



TUNI TEXTILE MILLS LIMITED

Our Company was originally incorporated as "Tuni Textile Mills Private Limited" ("The Company or Issuer") on July 06, 1987, as a private limited company under the Companies Act, 1956 in the State of Maharashtra. Subsequently, the Company was converted into a Public Limited Company under the name "Tuni Textile Mills Limited" and was issued a fresh certificate of incorporation by the Registrar of Companies ("ROC"), Mumbai, Maharashtra, on August 6, 1992. For further details regarding our Company, please refer to the section titled "General Information" beginning on page 4 of this Letter of Offer.

Corporate Identity Number: L17120MH1987PLC043996
Registered Office: Unit No. 207, 2nd Floor, Building No. 3A, Mittal Industrial Estate, Andheri Kurla Road, Andheri (E), Marol Naka, Mumbai, Mumbai-400059, Maharashtra, India
Contact Person: Ms. Jyoti Kothari, Company Secretary and Compliance Officer
Telephone: +91 022 46043970 | **E-mail id:** info@tunitextiles.com | **Website:** www.tunitextiles.com

PROMOTERS OF OUR COMPANY: NARENDRA KUMAR SUREKA AND PRADEEP KUMAR SUREKA

FOR PRIVATE CIRCULATION TO THE ELIGIBLE EQUITY SHAREHOLDERS OF TUNI TEXTILE MILLS LIMITED (OUR "COMPANY" OR THE "ISSUER") ONLY

ISSUE OF UP TO 42,32,44,440 EQUITY SHARES OF FACE VALUE OF ₹ 1.00 EACH OF OUR COMPANY (THE "RIGHT EQUITY SHARES") FOR CASH AT A PRICE OF ₹ 01/- (RUPEE ONE ONLY) PER EQUITY SHARE AGGREGATING UPTO ₹ 4232.44 LAKHS* ON A RIGHTS BASIS TO THE ELIGIBLE EQUITY SHAREHOLDERS OF OUR COMPANY IN THE RATIO OF 81 (EIGHTY ONE) RIGHTS EQUITY SHARE FOR EVERY 25 (TWENTY FIVE) FULLY PAID-UP EQUITY SHARES HELD BY THE ELIGIBLE EQUITY SHAREHOLDERS ON THE RECORD DATE, THAT IS [●] (THE "ISSUE"). FOR FURTHER DETAILS, PLEASE REFER TO "TERMS OF THE ISSUE" BEGINNING ON PAGE 108 OF THIS LETTER OF OFFER.

*Assuming full subscription in the Issue. Subject to finalization of Basis of Allotment.

PAYMENT SCHEDULE FOR THE RIGHTS EQUITY SHARES

AMOUNT PAYABLE PER RIGHTS EQUITY SHARE*	Face Value (₹)	Premium (₹)	Total (₹)
On Application	1.00	0.00	1.00
Total (₹)	1.00	0.00	1.00

*For further details on Payment Schedule, see "Issue Information" on page 108.

WILFUL DEFAULTERS AND/OR FRAUDULENT BORROWERS

Neither our Company nor our Promoter nor any of our Directors have been or are identified as Wilful Defaulters or Fraudulent Borrowers.

GENERAL RISKS

Investment in equity and equity-related securities involve a degree of risk and investors should not invest any funds in the Issue unless they can afford to take the risk with such investment. Investors are advised to read the risk factors carefully before taking an investment decision in the Issue. For taking an investment decision, investors shall rely on their own examination of our Company and the Issue including the risks involved. The securities being offered in the Issue have not been recommended or approved by the Securities and Exchange Board of India ("SEBI") nor does SEBI guarantee the accuracy or adequacy of this Letter of Offer. Specific attention of the investors is invited to "Risk Factors" beginning on page 23 of this Letter of Offer before making an investment in this Issue.

COMPANY'S ABSOLUTE RESPONSIBILITY

Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Letter of Offer contains all information with regard to our Company and the Issue, which is material in the context of the Issue, and that the information contained in this Letter of Offer is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which makes this Letter of Offer as a whole or any such information or the expression of any such opinions or intentions misleading in any material respect.

LISTING

The existing Equity Shares are listed on BSE Limited ("BSE") (hereinafter referred as "Stock Exchange"). Our Company has received 'in-principle' approval from the BSE for listing the Rights Equity Shares to be allotted pursuant to this Issue vide letters dated November 04, 2025. Our Company will also make applications to the BSE Limited to obtain their trading approvals for the Rights Entitlements as required under the SEBI ICDR Master Circular. For this Issue, the Designated Stock Exchange is BSE.

REGISTRAR TO THE ISSUE



Purva Shareregistry (India) Private Limited
Address: 9, Shiv Shakti Industrial Estate, J. R. Boricha Marg Lower Parel (East), Mumbai-400011, Maharashtra, India,
Telephone: +91 022-3522 0056
Email: support@purvashare.com
Website: <https://www.purvashare.com>
Contact Person: Ms. Deepali Dhuri
SEBI Registration Number: INR000001112

ISSUE SCHEDULE

LAST DATE FOR CREDIT OF RIGHTS ENTITLEMENTS	Tuesday, 18-11-2025
ISSUE OPENING DATE	Monday, 24-11-2025
LAST DATE FOR ON MARKET RENUNCIATION OF RIGHTS ENTITLEMENTS*	Wednesday, 03-12-2025
LAST DATE FOR CLOSURE OF OFF-MARKET TRANSFER OF RIGHTS ENTITLEMENTS	Friday, 05-12-2025
ISSUE CLOSING DATE [#]	Monday, 08-12-2025
FINALISATION OF BASIS OF ALLOTMENT	Tuesday, 09-12-2025
DATE OF ALLOTMENT (ON OR ABOUT)	Tuesday, 09-12-2025
DATE OF CREDIT OF RIGHTS EQUITY SHARES (ON OR ABOUT)	Wednesday, 10-12-2025
DATE OF LISTING (ON OR ABOUT)	Thursday, 11-12-2025

*Eligible Equity Shareholders are requested to ensure that renunciation through off-market transfer is completed in such a manner that the Rights Entitlements are credited to the demat account of the Renouncee(s) on or prior to the Issue Closing Date.

[#] Our Board will have the right to extend the Issue period as it may determine from time to time but not exceeding 30 (Thirty) days from the Issue Opening Date (inclusive of the Issue Opening Date). Further, no withdrawal of the Application shall be permitted by any Applicant after the Issue Closing Date.

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SECTION I: GENERAL INFORMATION

DEFINITIONS AND ABBREVIATIONS

This Letter of Offer uses the definitions and abbreviations set forth below, which you should consider when reading the information contained herein. The following list of certain capitalized terms used in this Letter of Offer is intended for the convenience of the reader/prospective investor only and is not exhaustive.

References to any legislation, act, regulation, rules, guidelines or policies shall be to such legislation, act, regulation, rules, guidelines or policies as amended, supplemented, or re-enacted from time to time and any reference to a statutory provision shall include any subordinate legislation made from time to time under that provision. The words and expressions used in this Letter of Offer but not defined herein, shall have, to the extent applicable, the meaning ascribed to such terms under the Companies Act, 2013, the SEBI ICDR Regulations, the SCRA, the Depositories Act, Takeover Regulations, or the rules and regulations made thereunder.

Notwithstanding the foregoing, terms used in section titled “Statement of Tax Benefits”, “Industry Overview”, “Financial Information”, “Outstanding Litigation and Defaults” and “Terms of the Issue” on page 64, 66, 85, 99 and 108 respectively of this Letter of Offer, shall have the meaning ascribed to such terms in the respective sections.

General Terms

Term	Description
“Company”, “our Company”, “the Company”, “the Issuer” or “Tuni” or “TTML”	Tuni Textile Mills Limited, a Public Limited Company incorporated under the Companies Act 1956 and having its Registered Office situated at Unit No. 207, 2nd Floor, Building No. 3A, Mittal Industrial Estate, Andheri Kurla Road, Andheri (E), Marol Naka, Mumbai, Mumbai-400059, Maharashtra, India.
“We”, “Our” or “Us”	Unless the context otherwise indicates or implies or unless otherwise specified, refers to our Company

Company and Industry Related Terms

Term	Description
"Articles of Association" or "Articles"	The Articles of Association of our Company, as amended from time to time.
“Audit Committee”	The committee of the Board of Directors constituted as our Company’s audit committee in accordance with Regulation 18 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (“SEBI Listing Regulations”) and Section 177 of the Companies Act, 2013
Auditors / Statutory Auditors	The Statutory Auditor of our Company, M/s. K. K. Jhunjhunwala & Co., Chartered Accountants.
"Board" or "Board of Directors"	The Board of Directors of our Company or a duly constituted committee thereof or its duly authorized individuals.
Chairperson	The Chairperson of our Company, Mr. Narendra Kumar Sureka
Chief Financial Officer/CFO	The Chief Financial Officer of our Company, Mr. Archit P Sureka
Companies Act	The Companies Act, 2013 and rules issued thereunder, as amended
“Company Secretary and Compliance Officer”	The Company Secretary and Compliance Officer of our Company, Ms. Jyoti Kothari
Directors	Directors on the Board, as may be appointed from time to time
DP ID	Depository Participant Identification, is a unique 8-digit code assigned to a Depository Participant (DP) by the Depository;

Equity Shareholders	Holders of Equity Share(s), from time to time
Eligible Equity Shareholder(s)	Existing Equity Shares as on the Record Date.
Equity Shares	Equity shares of face value of ₹1.00/- (Rupee One Only) each of our Company
Financial Statements	The Audited Financial Statements of our Company for the period ended March 31, 2025 which comprises the Limited Review Report, the statement of assets and liabilities, the statement of cash flows;
Independent Director	The non-executive, independent Directors of our Company, appointed as per the Companies Act, 2013 and the SEBI LODR Regulations. For details of our Independent Directors, please refer to Section titled "Our Management" beginning on page 81 of this Letter of Offer;
ISIN	International Securities Identification Number being INE560D01027.
Key Managerial Personnel	The Key Managerial Personnel of our Company as per the definition provided in Regulation 2(1) (bb) of the SEBI ICDR Regulations and Section 2(51) of the Companies Act, 2013;
Materiality Policy	A policy adopted by our Company for identification of material litigation(s) for the purpose of disclosure of the same in this Letter of Offer;
Memorandum of Association or Memorandum	The Memorandum of Association of our Company, as amended from time to time;
Promoter	The Promoters of our Company are Mr. Narendra Kumar Sureka and Mr. Pradeep Kumar Sureka.
Promoter Group	The companies, individuals and entities (other than companies) as defined under Regulation 2(1) (pp) of the SEBI (ICDR) Regulations, 2018, and which are disclosed by the Company to the Stock Exchange from time to time.
Registered Office	The Registered Office of our company which is located at Unit No. 207, 2nd Floor, Building No. 3A, Mittal Industrial Estate, Andheri Kurla Road, Andheri (E), Marol Naka, Mumbai, Mumbai-400 059, Maharashtra, India.
Shareholders	The equity shareholders of our Company, from time to time, unless otherwise specified in the context thereof.
Senior Management	Senior management personnel of our Company determined in accordance with Regulation 2(1)(bbbb) of the SEBI ICDR Regulations.
Stakeholders' Relationship Committee	Stakeholders' Relationship Committee in accordance with Section 178 of the Companies Act, 2013 read with Regulation 20 of SEBI LODR Regulations 2015.

