,24,000	1,080	45
Units	No of water jet looms	Capacity	Meter per loom	Per day production (meter)	Per hour Production (Meter)																				
Unit 1	144	4,66,56,000	3,24,000	1,080	45																				
Unit 2	256	8,94,24,000	3,49,313	1,164	49																				
Unit 3	300	9,72,00,000	3,24,000	1,080	45																				

	Unit 4	348	11,27,52,000	3,24,000	1,080	45
	<p>D&B-India further notes that modern day water jet looms have production capacity of approximately 1000 to 1200 meters per day.</p> <p>The proposed machinery is adequate to meet the requirement of the proposed project.</p>					
Technical arrangements/ Technical Know How	Done by Company inhouse based on its existing operations.					
Reasonableness of Cost	<p>The average price of imported waterjet loom in India is as follows</p> <ul style="list-style-type: none"> Chinese make price is approximately USD 6,500 to USD 12,000 per set Indian make price is approximately INR 15,00,000 to INR 16,00,000 per set. <p>The Company plans to buy brand new Chinese Machine with Landed price post import duty of INR 9,73,908 per set which is reasonable.</p>					
Whether EPC arrangement is done/whether appointed any PMC	NA					
In case of second hand machine, availability of Chartered Engineer certificate about residual life & vintage life is available.	NA					
Note on balancing equipment's/ Jigs & Fixtures	NA					
Source: D&B-India						

Contingency

The contingency has been assumed at 0.87 % of hard cost which is INR 6.17 million. This is will be utilized to absorb the fluctuation in hard cost arising due to exchange rate variation or incidence of any unforeseen cost.

Implementation schedule

The implementation schedule is shown below.

Unit 4	Start Date	End Date
Land	-	Completed
Basic & Detailed Engineering	October - 24	Completed
Approvals & Clearances	October - 24	November - 25
Building & Civil works	May - 25	October- 25
Ordering of Plant & Machinery	May - 25	August - 25
Receipt of Plant & Machinery	July - 25	October - 25
Erection of Plant & Machinery	August - 25	November - 25
Trial run & Commissioning	November - 25	December - 25
Commercial Production	December - 25	-

Source: BWL

D&B-India has been informed by the Company that the IPO funds would be available by end of April 2025 and thereby ordering of machinery will commence by May 2025. The Civil work will commence in May 2025 and is anticipated to be completed by October 2025.

In case of any delay in Financial closure or receipt of funds through IPO the Company will either continue the Project execution through internal funds or defer the COD accordingly.

Implementation Schedule	FY25	FY25	FY26	FY26	FY26
Unit 4	Q3	Q4	Q1	Q2	Q3
Land					
Basic & Detailed Engineering					
Approvals & Clearances					
Building & Civil works					
Ordering of Plant & Machinery					
Receipt of Plant & Machinery					
Erection of Plant & Machinery					
Trial run & Commissioning					
Commercial Production					

Source: BWL

The Company has not acquired any new land for the proposed expansion project and will carry out the expansion on land leased from promoters. The following Implementation Schedule is applicable only if the IPO proceeds are available by the end of April 2025.

The implementation schedule outlines key phases for the project, commencing with basic and detailed engineering, alongside approvals and clearances from October 2024 to November 2025. Building and civil works will proceed from May 2025 and is expected to complete by October 2025. The ordering of plant and machinery

is set for May 2025 to August 2025, with receipt scheduled between July 2025 to October 2025. Erection of machineries will be between August 2025 to November 2025, followed by trial runs and commissioning from November 2025 to December 2025, paving the way for commercial production in December 2025.

Comment on Capital Cost

D&B-India has considered the secondary market study as observed the price of shuttleless waterjet looms as shown below

Type of shuttle-less loom	RPM	Min Landed cost (INR)	Max Landed cost (INR)	Price considered by Company (INR)
Indigenous	500 to 700	15,00,000	16,00,000	9,73,907
New Imported from China	500 to 700	6,52,000	12,00,000	

Further to this D&B-India has also considered the Industry wide modernization report study as undertaken by Ministry of Textiles in 2013 to estimate the cost of waterjet looms. The findings of the report a summarized below

Type of shuttle-less waterjet loom	RPM	Average Cost (INR)	Productive Life (years)
Indigenous	700	5,50,000	10
New Imported from China	550	6,15,000	8
New Imported from Japan	700	12,00,000	30

Source: Ministry of Textiles

<https://ministryoftextiles.gov.in/sites/default/files/StudyReport-SecondHandloomShuttleLoom.pdf>

Considered the escalation in steel prices between 2013 to 2024, it can be noted that the base steel prices has increase by roughly 40%. Thus the prices of loom considered by the Company is found to be reasonable.

In addition to the above D&B-India has benchmarked the specific capital cost per water jet loom for the existing facility of Company as well as with similar Project done in recent past. The same is summarized below

Company Name	Plant and Machinery GFA (INR cr)	No. of Water jet looms	Specific Capital Cost (INR. per loom)
Borana Weaves (Existing 3 units)	73.59	700	10,51,286
Borana Weaves (Expansion of Unit 4)	45.61	348	13,10,721
Other Project	42.62	180	23,67,778

Further to the above table, D&B-India notes that the specific capital cost per water jet loom for existing machinery is approximately INR 10 Lakhs. The specific capital cost per loom considering the overall plant and machinery cost is observed to be approximately INR 15 Lakhs which is higher. As informed by the Company the specific capital cost is higher as compared to previous 3 units as the No of looms were higher and the prevailing rates at that time were lower on account of post pandemic slowdown.

Statutory Approvals

The status of various permissions and approvals for manufacturing facility of BWL is as summarized below:

Sr. No	Statutory License / Registration / Approvals	Present Status
Pre Construction stage		
I.	Temporary Electric Permission	Yet to apply

Sr. No	Statutory License / Registration / Approvals	Present Status
2.	Consent to Establish	Application done, copy provided and found to be in order.
During Construction stage		
3.	Permission for erecting boiler (in case of IRB compliant boiler), if applicable	Yet to apply
4.	Consolidated Consent and Authorisation	Yet to apply [Once the Consent to establish is received then only Company can apply for it]
Post Construction stage		
5.	Approval for usage of power	Yet to apply
6.	Fire NOC	Yet to apply

Source: BWL

The Company has informed D&B-India that the application process is ongoing.

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Dun & Bradstreet Information Services India Private Limited

7th Floor, Godrej, G-Block, Bandra Kurla Complex, Bandra East, Mumbai Suburban, Maharashtra, 400051.

Tel : +91 22 2857 4190/ 92 / 94, 6676 5555 Fax :+91 22 2857 2060