Issue Related Terms

Term	Description
Additional Rights Equity Shares / Additional Equity Shares	The Rights Equity Shares applied or allotted under this Issue in addition to the Rights Entitlement
Allotment", "Allot" or "Allotted"	Allotment of Equity Shares pursuant to the Issue
Allotment Account(s) Bank(s)	The account(s) opened with the Banker(s) to this Issue, into which the Application Money lying credit to the Escrow Account(s) and amounts blocked by Application Supported by Blocked Amount in the ASBA Account, with respect to successful Applicants will be transferred on the Transfer Date in accordance with Section 40(3) of the Companies Act, 2013
Allotment Account Bank(s)	Bank(s) which are clearing members and registered with SEBI as bankers to an issue and with whom the Allotment Accounts will be opened, in this case being,
Allotment Advice	The note or advice or intimation of Allotment, sent to each successful Investor who has been or is to be Allotted the Equity Shares after approval of the Basis of Allotment by the Designated Stock Exchange
Allotment Date	Date on which the Allotment is made pursuant to this Issue
Allottee(s)	Person(s) who is Allotted Equity Shares pursuant to Allotment
Applicant(s) or Investors	Eligible Equity Shareholder(s) and/or Renounce(s) who are entitled to apply or make an application for the Equity Shares pursuant to the Issue in terms of this Letter of Offer
Application	Application made through submission of the Application Form or plain paper

	application to the Designated Branch(es) of the SCSBs or online/ electronic application through the website of the SCSBs (if made available by such SCSBs) under the ASBA process, to subscribe to the Rights Equity Shares at the Issue Price.
Application Form	Unless the context otherwise requires, an application to the Designated Branch of the SCSBs or online/ electronic application through the website of the SCSBs (if made available by such SCSBs) under the ASBA process, to subscribe to the Equity Shares at the Issue Price.
Application Money	Aggregate amount payable at the time of application i.e. ₹ 01.00/- per Rights Equity Share.
Application Supported by Blocked Amount or ASBA	Application (whether physical or electronic) used by an ASBA Investor to make an application authorizing the SCSB to block the Application Money in the ASBA Account maintained with the SCSB.
ASBA Account	Account maintained with the SCSB and specified in the Application Form or the plain paper Application by the Applicant for blocking the amount mentioned in the Application Form or the plain paper Application
ASBA Applicant /ASBA Investor	As per the SEBI Circular SEBI/HO/CFD/DIL2/CIR/P/2020/13 dated January 22, 2020, all investors (including Renounees) shall make an application for an Issue only through ASBA facility
ASBA Bid	A Bid made by an ASBA Bidder including all revisions and modifications thereto as permitted under the SEBI ICDR Regulations.
ASBA Circulars	Collectively, SEBI circular bearing reference number SEBI / CFD / DIL / ASBA / 1 / 2009 / 30 / 12 dated December 30, 2009, SEBI circular bearing reference number CIR / CFD / DIL / 1 / 2011 dated April 29, 2011, SEBI circular bearing reference number SEBI / HO / CFD / DIL2 / CIR / P / 2020 / 13 dated January 22, 2020 and SEBI Circular bearing reference number SEBI / HO / CFD / SSEP / CIR / P / 2022 / 66 dated May 19, 2022 and the SEBI ICDR Master Circular (to the extent it pertains to the rights issue process) and any other circular issued by SEBI in this regard and any subsequent circulars or notifications issued by SEBI in this regard.
Banker(s) to the Issue	Agreement dated August 20, 2025 entered into by and amongst our Company and the Registrar to the Issue, and the Bankers to the Issue for collection of the Application Money from applicants/Investors, transfer of funds to the Allotment Account from the Escrow Account and SCSBs, release of funds from Allotment Account to our Company and other persons and where applicable, refunds of the amounts collected from Investors and providing such other facilities and services as specified in the agreement;
Bankers to the Issue/ Refund Bank	Collectively, the Escrow Collection Bank and the Refund Bank to the Issue, in this case is M/s. Kotak Mahindra Bank Limited.
Basis of Allotment	The basis on which the Equity Shares will be Allotted to successful Applicants in consultation with the Designated Stock Exchange under this Issue, as described in "Terms of the Issue" beginning on page 108 of this Letter of Offer
Call(s)	The notice issued by our Company to the holders of the Rights Equity Shares as on the Call Record Date for making payment of the Call Monies.
Call Money(ies)	The balance amount payable by the holders of the Rights Equity Shares pursuant to the Payment Schedule, being ₹ 1.00/- per Rights Equity Share after payment of the Application Money.
Call Record Date	A record date fixed by our Company for the purpose of determining the names of the holders of Rights Equity Shares for the purpose of issuing of the Call.
Common Application Form / Composite Application Form / CAF	The application form used by Investors to make an application for Allotment under the Issue;
"Controlling Branches" or "Controlling Branches of the SCSBs"	Such branches of the SCSBs which co-ordinate with the Registrar to the Issue and the Stock Exchanges, a list of which is available on http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes
Demographic Details	Details of Investors including the Investor's address, name of the Investor's father/ husband, investor status, occupation and bank account details, where applicable;

Designated Branches	Such branches of the SCSBs which shall collect the Application Form or the plain paper application, as the case may be, used by the ASBA Investors and a list of which is available on http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes
Designated Stock Exchange	BSE Limited
Depository(ies)	NSDL and CDSL or any other depository registered with SEBI under the Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018 as amended from time to time read with the Depositories Act, 1996.
Designated SCSB Branches	Such branches of the SCSBs which shall collect the ASBA Forms submitted by ASBA Bidders, a list of which is available on the website of SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35 , updated from time to time, or at such other website as may be prescribed by SEBI from time to time;
Draft Letter of Offer/ DLOF	The Draft Letter of Offer dated July 23, 2025, filed with BSE in accordance with the SEBI (ICDR) Regulations, for their observations and in-principle approval.
Eligible Equity Shareholders / Eligible Shareholders	Existing Equity Shareholders as on the Record Date i.e. November 15, 2025. Please note that the investors eligible to participate in the Issue exclude certain overseas shareholders.
Escrow Account(s)	One or more no-lien and non-interest bearing accounts with the Escrow Collection Bank(s) for the purposes of collecting the Application Money from resident Investors updated from time to time or at such other website(s) as may be prescribed by the SEBI from time to time.
Escrow Collection Bank	Banks which are clearing members and registered with SEBI as bankers to an Issue and with whom Escrow Account(s) will be opened, in this case being Kotak Mahindra Bank Limited.
Fraudulent Borrower	Company or person, as the case may be, categorized as a fraudulent borrower by any bank or financial institution (as defined under the Companies Act, 2013) or consortium thereof, in accordance with the guidelines on fraudulent borrower issued by RBI
IEPF	Investor Education and Protection Fund
Investor(s)	Eligible Equity Shareholder(s) of our Company on the Record Date, November 15, 2025 and the Renouncee(s)
ISIN	International Securities Identification Number of the Company being INE560D01027.
Issue / Rights Issue	Issue of upto 4232.44 Equity Shares of face value of ₹1.00/- each of our Company for cash at a price of ₹ 1.00/- per Rights Equity Share not exceeding ₹ 4232.44 Lakhs on a rights basis to the Eligible Equity Shareholders of our Company in the ratio of 81 (Eighty One) rights equity share for every 25 (Twenty Five) fully paid-up equity shares held by the eligible equity shareholders on the Record Date i.e. November 15, 2025.
Issue Closing Date	December 08, 2025
Issue Opening Date	November 24, 2025
Issue Materials	Collectively, this Letter of Offer, the Application Form, the Rights Entitlement Letter and any other material relating to the Issue
Issue Period	The period between the Issue Opening Date and the Issue Closing Date, inclusive of both days, during which Applicants can submit their applications, in accordance with the SEBI ICDR Regulations
Issue Price	₹ 01.00/- per Equity Share
Issue Proceeds or Gross Proceeds	Gross proceeds of the Issue
Issue Size	The issue of up to 4232.44 Rights Equity Shares of face value of ₹1.00 each aggregating up to ₹ 4232.44 Lakhs*. <i>*Assuming full subscription in the Issue. Subject to finalization of Basis of Allotment.</i>

Letter of Offer/ LOF	The Letter of Offer dated November 11, 2025, issued by our Company in relation to this Issue in accordance with the SEBI ICDR Regulations, 2018, as amended.
Listing Agreement	The listing agreements entered into between our Company and the Stock Exchanges in terms of the SEBI Listing Regulations.
Monitoring Agency	Infomercials Valuation and Rating Limited
Monitoring Agency Agreement	Agreement dated July 10, 2025 entered between our Company and the Monitoring Agency in relation to monitoring of Gross Proceeds.
Multiple Application Forms	Multiple application forms submitted by an Eligible Equity Shareholder/Renouncee in respect of the Rights Entitlement available in their demat account. However supplementary applications in relation to further Equity Shares with/without using additional Rights Entitlement will not be treated as multiple application
Net Proceeds	Issue Proceeds less the Issue related expenses. For further details, see "Objects of the Issue" beginning on 53 of this Letter of Offer
Off Market Renunciation	The renunciation of Rights Entitlements undertaken by the Investor by transferring them through off-market transfer through a depository participant in accordance with the SEBI Rights Issue Circulars and the circulars issued by the Depositories, from time to time, and other applicable laws
On Market Renunciation	The renunciation of Rights Entitlements undertaken by the Investor by trading them over the secondary market platform of the Stock Exchanges through a registered stock broker in accordance with the SEBI Rights Issue Circulars and the circulars issued by the Stock Exchanges, from time to time, and other applicable laws, on or before Wednesday, 03-12-2025.
"Qualified Institutional Buyers" or "QIBs"	Qualified institutional buyers as defined under Regulation 2(1)(ss) of the SEBI ICDR Regulations
Record Date	Designated date for the purpose of determining the Eligible Equity Shareholders eligible to apply for Equity Shares, being Saturday, November 15, 2025.
Refund Bank (s)	The Banker(s) to the Issue with whom the Refund Account(s) will be opened, in this case being Kotak Mahindra Bank Limited.
Registrar to the Issue / Registrar	M/s. Purva Shareregistry (India) Private Limited
Registrar Agreement	Agreement dated July 09, 2025 between our Company and the Registrar to the Issue in relation to the responsibilities and obligations of the Registrar to the Issue pertaining to this Issue
Renouncee (s)	Person(s) who has/have acquired Rights Entitlements from the Eligible Equity Shareholders
Renunciation Period	The period during which the Eligible Equity Shareholders can renounce or transfer their Rights Entitlements which shall commence from the Issue Opening Date. Such period shall close on Wednesday, December 03, 2025 in case of On Market Renunciation. Eligible Equity Shareholders are requested to ensure that renunciation through off-market transfer is completed in such a manner that the Rights Entitlements are credited to the demat account of the Renouncee on or prior to the Issue Closing Date i.e., Monday, December 08, 2025.
RE ISIN	ISIN for Rights Entitlement i.e. INE560D20019
Rights –Entitlement(s)	Number of Rights Equity Shares that an Eligible Equity Shareholder is entitled to in proportion to the number of Equity Shares held by the Eligible Equity Shareholder on the Record Date, in this case being 81 (Eighty One) Rights Equity Share for every 25 (Twenty Five) Equity Shares held by an Eligible Equity Shareholder on the Record Date. Pursuant to the provisions of the SEBI ICDR Regulations and the SEBI Rights Issue Circular, the Rights Entitlements shall be credited in dematerialized form in respective demat accounts of the Eligible Equity Shareholders before the Issue Opening Date.
Rights Entitlement Letter	Letter including details of Rights Entitlements of the Eligible Equity Shareholders.

Rights Equity Shareholders	Holder of the Rights Equity Shares pursuant to this Issue.
Rights Equity Shares	Equity Shares of our Company to be Allotted pursuant to this Issue, on a fully paid-up basis on Allotment.
Self-Certified Syndicate Banks or SCSB(s)	Such branches of the SCSBs which shall collect the ASBA Forms submitted by ASBA Bidders, a list of which is available on the website of SEBI at http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&in tmId=35 , updated from time to time, or at such other website as may be prescribed by SEBI from time to time.
Specific Investor(s)	Regulation 77B of the SEBI ICDR Regulations defines specific investor(s) as any investor who is eligible to participate in the Issue (a) whose name has been disclosed by the Company in terms of regulation 84(1)(f)(i) of the SEBI ICDR Regulations; or (b) whose name has been disclosed by the Company in terms of sub-clause 84(1)(f)(ii) of the SEBI ICDR Regulations.
Stock Exchanges	Stock exchanges where the Equity Shares are presently listed, being BSE Limited.
Transfer Date	The date on which the Application Money blocked in the ASBA Account will be transferred to the Allotment Account(s) in respect of successful Applications, upon finalization of the Basis of Allotment, in consultation with the Designated Stock Exchange
Willful Defaulter/ Fraudulent Borrower	A Company or person, as the case may be, categorized as a willful defaulter or a fraudulent borrower by any bank or financial institution or consortium thereof, in accordance with the guidelines on willful defaulters issued by the RBI, including any company whose director or promoter is categorized as Such
Working Day(s)	In terms of Regulation 2(1)(mmm) of SEBI ICDR Regulations, working day means all days on which commercial banks in Mumbai are open for business. Further, in respect of Issue Period, working day means all days, excluding Saturdays, Sundays and public holidays, on which commercial banks in Mumbai are open for business. Furthermore, the time period between the Issue Closing Date and the listing of Equity Shares on the Stock Exchanges, working day means all trading days of the Stock Exchanges, excluding Sundays and bank holidays, as per circulars issued by SEBI

(This remainder has intentionally been left blank)

Conventional and General Terms/Abbreviations

Term	Description
"₹", "Rs. ", "Rupees" or "INR"	Indian Rupees
Adjusted loans and advances	Adjustment in the nature of addition to the loans and advances made in relation to certain loans which are treated as investments under Ind AS, but considered as loans by our Company
AIF(s)	Alternative investment funds, as defined and registered with SEBI under the Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012
AUM	Assets Under Management
AY	Assessment Year
BSE	BSE Limited
CAGR	Compound Annual Growth Rate
CDSL	Central Depository Services (India) Limited
CIN	Corporate identity number
Companies Act, 1956 Companies Act, 2013	erstwhile Companies Act, 1956 along with the rules made thereunder Companies Act, 2013 along with the rules made thereunder
CRAR	Capital adequacy ratio/Capital to risk assets ratio
CrPC	Code of Criminal Procedure, 1973
Depositories Act	Depositories Act, 1996
Depository	A depository registered with SEBI under the Securities and Exchange Board of India (Depositories and Participant) Regulations, 1996
Depository Participant / DP	A depository participant as defined under the Depositories Act
DP ID	Depository participant's identification
DIN	Director Identification Number
EBITDA	Profit/(loss) after tax for the year adjusted for income tax expense, finance costs, depreciation and amortization expense, as presented in the statement of profit and loss
EGM / EOGM	Extraordinary General Meeting
EPS	Earnings per Equity Share
FCNR Account	Foreign currency non-resident account
FDI Circular 2020	Consolidated FDI Policy dated October 15, 2020 issued by the Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry, Government of India
FEMA	Foreign Exchange Management Act, 1999, together with rules and regulations thereunder
FEMA Rules	Foreign Exchange Management (Non-debt Instruments) Rules, 2019
"Financial Year", "Fiscal Year" or "Fiscal"	Period of 12 months ended March 31 of that particular year, unless otherwise stated
FIR	First information report
FPIs	Foreign portfolio investors as defined under the SEBI FPI Regulations
Fugitive Economic Offender	An individual who is declared a fugitive economic offender under Section 12 of the Fugitive Economic Offenders Act, 2018
FVCI	Foreign venture capital investors as defined under and registered with SEBI pursuant to the Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000 registered with SEBI
FX	Foreign Exchange
GAAP	Generally accepted accounting principles
GDP	Gross domestic product
"GoI" or "Government"	Government of India
GST	Goods and Service Tax
HUF	Hindu Undivided Family
IBC	Insolvency and Bankruptcy Code, 2016
ICAI	Institute of Chartered Accountants of India
Income Tax Act	Income-Tax Act, 1961
Ind AS	Indian accounting standards as specified under section 133 of the Companies Act 2013 read with Companies (Indian Accounting Standards) Rules 2015, as

	Amended
IFRS	International Financial Reporting Standards
Insider Trading Regulations	Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015
ITAT	Income Tax Appellate Tribunal
LTV	Loan to value ratio
MCA	Ministry of Corporate Affairs
MMF Textile	Man-Made Fiber Textile
Mutual Fund	Mutual fund registered with SEBI under the Securities and Exchange Board of (Mutual Funds) Regulations, 1996
"Net Asset Value or NAV per Equity Share	Net Worth/ Number of Equity shares subscribed and fully paid outstanding as at the end of the year
Net Worth	Aggregate of Equity Share capital and other equity
NBFC	Non-banking financial company(ies)
NCD(s)	Non-convertible debentures
NHB	National housing bank
NPA(s)	Non-performing assets
NRE Account	Non-resident external account
NRI	A person resident outside India, who is a citizen of India and shall have the same meaning as ascribed to such term in the Foreign Exchange Management (Deposit) Regulations, 2016
NRO Account	Non-resident ordinary account
NSDL	National Securities Depository Limited
"OCB" or "Overseas Corporate Body"	A company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60% by NRIs including overseas trusts, in which not less than 60% of beneficial interest is irrevocably held by NRIs directly or indirectly and which was in existence on October 3, 2003 and immediately before such date had taken benefits under the general permission granted to OCBs under FEMA
PAN	Permanent account number
PAT	Profit after tax
PPE	Personal Protective Equipment
QP	Qualified purchaser as defined in the U.S. Investment Company Act
RBI	Reserve Bank of India
RBI Act	Reserve Bank of India Act, 1934
Regulations	Regulations under the U.S. Securities Act
ROC	Registrar of Companies, Mumbai
RTGS	Real Time Gross Settlement
RMG	Ready Made Garments
Rule 144A	Rule 144A under the U.S. Securities Act
SCRA	Securities Contracts (Regulation) Act, 1956
SCRR	Securities Contracts (Regulation) Rules, 1957
SEBI	Securities and Exchange Board of India
SEBI Act	Securities and Exchange Board of India Act, 1992
SEBI AIF Regulations	Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012
SEBI FPI Regulations	Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019
SEBI Listing Regulations/ SEBI LODR	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015
SEBI Relaxation Circulars	SEBI circular bearing reference number SEBI/HO/CFD/DIL2/CIR/P/2020/78 dated May 6, 2020, read with SEBI circulars bearing reference numbers SEBI/HO/CFD/DIL1/CIR/P/2020/136 dated July 24, 2020 and SEBI/HO/CFD/DIL1/CIR/P/2021/13 dated January 19, 2021, SEBI/HO/CFD/DIL2/CIR/P/2021/552 dated April 22, 2021 and SEBI/HO/CFD/DIL2/CIR/P/2021/633 dated October 01, 2021.
SEBI Rights Issue Circulars	Collectively, SEBI circular, bearing reference number SEBI/HO/CFD/DIL2/CIR/P/2020/13 dated January 22, 2020, bearing reference

	number SEBI/HO/CFD/CIR/CFD/DIL/67/2020 dated April 21, 2020 and the SEBI circular bearing reference number SEBI/HO/CFD/SSEP/CIR/P/2022/66 dated May 19, 2022 and any other circular(s) issued by SEBI in this regard
SEBI ICDR Regulations	Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018
Stock Exchange	BSE
STT	Securities transaction tax
Supreme Court	Supreme Court of India
TAT	Turnaround time
Takeover Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011
Total Borrowings	Aggregate of debt securities, borrowings (other than debt securities) and subordinated liabilities
STT	Securities transaction tax
Takeover Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011
Total Borrowings	Aggregate of debt securities, borrowings (other than debt securities) and subordinated liabilities
UPI	Unified Payments Interface
"U.S.\$ ", "USD" or "U.S. dollar"	United States Dollar, the legal currency of the United States of America
U.S. Investment Company Act	Investment Company Act of 1940, as amended
U.S. Person	U.S. persons as defined in Regulation S under the U.S. Securities Act or acting for the account or benefit of U.S. persons (not relying on Rule 902(k)(1)(viii)(B) or Rule 902(k)(2)(i) of Regulation S)
U.S. QIB	Qualified institutional buyer as defined in Rule 144A under the U.S. Securities Act
"USA", "U.S. " or "United States"	United States of America
U.S. SEC	U.S. Securities and Exchange Commission
U.S. Securities Act	U.S. Securities Act of 1933, as amended
VCF	Venture capital fund as defined and registered with SEBI under the Securities and Exchange Board of India (Venture Capital Fund) Regulations, 1996 or the SEBI AIF Regulations, as the case may be
WHO	World Health Organization

NOTICE TO INVESTORS

The distribution of this Letter of Offer, Application Form and Rights Entitlement Letter (collectively, the “Issue Material(s)”) and the issue of Rights Entitlement and Rights Equity Shares to persons in certain jurisdictions outside India may be restricted by legal requirements prevailing in those jurisdictions. Persons into whose possession this Letter of Offer, or Application Form may come are required to inform themselves about and observe such restrictions. For more details, see “**Restrictions on Purchases and Resales**” beginning on page 135.

Pursuant to the requirements of the SEBI ICDR Regulations and other applicable laws, the Rights Entitlements will be credited to the demat account of the Eligible Equity Shareholders who are Equity Shareholders as on the Record Date, however, the Issue Materials will be sent/ dispatched only to such Eligible Equity Shareholders who have provided an Indian address to our Company and only such Eligible Equity Shareholders are permitted to participate in the Issue. In case such Eligible Equity Shareholders, have provided their valid e-mail address to our Company, the Issue Materials will be sent only to their valid e- mail address and in case such Eligible Equity Shareholders have not provided their valid e-mail address, then the Issue Materials will be physically dispatched, on a reasonable effort basis, to the Indian addresses provided by them. Those overseas Eligible Equity Shareholders, who do not update our records with their Indian address or the address of their duly authorised representative in India, prior to the date on which we propose to dispatch the Issue Materials, shall not be sent any of the Issue Materials.

The credit of Rights Entitlement does not constitute an offer, invitation to offer or solicitation for participation in the Issue, whether directly or indirectly, and only dispatch of the Issue Material shall constitute an offer, invitation or solicitation for participation in the Issue in accordance with the terms of the Issue Material. Further, receipt of the Issue Materials (including by way of electronic means) will not constitute an offer, invitation to or solicitation by anyone in (i) the United States or (ii) any jurisdiction or in any circumstances in which such an offer, invitation or solicitation is unlawful or not authorized or to any person to whom it is unlawful to make such an offer, invitation or solicitation. In those circumstances, this Letter of Offer, and any other Issue Materials must be treated as sent for information only and should not be acted upon for subscription to Rights Equity Shares and should not be copied or re-distributed, in part or full. Accordingly, persons receiving a copy of the Issue Materials should not distribute or send the Issue Materials in or into any jurisdiction where to do so, would or might contravene local securities laws or regulations, or would subject our Company or its affiliates to any filing or registration requirement (other than in India). If Issue Material is received by any person in any such jurisdiction or the United States, they must not seek to subscribe to the Rights Equity Shares. For more details, see “**Restrictions on Purchases and Resales**” beginning on page 135.

Investors can also access this Letter of Offer, , and the Application Form from the websites of our Company, the Registrar, and the Stock Exchanges.

Our Company, and the Registrar will not be liable for non-dispatch of physical copies of Issue materials, including this Letter of Offer, the Rights Entitlement Letter and the Application Form, in the event the Issue Materials have been sent on the registered email addresses of such Eligible Equity Shareholders, available with the Registrar in their records.

No action has been or will be taken to permit the Issue in any jurisdiction where action would be required for that purpose. Accordingly, the Rights Entitlements or Rights Equity Shares may not be offered or sold, directly or indirectly, and the Issue material or any offering materials or advertisements in connection with the Issue may not be distributed, in whole or in part, in any jurisdiction, except in accordance with legal requirements applicable in such jurisdiction.

Any person who purchases or renounces the Rights Entitlements or makes an application to acquire the Rights Equity Shares will be deemed to have declared, represented, warranted and agreed that such person is outside the United States and is eligible to subscribe and authorized to purchase or sell the Rights Entitlements or acquire Rights Equity Shares in compliance with all applicable laws and regulations prevailing in such person’s jurisdiction and India, without requirement for our Company or our affiliates to make any filing or registration (other than in India). In addition, each purchaser or seller of Rights Entitlements and the Rights Equity Shares will be deemed to make the representations, warranties, acknowledgments and agreements set forth in the “**Restrictions on Purchases and Resales**” section beginning on page 135.

Our Company, in consultation with the Registrar, reserves the right to treat as invalid any Application Form which:
(i) appears to our Company or its agents to have been executed in, electronically transmitted from or dispatched

from the United States or any other jurisdiction where the offer and sale of the Rights Equity Shares is not permitted under laws of such jurisdictions; (ii) does not include the relevant certifications set out in the Application Form, including to the effect that the person submitting the Application Form is outside the United States and such person is eligible to subscribe for the Rights Equity Shares under applicable securities laws and is complying with laws of jurisdictions applicable to such person in connection with this Issue; or (iii) where either a registered Indian address is not provided; or (iv) where our Company believes acceptance of such Application Form may infringe applicable legal or regulatory requirements; and our Company shall not be bound to issue or allot any Rights Equity Shares in respect of any such Application Form.

Neither the receipt of this Letter of Offer nor any sale of Rights Equity Shares hereunder, shall, under any circumstances, create any implication that there has been no change in our Company's affairs from the date hereof or the date of such information or that the information contained herein is correct as at any time subsequent to the date of this Letter of Offer or the date of such information. The contents of this Letter of Offer should not be construed as legal, tax, business, financial or investment advice. Prospective investors may be subject to adverse foreign, state or local tax or legal consequences as a result of the offer of Rights Equity Shares or Rights Entitlements. As a result, each investor should consult its own counsel, business advisor and tax advisor as to the legal, business, tax and related matters concerning the offer of the Rights Equity Shares or Rights Entitlements. In addition, our Company is not making any representation to any offeree or purchaser of the Rights Equity Shares regarding the legality of an investment in the Rights Entitlements or the Rights Equity Shares by such offeree or purchaser under any applicable laws or regulations.

Investors are advised to make their independent investigations and ensure that the number of Rights Equity Shares applied for do not exceed the applicable limits under laws or regulations.

The Rights Entitlements and the Rights Equity Shares have not been approved or disapproved by any regulatory authority, nor has any regulatory authority passed upon or endorsed the merits of the offering of the Rights Entitlements, the Rights Equity Shares or the accuracy or adequacy of this Letter of Offer. Any representation to the contrary is a criminal offence in certain jurisdictions.

The Issue Materials are supplied to you solely for your information and may not be reproduced, redistributed or passed on, directly or indirectly, to any other person or published, in whole or in part, for any purpose.

NO OFFER IN THE UNITED STATES

THE RIGHTS ENTITLEMENTS AND THE RIGHTS EQUITY SHARES HAVE NOT BEEN, AND WILL NOT BE, REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "U.S. SECURITIES ACT") AND MAY NOT BE OFFERED OR SOLD WITHIN THE UNITED STATES, EXCEPT PURSUANT TO AN EXEMPTION FROM, OR IN A TRANSACTION NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE U.S. SECURITIES ACT AND APPLICABLE STATE SECURITIES LAWS. ACCORDINGLY, THE RIGHTS EQUITY SHARES ARE ONLY BEING OFFERED AND SOLD IN "OFFSHORE TRANSACTIONS" AS DEFINED IN, AND IN RELIANCE ON, REGULATION S UNDER THE U.S. SECURITIES ACT TO ELIGIBLE EQUITY SHAREHOLDERS, LOCATED IN JURISDICTIONS WHERE SUCH OFFER AND SALE IS PERMITTED UNDER THE LAWS OF SUCH JURISDICTIONS. THE OFFERING TO WHICH THIS LETTER OF OFFER RELATES IS NOT, AND UNDER NO CIRCUMSTANCES IS TO BE CONSTRUED AS, AN OFFERING OF ANY RIGHTS ENTITLEMENTS OR RIGHTS EQUITY SHARES FOR SALE IN THE UNITED STATES OR AS A SOLICITATION THEREIN OF AN OFFER TO BUY ANY OF THE SAID SECURITIES. ACCORDINGLY, YOU SHOULD NOT FORWARD OR TRANSMIT THIS LETTER OF OFFER INTO THE UNITED STATES AT ANY TIME.

Neither our Company nor any person acting on our behalf will accept a subscription or renunciation from any person, or the agent of any person, who appears to be, or who our Company or any person acting on our behalf has reason to believe is in the United States when the buy order is made. Envelopes containing an Application Form and Rights Entitlement Letter should not be postmarked in the United States or otherwise dispatched from the United States or any other jurisdiction where it would be illegal to make an offer, and all persons subscribing for the Rights Equity Shares Issue and wishing to hold such Equity Shares in registered form must provide an address for registration of these Equity Shares in India. Our Company is making the Issue on a rights basis to Eligible Equity Shareholders and Letter of Offer, Abridged Letter of Offer and Application Form and Rights Entitlement Letter will be dispatched only to Eligible Equity Shareholders who have an Indian address. Any person who acquires Rights Entitlements and the Rights Equity Shares will be deemed to have declared, represented, warranted and agreed that, (i) it is not and that at the time of subscribing for such Rights Equity

Shares or the Rights Entitlements, it will not be, in the United States, and (ii) it is authorized to acquire the Rights Entitlements and the Rights Equity Shares in compliance with all applicable laws and regulations.

Our Company reserves the right to treat any Application Form as invalid which: (i) does not include the certification set out in the Application Form to the effect that the subscriber is authorized to acquire the Rights Equity Shares or Rights Entitlement in compliance with all applicable laws and regulations; (ii) appears to us or our agents to have been executed in or dispatched from the United States; (iii) where a registered Indian address is not provided; or (iv) where our Company believes that Application Form is incomplete or acceptance of such Application Form may infringe applicable legal or regulatory requirements; and our Company shall not be bound to allot or issue any Rights Equity Shares or Rights Entitlement in respect of any such Application Form.

Rights Entitlements may not be transferred or sold to any person in the United States. The Rights Entitlements and the Equity Shares have not been approved or disapproved by the US Securities and Exchange Commission (the "US SEC"), any state securities commission in the United States or any other US regulatory authority, nor have any of the foregoing authorities passed upon or endorsed the merits of the offering of the Rights Entitlements, the Equity Shares or the accuracy or adequacy of this Letter of Offer. Any representation to the contrary is a criminal offence in the United States.

The above information is given for the benefit of the Applicants / Investors. Our Company is not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Letter of Offer. Investors are advised to make their independent investigations and ensure that the number of Rights Equity Shares applied for do not exceed the applicable limits under the applicable laws or regulations.

Investors are advised to make their independent investigations and ensure that the number of Rights Equity Shares applied for do not exceed the applicable limits under laws or regulations. The Rights Entitlements and the Rights Equity Shares have not been approved or disapproved by any regulatory authority, nor has any regulatory authority passed upon or endorsed the merits of the offering of the Rights Entitlements, the Rights Equity Shares or the accuracy or adequacy of this Letter of Offer. Any representation to the contrary is a criminal offence in certain jurisdictions.

THIS DOCUMENT IS SOLELY FOR THE USE OF THE PERSON WHO RECEIVED IT FROM OUR COMPANY TO THE ISSUE OR FROM THE REGISTRAR. THIS DOCUMENT IS NOT TO BE REPRODUCED OR DISTRIBUTED TO ANY OTHER PERSON.

PRESENTATION OF FINANCIAL AND OTHER INFORMATION

Certain Conventions

All references to "India" contained in this Letter of Offer are to the Republic of India and its territories and possessions and all references herein to the "Government", "Indian Government", "GoI", Central Government" or the "State Government" are to the Government of India, central or state, as applicable.

Unless otherwise specified or the context otherwise requires, all references in this Letter of Offer to the 'US' or 'U.S.' or the 'United States' are to the United States of America and its territories and possessions.

Unless otherwise specified, any time mentioned in this Letter of Offer is in Indian Standard Time ("IST"). Unless indicated otherwise, all references to a year in this Letter of Offer are to a calendar year.

A reference to the singular also refers to the plural and one gender also refers to any other gender, wherever applicable.

Unless stated otherwise, all references to page numbers in this Letter of Offer are to the page numbers of this Letter of Offer.

Financial Data

Unless stated otherwise or the context otherwise requires, the financial information and financial ratios in this Letter of Offer has been derived from our Audited Financial Statements for the financial year ended on March 31, 2025. For further details, please refer to the Section titled "**Financial Statements**" beginning on page 85 of this Letter of Offer.

Our Company's financial year commences on April 1 and ends on March 31 of the next year. Accordingly, all references to a particular financial year, unless stated otherwise, are to the twelve (12) month period ended on March 31 of that year.

We have prepared our Financial Statements in accordance with Indian Accounting Standards (**Ind AS**) specified under Section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. Our Company publishes its financial statements in Indian Rupees. Any reliance by persons not familiar with Indian accounting practices on the financial disclosures presented in this Letter of Offer should accordingly be limited.

In this Letter of Offer, any discrepancies in any table between the total and the sums of the amounts listed are due to rounding off, and unless otherwise specified, all financial numbers in parenthesis represent negative figures. Unless stated otherwise, throughout this Letter of Offer, all figures have been expressed in Lakhs.

There are significant differences between Ind AS, US GAAP and IFRS. We have not provided a reconciliation of the financial information to IFRS or US GAAP. Our Company has not attempted to also explain those differences or quantify their impact on the financial data included in this Letter of Offer, and you are urged to consult your own advisors regarding such differences and their impact on our financial data. Accordingly, the degree to which the financial information included in this Letter of Offer will provide meaningful information is entirely dependent on the reader's level of familiarity with Indian accounting policies and practices, Ind AS, the Companies Act and the SEBI ICDR Regulations. Any reliance by persons not familiar with these accounting principles and regulations on our financial disclosures presented in this Letter of Offer should accordingly be limited.

Certain figures contained in this Letter of Offer, including financial information, have been subject to rounded off adjustments. All figures in decimals (including percentages) have been rounded off to one or two decimals. However, where any figures that may have been sourced from third-party industry sources are rounded off to other than two decimal points in their respective sources, such figures appear in this Letter of Offer rounded-off to such number of decimal points as provided in such respective sources. In this Letter of Offer,

(i) the sum or percentage change of certain numbers may not conform exactly to the total figure given; and (ii) the sum of the numbers in a column or row in certain tables may not conform exactly to the total figure given for that column or row. Any such discrepancies are due to rounding off.

Currency and Units of Presentation

All references to:

- “Rupees” or “₹” or “INR” or “Rs.” are to Indian Rupee, the official currency of the Republic of India; and
- “USD” or “US\$” or “\$” are to United States Dollar, the official currency of the United States of America.

Our Company has presented certain numerical information in this Letter of Offer in “lakh” or “Lac” units or in whole numbers. One lakh represents 1,00,000, one million represents 1,000,000 and One crore is equal to 100 lakhs. All the numbers in the document have been presented in lakh or in whole numbers where the numbers have been too small to present in lakh.

Exchange Rates

This Letter of Offer contains conversions of certain other currency amounts into Indian Rupees that have been presented solely to comply with the SEBI ICDR Regulations. These conversions should not be construed as a representation that these currency amounts could have been, or can be converted into Indian Rupees, at any particular rate or at all.

The conversion rate for the following foreign currencies is as follows:

Sr. No.	Name of the Currency	Exchange rate as on:		
		March 31, 2025	March 31, 2024	March 31, 2023
1.	United States Dollar	85.58	83.37	82.21

(Source: www.rbi.org.in and www.fbi.org.in)

Note: In the event that any of the abovementioned dates of any of the respective financial years is a public holiday, the previous calendar day not being a public holiday has been considered.

Industry and Market Data

Unless stated otherwise, industry and market data used in this Letter of Offer has been obtained or derived from publicly available information as well as industry publications and sources.

Industry publications generally state that the information contained in such publications has been obtained from publicly available documents from various sources believed to be reliable but their accuracy and completeness are not guaranteed and their reliability cannot be assured.

The extent to which the market and industry data used in this Letter of Offer is meaningful depends on thereader’s familiarity with and understanding of the methodologies used in compiling such data. There are no standard data gathering methodologies in the industry in which the business of our Company is conducted, and methodologies and assumptions may vary widely among different industry sources.

FORWARD LOOKING STATEMENTS

This Letter of Offer contains certain “forward-looking statements”. Forward looking statements appear throughout this Letter of Offer, including, without limitation, under the chapters titled ***“Risk Factors”, “Our Business” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” and “Industry Overview”***. Forward-looking statements include statements concerning our Company’s plans, objectives, goals, strategies, future events, future revenues or financial performance, capital expenditures, financing needs, plans or intentions relating to acquisitions, our Company’s competitive strengths and weaknesses, our Company’s business strategy and the trends our Company anticipates in the industries and the political and legal environment, and geographical locations, in which our Company operates, and other information that is not historical information. These forward-looking statements generally can be identified by words or phrases such as “aim”, “anticipate”, “believe”, “continue”, “can”, “could”, “expect”, “estimate”, “intend”, “likely”, “may”, “objective”, “plan”, “potential”, “project”, “pursue”, “shall”, “seek to”, “will”, “will continue”, “will pursue”, “forecast”, “target”, or other words or phrases of similar import. Similarly, statements that describe the strategies, objectives, plans or goals of our Company are also forward-looking statements.

However, these are not the exclusive means of identifying forward-looking statements. All statements regarding our Company’s expected financial conditions, results of operations, business plans and prospects are forward-looking statements. These forward-looking statements include statements as to our Company’s business strategy, planned projects, revenue and profitability (including, without limitation, any financial or operating projections or forecasts), new business and other matters discussed in this Letter of Offer that are not historical facts. These forward-looking statements contained in this Letter of Offer (whether made by our Company or any third party), are predictions and involve known and unknown risks, uncertainties, assumptions and other factors that may cause the actual results, performance or achievements of our Company to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements or other projections.

All forward-looking statements are subject to risks, uncertainties and assumptions about our Company that could cause actual results to differ materially from those contemplated by the relevant forward-looking statement. Important factors that could cause actual results to differ materially from our Company’s expectations include, among others:

- Adverse effect of competition on our market share and profits
- Any adverse development that may affect our operations in Maharashtra.
- Any qualifications or other observations made by our future statutory auditors which may affect our results of operations.
- Loss of one or more of our key customers and/or suppliers
- An increase in the productivity and overall efficiency of our competitors.
- Any adverse development that may affect the operations of our manufacturing units.
- Our ability to maintain and enhance our brand image.
- Our reliance on third party suppliers for our products.
- General economic and business conditions in the markets in which we operate and in the local, regional and national economies.
- Changes in technology and our ability to manage any disruption or failure of our technology systems.
- Our ability to attract and retain qualified personnel.
- Changes in political and social conditions in India or in countries that we may enter, the monetary and interest rate policies of India and other countries, inflation, deflation, unanticipated turbulence in interest rates, equity prices or other rates or prices.
- The performance of the financial markets in India and globally.
- Any adverse outcome in the legal proceedings in which we are involved.
- Occurrences of natural disasters or calamities affecting the areas in which we have operations.

- Market fluctuations and industry dynamics beyond our control.
- Our ability to compete effectively, particularly in new markets and businesses.
- Changes in foreign exchange rates or other rates or prices.
- Inability to collect our dues and receivables from, or invoice our unbilled services to, our customers, our results of operations.
- Other factors beyond our control.
- Our ability to manage risks that arise from these factors.
- Conflict of interest with our Subsidiary, Individual Promoter and other related parties;
- Changes in domestic and foreign laws, regulations and taxes and changes in competition in our industry;
- Termination of customer/works contracts without cause and with little or no notice or penalty; and
- Inability to obtain, maintain or renew requisite statutory and regulatory permits and approvals or noncompliance with and changes in, safety, health and environmental laws and other applicable regulations, may adversely affect our business, financial condition, results of operations and prospects.
- Our risk management and internal controls, as well as the risk management tools available to us, may not be adequate or effective in identifying or mitigating risks to which we are exposed; and
- changes in technology and our ability to manage any disruption or failure of our technology Systems

Additional factors that could cause actual results, performance or achievements to differ materially include, but are not limited to, those discussed in the sections entitled “**Risk Factors**” beginning on page 23.

We cannot assure investors that the expectations reflected in these forward-looking statements will prove to be correct. Given these uncertainties, investors are cautioned not to place undue reliance on such forward-looking statements and not to regard such statements as a guarantee of future performance.

Forward-looking statements reflect the current views of our Company as of the date of this Letter of Offer and are not a guarantee of future performance. These statements are based on the management’s beliefs and assumptions, which in turn are based on currently available information. Although we believe the assumptions upon which these forward-looking statements are based are reasonable, any of these assumptions could prove to be inaccurate, and the forward-looking statements based on these assumptions could be incorrect. Neither our Company, our Directors, our Promoter, the Syndicate Member(s) nor any of their respective affiliates have any obligation to update or otherwise revise any statements reflecting circumstances arising after the date hereof or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition.

In accordance with the SEBI ICDR Regulations, our Company will ensure that investors are informed of material developments from the date of this Letter of Offer until the time of receipt of the listing and trading permissions from the Stock Exchange.

SECTION II- SUMMARY OF LETTER OF OFFER

The following is a general summary of certain disclosures included in this Letter of Offer and is neither exhaustive, nor does it purport to contain a summary of all the disclosures in this Letter of Offer or all details relevant to the prospective investors. This summary should be read in conjunction with, and is qualified in its entirety by, the more detailed information appearing elsewhere in this Letter of Offer, including, the sections entitled “*Risk Factors*”, “*Capital Structure*”, “*Objects of the Issue*”, and “*Financial Statements*” beginning on pages 23, 51, 53, and 85, respectively.

1. SUMMARY OF BUSINESS

Tuni Textile Mills Limited has a rich history spanning over three decades in the domestic textile industry. Established in 1987 and headquartered in Mumbai, the company specializes in the manufacture of high-quality synthetic grey fabrics for shirting, suiting, uniforms, and casual wear. Its state-of-the-art weaving facility at MIDC Murbad is equipped with advanced European rapier looms and auxiliary machinery, enabling an annual production capacity of 2.70 million meters of fabric. This capacity, combined with the company’s commitment to innovation, stringent quality control, and on-time delivery, has earned it a strong reputation as a trusted supplier of premium fabrics to some of India’s most respected brands, leading garment exporters, and uniform manufacturers.

A customer-centric company at its core, Tuni Textile Mills Limited has successfully carved out its niche as a responsive, design-driven manufacturer. Its product range spans a diverse spectrum of weaves and blends — such as pick-and-pick, chambray, fil-à-fil, poly-viscose, cotton-linen, and twills — allowing it to serve a variety of market needs. Beyond weaving, Tuni Textile Mills Limited enhances its value proposition through an integrated business model that includes in-house design and product development, as well as flexible order fulfillment through job-work and trading arrangements.

For details, please refer to chapter titled “*Our Business*” on page 73 of this Letter of Offer.

2. SUMMARY OF INDUSTRY

India has emerged as the second largest manufacturer of PPE globally; it is expected to exceed US\$ 92.5 billion by 2025 as compared to US\$ 52.7 billion in 2019. India is the world’s second-largest producer of textiles and garments. It is also the fifth-largest exporter of textiles spanning apparel, home, and technical products. The textiles and apparel industry contributes 2.3% to the country’s GDP, 13% to industrial production and 10.5% to exports. The textile industry in India is predicted to double its contribution to the GDP, rising from 2.3% to approximately 5% by the end of this decade.

India has a 4.6% share of the global trade in textiles and apparel. Moreover, India is the world's third largest exporter of Textiles and Apparel. India ranks among the top five global exporters in several textile categories. In FY25 (April-June), exports of readymade garments including accessories stood at US\$ 2,244 million. The textile sector is expected to play a significant role, with a target of US\$ 100 billion in exports by FY30, up from US\$ 34.43 billion in FY24. In FY25 (April- September) the total exports of textiles stood at US\$ 21.35 billion.

For details, please refer to chapter titled “*Industry Overview*” on page 66 of this Letter of Offer.

3. OBJECT OF THE ISSUE

Requirement of Funds and utilization of Net proceeds:

Sr. No.	Particulars	Total estimated amount to be utilized (₹ in lakhs)
1	Part repayment/ Pre-payment of certain secured/unsecured loans availed from lenders (as on October 31, 2025)	837.93
2	Funding the expenditure towards replacement/repairing of Industrial Shed’s Wall, Flooring & Roof Sheeting, Repair, Restoration and Strengthening of entire Structure, at existing factory located at Murbad, Thane, Maharashtra along with renovation of factory office.	466.78
3	Augment the existing and incremental working capital requirement of	1,372.00

	our Company	
4	Upgradation of existing machinery and purchase of new machinery along with electrical and other ancillaries at existing factory located at Murbad, Thane, Maharashtra	565.33
5	General Corporate Purposes*	990.40
	Total Net proceeds of the Issue**	4232.44

*The amount utilised for general corporate purposes shall not exceed 25% of the Gross Proceeds of the Issue.

**Assuming full subscription in the Issue and subject to finalization of the Basis of Allotment. In the event of any undersubscription, Gross Proceeds can be adjusted accordingly. Any increase in the above expenses will be paid from General Corporate Purpose and/or Company's cash flows. Including interest accrued on the borrowings.

For further details, please see chapter titled “*Objects of the Issue*” beginning on page 53 of this Letter of Offer.

4. INTENTION AND EXTENT OF PARTICIPATION BY OUR PROMOTER AND PROMOTER GROUP IN THE ISSUE

The Promoter of our Company have indicated that they will not subscribe to their portion of right entitlement. Further, the promoter has confirmed that they do not intend to apply for, and subscribe to, additional Rights Equity Shares over and above their Rights Entitlements (including unsubscribed portion of the Issue, if any).

Our Company is in compliance with Regulation 38 of the SEBI (LODR) Regulations and will continue to comply with the minimum public shareholding requirements under applicable law, pursuant to this Issue. As such, other than meeting the requirements indicated in the chapter titled “*Objects of the Issue*” at page 53 of this Letter of Offer, there is no other intention / purpose for the Issue, including any intention to delist our Equity Shares.

Accordingly, in terms of Regulation 86 of the SEBI ICDR Regulations, the requirement of minimum subscription in the Issue shall be applicable.

In case the rights issue remains unsubscribed and / or minimum subscription is not achieved, the Board of Directors may dispose of such unsubscribed portion in the best interest of the Company and in compliance with the applicable laws.

5. DETAILS OF OUR COMPANY, PROMOTER AND DIRECTORS BEING WILFUL DEFAULTERS OR A FRAUDULENT BORROWER

Neither our Company, nor our Promoter or Directors have been identified as Wilful Defaulters or Fraudulent Borrowers as defined under the SEBI ICDR Regulations.

6. ALLOTMENT OF THE UNDER-SUBSCRIBED PORTION OF THE ISSUE

Our Company does not intend to allot the under-subscribed portion of the Rights Equity Shares in this Issue to any Specific Investor(s).

7. SUMMARY OF OUTSTANDING LITIGATIONS:

As on the date of this Letter of Offer, neither our Company nor our Promoter or Directors have been issued any show cause notice(s) by SEBI or the Adjudicating Officer in a proceeding for imposition of penalty, nor have any prosecution proceedings been initiated against them by SEBI.

There is no material litigation involving the company, its promoters or directors. A summary of outstanding litigation and pending tax proceedings involving our Company and Subsidiaries is provided below:

Litigations involving our Company

Name By/Against	By/ Against	Civil Proceedings	Criminal Proceedings	Tax Proceedings	Actions by Regulatory Authority	Amount Involved
Company	By	-	1	-	-	12,15,632
	Against	2	-	4	-	76,46,278.84
Promoter	By	-	-	-	-	-

	Against	-	-	-	-	-
Group Companies/ Entities	By	-	-	-	-	-
	Against	-	-	-	-	-
Directors other than promoters	By	-	-	-	-	-
	Against	-	-	-	-	-

For details, please refer to chapter titled “*Outstanding Litigations and Defaults*” on page 99 of this Letter of Offer.

8. OTHER CONFIRMATIONS

- a) Except as stated below, our Company has been in compliance with the equity listing agreement and the SEBI LODR Regulations, during the three years immediately preceding the date of this Letter of Offer.

S. No.	Stock Exchange	Details of Violation	Relevant financial year	Amount of Fine	Status
1	BSE Limited	Violation of Regulation 17(1) of Composition of Board of Directors	2022-23	16.048 Lakh	Our Company has applied for a waiver and the matter remains pending with BSE.
2	BSE Limited	Non-Payment of Annual Listing Fees	2023-24	Nil	The Company has paid Annual Listing Fees.

- b) The Company has redressed all the complaints received from the investors until the end of the quarter immediately preceding the month of the date of filing this Letter of Offer.
- c) The Company, its Promoters or Whole Time Directors have neither received any show cause notices from SEBI nor its Adjudicating Officers for imposition of any penalty.
- d) The trading in equity shares of the Company have not been suspended on account of any disciplinary measure during last 3 (three) years immediately preceding the date of filing of this Letter of Offer.

SECTION III– RISK FACTORS

An investment in the equity shares involves a high degree of risk. You should carefully consider all information in this Letter of Offer, including the risks and uncertainties described below and “Financial Information” on page 85 of this Letter of Offer, before making an investment in the Equity Shares.

Additionally, the risks set out in this section may not be exhaustive and additional risks and uncertainties not presently known to us, or which we currently deem to be immaterial, may arise or may become material in the future which may impair our business, cash flows, prospects, result of operations and financial condition. In order to obtain a complete understanding about us, investors should read this section in conjunction with “Industry Overview”, “Our Business” and “Management Discussion and Analysis of Financial Condition and Results of Operations” on page 66, 73 and 96 respectively, included in this Letter of Offer. If any or a combination of the following risks or other risks that are not currently known or are now deemed immaterial actually occurs, our business, cash flows, prospects, results of operations and financial condition could be adversely affected, the trading price of the Equity Shares could decline, and investors may lose all or part of their investment. Unless specified in the relevant risk factor below, we are not in a position to quantify the financial implication of any of the risks mentioned below. In making an investment decision, prospective investors must rely on their own examinations and the terms of the Issue, including the merits and the risks involved. Prospective investors should consult their tax, financial and legal advisors about the particular consequences of investing in the Issue.

However, there are certain risk factors where the financial impact is not quantifiable and, therefore, cannot be disclosed in such risk factors. You should consult your tax, financial and legal advisors about the consequences to you of an investment in this Issue.

The following factors have been considered for determining the materiality:

- (1) some events may not be material individually but may be found material collectively;*
- (2) some events may have material impact qualitatively instead of quantitatively; and*
- (3) some events may not be material at present but may have material impact in future.*

This Letter of Offer also contains forward-looking statements which involve risks and uncertainties. Our actual results could differ materially from those anticipated in these forward-looking statements as a result of certain factors, including the considerations described below and elsewhere in this Letter of Offer. For further details, please see the chapter titled “Forward-Looking Statements” beginning on page 18.

Our financial year ends on March 31 of each year, so all references to a particular Fiscal are to the 12 months ended March 31 of that year. Unless otherwise stated or the context otherwise requires, the financial information used in this section is derived from our Audited Financial Statements and Unaudited Financial Results, which are included in “Financial Information” on page 85 of this Letter of Offer.

The risk factors are classified as under for the sake of better clarity and increased understanding.

INTERNAL RISK FACTORS

BUSINESS RELATED RISKS

- 1. If we are unable to anticipate and respond to changes in fashion trends and changing customer preferences in a timely and effective manner, the demand for our products may decline, which may have an adverse effect on our business, results of operations and prospects.***

Our Company is engaged in the business of manufacturing high-quality synthetic shirting fabrics, innovation in design, and customer-focused approach. Our results of operations are dependent on our ability to anticipate, gauge and respond to changes in customer preferences and the design of new products or modifying our existing products in line with changes in fashion trends as well as customer demands and preferences. If we are unable to anticipate, gauge and respond to changing customer preferences or fashion trends, or if we are unable to adapt to such changes by modifying our existing products or launch new products on a timely basis, we may lose, or fail to attract customers, our inventory may become obsolete and we may be subject to pricing pressure to sell our inventory at a discount. A decline in demand for our products or a misjudgment on our part could lead to lower sales, excess inventories and higher markdowns, each of which may have an adverse effect on our results of operations and financial condition.

Further, our process for designing our products is a key aspect of our operations for which we rely heavily on data analysis and the study of industry and fashion trends to introduce new and original concepts. We incur expenses in the design and development of our products, and we cannot assure you that our current portfolio of designs and any products we launch, will be well received by our customers, or that we will be able to recover costs we incurred in designing and developing such products. If the products that we launch are not as successful as we anticipate, our business, results of operations and prospects may be adversely affected.

2. We face substantial and increasingly intense competition in the textile industry, if we are unable to compete effectively, our business, financial condition, results of operations and prospects would be materially and adversely affected.

The textile industry is intensely competitive and we expect competition in the industry to continue to increase. Our present and future competitors may range from large and established companies to emerging start-ups, Indian as well as large multinational companies, operating in India and in international markets where we have our operations. Since the barriers to entry for the companies are relatively low, we may also face increased competition from new entrants in our industry.

Our competitors may have one or more of the following advantages compared to us – greater financial and other resources, advanced technology, larger sales and marketing networks, greater knowledge of the target markets, more extensive research and development and technical capabilities, logistics support, greater pricing flexibility, longer operating histories and/or strong branding and reputation. These advantages may assist them in attracting our merchants and customers. The management of some of these competitors may have more experience in implementing their business plan and strategy. Our present and future competitors with requisite financial and other resources may be able to innovate and provide superior products and services more efficiently than we can. If our competitors leverage on these qualities to provide comparable or superior services and products, and we are unable to respond successfully to such competitive pressures, our customers could significantly decline, which would have a material adverse effect on our business, financial condition and results of operations.

There can be no assurance that we will have sufficient resources to respond to competitors' investments in pricing and other promotional programmes or technological developments. We may be required to reduce our operating margins in order to compete effectively and maintain or gain market share. In the event that we are unable to provide superior services than our competitors, including superior technology, value added and user-friendly services, we may not be able to attract customers to us, which could have material adverse effect on our business, results of operations and financial condition.

We are facing competition from new players that are offering services below cost price to increase their market share. They are backed by significantly large investors providing strong financial support, despite these players burning heavy cash. Accordingly, these competitors may be able to offer more attractive fees to our current and prospective clients that we are not able to provide. Competition could result in a loss of existing clients, and greater difficulty attracting new clients. Furthermore, if competition causes us to reduce the fees we charge in order to attract or retain clients, there is no assurance we can successfully control our costs in order to maintain our profit margins. One or more of these factors could have a material adverse effect on our business, financial condition and results of operations.

3. Adverse global trade policies and geopolitical tensions pose significant risks to the Indian textile industry by disrupting supply chains, increasing costs, and impacting export demand.

The Indian textile industry is highly reliant on international trade dynamics, and any adverse changes in global trade policies or geopolitical conditions can significantly impact operations and profitability. The tariff policies introduced during the Trump administration in the United States, particularly those targeting textile imports and trade with China and other Asian countries, led to major disruptions in global textile supply chains. Additionally, ongoing geopolitical tensions including conflicts in Europe, the Middle East, and strained U.S.-China relations have led to supply chain uncertainties, rising raw material and logistics costs, and currency fluctuations. These external factors may adversely affect export demand, delay shipments, and increase operating costs, thereby impacting the business performance of Indian textile companies, including our Company.

4. *We depend on a few customers of our products, for a significant portion of our revenue, and any decrease in revenues or sales from any one of our key customers may adversely affect our business and results of operations.*

In the Year ended March 31, 2025, and March 31, 2024 and March 31, 2023, 98.38% and 95.65% and 97.50% of our revenue from operations were derived from our top five customers (in the respective Fiscals). Our business operations are highly dependent on our customers, and the loss of any of our customers from any industry which we cater to may adversely affect our sales and consequently on our business and results of operations.

While we typically have long-term relationships with our customers, we have not entered into long-term agreements with our customers, and the success of our business is significantly dependent on us maintaining good relationships with our customers and suppliers. The actual sales by our Company may differ from the estimates of our management due to the absence of long-term agreements. The loss of one or more of these significant or key customers or a reduction in the amount of business we obtain from them could have an adverse effect on our business, results of operations, financial condition and cash flows. We cannot assure you that we will be able to maintain historic levels of business and/or negotiate and execute long-term contracts on terms that are commercially viable with our significant customers or that we will be able to significantly reduce customer concentration in the future.

Further, if there occurs any change in the market conditions, and requirements of our customers, or if we fail to identify and understand evolving industry trends, preferences or fail to meet our customers' demands, it might have a direct impact on our revenue and customer base. The inability to procure new orders on a regular basis or at all may adversely affect our business, revenues, cash flows and operations.

5. *There are outstanding legal proceedings involving our Company. Any adverse decision in such proceedings may have a material adverse effect on our business, results of operations and financial condition.*

We are involved in certain legal proceedings which are pending at different levels of adjudication before various courts, tribunals, enquiry officers, and appellate authorities. We cannot provide assurance that these legal proceedings will be decided in our favour. Any adverse decisions in any of the proceedings may have a significant adverse effect on our business, results of operations, cash flows and financial condition.

For details of outstanding material legal proceedings, see ***“Outstanding Litigation and Defaults”*** on page 99. Such proceedings could divert management time and attention and consume financial resources in their defense or prosecution. Any unfavorable decision in connection with such proceedings, individually or in the aggregate, could, to that extent, increase our expenses and our liabilities.

6. *We highly depend on our major raw materials and a few key suppliers who help us procure the same. Our Company has not entered into long-term agreements with its suppliers for the supply of raw materials. In the event we are unable to procure adequate amounts of raw materials, at competitive prices our business, results of operations and financial condition may be adversely affected.*

We depend on a number of suppliers for the procurement of raw materials required for manufacturing our products. In the Fiscals 2025, 2024 and 2023, the cost of raw material consumed amounted to 91.63%, 82.91% and 79.49% of our total revenue respectively. Our Company maintains a list of registered and unregistered suppliers from whom we procure the raw materials on an order basis. We have not entered long term contracts with our suppliers and prices for raw materials are normally based on the quotes we receive from various suppliers. We rely on prebooking capacity with our suppliers, based on our demand projections. Since we have no formal arrangements with our suppliers, they are not contractually obligated to supply their products to us and may choose to sell their products to our competitors. Non-availability or inadequate quantity of raw material or use of substandard quality of the raw materials in the manufacture of our products, could have a material adverse effect on our business. Further, any discontinuation or a failure of these suppliers to adhere to the delivery schedule or failure to deliver the required quality and quantity could hamper our manufacturing schedule. There can be no assurance that strong demand, capacity limitations or other problems experienced by our suppliers will not result in occasional shortages or delays in their supply of raw materials to us. Further, we cannot assure you that our suppliers will continue to be associated with us on reasonable terms, or at all. Since our suppliers are not contractually bound to deal with us exclusively, we may face the risk of our competitors offering better terms to such suppliers, which may cause them to cater to our competitors alongside us.

Further, the quantity of raw materials procured and the price, at which we procure such materials, may fluctuate from time to time. In addition, the availability and price of raw materials required by us may be subject to a number of factors beyond our control, including economic factors, seasonal factors, environmental factors and changes in government policies and regulations, including those relating to the laminate industry in general. We cannot assure you that we will always be able to meet our raw material requirements at prices acceptable to us, or at all, or that we will be able to pass on any increase in the cost of raw materials to our customers. Further, we also cannot assure you with a reasonable certainty that the raw materials that we would procure in the future will not be defective. In the absence of formal agreements, should we receive any defective raw materials, we may not be in a position to recover advance payments or claim compensation from our suppliers consequently increasing the manufacturing costs or reducing the realization of our finished products. Any inability on our part to procure sufficient quantities of raw materials, on commercially acceptable terms, may lead to a decline in our sales volumes and profit margins which could adversely affect our business, results of operations and financial condition.

7. *In the past, there have been instances of delayed or non- filing of certain forms which were required to be filed as per the reporting requirements under the Companies Act, 1956 and Companies Act, 2013 to ROC by our Company.*

In the past, there have been certain instances of delay in filing statutory forms as per the reporting requirements under the Companies Act, 1956/2013 with the ROC, which have been subsequently filed by payment of an additional fee as specified by ROC by our Company. Further, there have been instances of delay of statutory forms with ROC as per the reporting requirements laid down under the Companies Act, 1956 and Companies Act, 2013 by our Company. No Show Cause Notice in respect to the above has been received by our Company till date. The occurrence of instances of delayed or erroneous filings in future may impact our results of operations and financial position.

8. *Any failure in the quality control processes by our suppliers may adversely affect our business, results of operations and financial condition. We may face product liability claims and legal proceedings if the quality of products supplied by our manufacturers does not meet our customers' expectations.*

Our products might have certain quality issues or undetected errors, due to defects in manufacture of products caused by our suppliers. Any shortcoming in the products procured by us due to failure of the quality control procedures adopted by the suppliers, negligence, human error or otherwise, may damage our products and result in deficient products. It is imperative for our suppliers to meet the quality standards set by our customers and agencies as deviation from the same may cause them to reject our products and cause damage to our reputation, market standing and brand value.

In the event the quality of the products is sub-standard or the products procured by us suffer from defects and are returned by our customers due to quality complaints, we may be compelled to take back the sub- standard products and reimburse the cost paid by our customers. While, our suppliers reimburse us with the damages suffered by us due to quality defects, however, in the event our suppliers refuse to reimburse us or dispute the claims made by the customers, we may have to address the customers' grievances directly and also bear the losses caused due to the same, which may affect our business, results of operations and financial condition. Such quality lapses may strain our longstanding relationship with our domestic and international customers and our reputation and brand image may suffer, which in turn may adversely affect our business, results of operations and financial condition. Our customers may lose faith in the quality of our products and could in turn refuse to further deal in our products, which may have a severe impact on our revenue and business operations. We along with our suppliers also face the risk of legal proceedings and product liability claims being brought against us by our customers for defective products sold. A product liability claim may adversely affect our reputation and brand image, as well as entail significant costs. However, there has been no such past instance occurred during last three financial years.

9. *Any delays and/or defaults in customer payments could result in increase of working capital investment and/or reduction of our Company's profits, thereby affecting our operation and financial condition.*

We cannot assure you that payments from all or any of our customers will be received in a timely manner or to that extent will be received at all. If a customer defaults in making its payments on an order on which our Company has devoted significant resources, or if an order in which our Company has invested significant resources is delayed, cancelled or does not proceed to completion, it may have a material adverse effect on our Company's results of operations and financial condition. We cannot assure you that the said policy will provide adequate cover towards the losses which may be incurred due to the defaults committed by our customers.

There is no guarantee on the timeliness of all or any part of our customers' payments and whether they will be able to fulfill their obligations, which may arise from their financial difficulties, deterioration in their business performance, or a downturn in the global economy. If such events or circumstances occur, our financial performance and our operating cash flows may be adversely affected.

10. *If our Company is unable to continue being creative or if we are unable to keep up to the changing trends in the textile industry, it may adversely affect our business, results of operations and prospects.*

Our results of operations depend upon the continued demand of our products by our customers. Since we operate in a competitive industry where customers' purchases are highly subjective and sensitive to current trends along with creativity, keeping in with the latest trends is one of the key attributes for success. If we are unable to anticipate consumer preferences or industry changes, or if we are unable to update our suppliers and products on a timely basis, we may lose customers to our competitors, or may be forced to reduce our sales realization on products by having to offer them at a discount, thereby reducing our margins. If we are not able to anticipate the demand, or misjudge the quantity, inter alia, this could lead to lower sales, higher inventories and higher discounts, each of which could adversely affect our brand, reputation, results of operations and financial condition.

11. *The business orders which we undertake may be delayed, modified, cancelled, or not fully paid for by our clients and therefore, could materially affect our business, results of operations and financial condition.*

The business orders which we undertake may be cancelled or may be subject to changes in scope or schedule. We may also encounter problems executing the orders or executing them on a timely basis. Moreover, factors beyond our control or the control of our clients may postpone an order or cause its cancellation. Such factors could include delays or failures to obtain necessary permits, right-of-way, or receive performance bonds and other types of difficulties or obstructions. Any delay, failure, or execution difficulty with respect to orders in our Order Book could materially affect our business, results of operations and financial condition.

12. *As the securities of our Company are listed on Stock Exchanges in India, our Company is subject to certain obligations and reporting requirements under the SEBI Listing Regulations. Any non-compliances/delay in complying with such obligations and reporting requirements may render us liable to prosecution and/or penalties.*

The Equity Shares of our Company are listed on BSE, therefore we are subject to the obligations and reporting requirements prescribed under the SEBI Listing Regulations. There have been instances in the past wherein, our Company has failed to comply with the requirements as specified by the SEBI. Any such adverse regulatory action or development could affect our business reputation, divert management attention, and result in a material adverse effect on our business prospects and financial performance and on the trading price of the Equity Shares.

13. *Our Company has experienced negative cash flow in the past and may continue to do so in the future, which could have a material adverse effect on our business, prospects, financial condition, cash flows and results of operations.*

Our Company has experienced negative net cash flow in operating, investing and financing activities in the past, the details of which are provided below:

Particulars	(₹ in lacs)		
	For the year ended March 31, 2025	2024	2023
Net Cash Flow from/ (used in) Operating Activities	(107.12)	(107.65)	-
Net cash generated from/ (used in) investing activities	(69.11)	(9.86)	-
Net Cash Flow from/ (used in) Financing Activities	-	-	(148.71)

We may incur negative cash flows in the future which could have a material adverse effect on our business, prospects, results of operations and financial condition.

14. Our results of operations are likely to vary from year to year and be unpredictable, which could cause the market price of the Equity Shares to be volatile.

Our results of operations in any given year can be influenced by a number of factors, many of which are outside of our control and may be difficult to predict, including:

- Our ability to acquire and retain clients for our products & services;
- Maintaining high levels of customer satisfaction;
- Costs relating to our operations;
- Pricing policies introduced by our competitors;
- The timing and nature of, and expenses incurred in, our marketing efforts;
- Recruiting, training, and retaining sufficient skilled technical and management personnel; and
- Developing and improving our internal administrative infrastructure, particularly our financial, operational, communications, and other internal systems.

All of these factors, in combination or alone could negatively impact our revenues and may cause significant fluctuations in our results of operations. This variability and unpredictability could materially and adversely affect our results of operations and financial condition.

15. If our Company is unable to protect its intellectual property, or if our Company infringes on the intellectual property rights of others, our business may be adversely affected.



Our current trademark and logo , was earlier registered in the name of one of our promoters Mr. Mr. Narendra Kumar Sureka and others. However upon expiry of its registration in 1993 he never got it renewed and that the Company had never received any notice in respect of any infringement. However in order to protect our logo and mark more efficiently and to avoid any future conflict and infringement, we have made a fresh application for the aforementioned mark and logo vide application no. 7116746 and the same is pending with the concerned authority and that we are not sure whether the same will be registered or at all in which event we shall not be able to efficiently protect the same. Further, our trademarks may be subject to counterfeiting or imitation which would adversely impact our reputation and lead to loss of customer confidence, reduced sales and higher administrative costs.

Further, we believe that there may be other companies or vendors which operate in the unorganized segment using our trade name or brand names. Any such activities may harm the reputation of our brand and sales of our products, which could in turn adversely affect our financial performance. We rely on protections available under Indian law, which may not be adequate to prevent unauthorized use of our intellectual property by third parties. Furthermore, the application of laws governing intellectual property rights in India is uncertain and evolving and could involve substantial risks to us. Notwithstanding the precautions we take to protect our intellectual property rights, it is possible that third parties may copy or otherwise infringe on our rights, which may have an adverse effect on our business, results of operations, cash flows and financial condition.

We are also exposed to the risk that other entities may pass off their products as ours by imitating our brand name and attempting to create counterfeit products. We believe that there may be other companies or vendors which operate in the unorganized segment using our brand names. Any such activities may harm the reputation of our brand and sales of our products, which could in turn adversely affect our financial performance. Furthermore, our efforts to protect our intellectual property may not be adequate and may lead to erosion of our business value and our operations could be adversely affected. We may need to litigate in order to determine the validity of such claims and the scope of the proprietary rights of others. Any such litigation could be time consuming, continuous supply of denim fabrics or delivery of costly and the outcome cannot be guaranteed. We may not be able to detect any unauthorized use or take appropriate and timely steps to enforce or protect its intellectual property, which might adversely affect our business, results of operations and financial condition.

16. If we are unable to establish and maintain an effective system of internal controls and compliances, our business and reputation could be adversely affected.

We manage our internal compliance by monitoring and evaluating internal controls and ensuring all relevant statutory and regulatory compliances. However, there can be no assurance that deficiencies in our internal controls will not arise or that we will be able to implement and continue to maintain adequate measures to rectify or

mitigate any such deficiencies in our internal controls, in a timely manner or at all. If we are unable to establish and maintain an effective system of internal controls and compliances, our business and reputation could be adversely affected.

17. Our Company requires significant amount of working capital for a continuing growth. Our inability to meet our working capital requirements may adversely affect our results of operations.

Our business requires a significant amount of working capital. As per our settled business terms, we require our customers to pay the full amount of consideration only after they receive the order, as a result, significant amounts of our working capital are often required to finance the purchase of denim fabrics from our suppliers before payment is received from our customers. Further, we are also required to meet the increasing demand and for achieving the same, adequate stocks are required to be maintained, which requires sufficient working capital. In the event, we are unable to source the required amount of working capital for addressing such increased demand of our products, we might not be able to efficiently satisfy the demand of our customers. Even if we can source the required amount of funds, we cannot assure you that such funds would be sufficient to meet our cost estimates and that any increase in expenses will not affect the price of our products.

Further, one of the objects of this Issue include funding of working capital requirements of our Company, which is based on management estimates and certain assumptions. Any delay in processing our payments by our customers may increase our working capital requirement. Further, if a customer defaults in making payments for a product on which we have devoted significant resources, it could affect our profitability and liquidity and decrease the capital reserves that are otherwise available for other uses. In general, we make provisions for bad debts, including those arising from such defaults based primarily age of the debt and other factors such as special circumstances relating to special customers. There can be no assurance that such payments will be remitted by our clients to us on a timely basis or that we will be able to effectively manage the level of bad debt arising from defaults.

All of these factors may result, in increase in the amount of receivables and short-term borrowings. If we decide to raise additional funds through the incurrence of debt, our interest and debt repayment obligations will increase, and could have a significant effect on our profitability and cash flow and we may be subject to additional covenants, which could limit our ability to access cash flows from operations. Any issuance of equity, on the other hand, could result in a dilution of your shareholding. Accordingly, continued increase in our working capital requirements may have an adverse effect on our financial condition and results of operations.

18. Our inability to receive or renew the necessary licenses, approvals and registrations in a timely manner or at all may lead to interruption of our Company's operations.

We require certain statutory and regulatory approvals, licenses, registrations and permissions to operate our business, some of which have been granted for a fixed period of time and need to be renewed from time to time. As of date of this Letter of Offer, there are no pending proceedings, which have been initiated against us by the statutory authorities. We cannot assure you that in the near future there will not be any legal actions taken against us for the same.

Further, our licenses and approvals are subject to several conditions, and our Company cannot assure that it shall be able to continuously meet such conditions or be able to prove compliance with such conditions to statutory authorities, and this may lead to cancellation, revocation or suspension of relevant licenses, approvals and registrations. Failure by our Company to renew, maintain or obtain the required licenses or approvals, or cancellation, suspension, or revocation of any of the licenses, approvals and registrations may result in the interruption of our Company's operations and may adversely affect our business.

19. We may be unable to grow our business in additional geographic regions or international markets, which may adversely affect our business prospects and results of operations.

Our Company seeks to grow its market reach domestically to explore untapped markets and segments; however, we cannot assure you that we will be able to grow our business as planned. Infrastructure and logistical challenges in addition to the changing customers' taste and preferences may prevent us from expanding our presence or increasing the penetration of our products. Further, customers may be price conscious and we may be unable to compete effectively with the products of our competitors. If we are unable to grow our business in these new markets effectively, our business prospects, results of operations and financial condition may be adversely affected.

Further, expansion into new international markets is important to our long-term prospects. Competing successfully in international markets requires additional management attention and resources to tailor our services to the unique aspects of each new country. We may face various risks, including legal and regulatory restrictions, increased advertising and brand building expenditure, challenges caused by distance, language and cultural differences, in addition to our limited experience with such markets and currency exchange rate fluctuations. International markets require a very high standard of quality products and our Company might not be able to match the international standards thereby failing to make a brand presence in the international markets. If we are unable to make long-lasting relations with the major customers in the overseas market or if we are unable to justify the quality of our products to them, it may make it difficult for us to enter into such markets. These and other risks, which we do not foresee at present, could adversely affect any international expansion or growth, which might have an adverse effect on our business, results of operations and financial condition.

20. We are dependent on third party transportation providers for delivery of fabrics to us from our suppliers and delivery of our products to our customers. We have not entered into any formal contracts with our transport providers and any failure on part of such service providers to meet their obligations may adversely affect our business, financial condition and results of operation.

In order to ensure the smooth functioning of our business operations, we need to maintain continuous supply and transportation of the products from suppliers to our Company and transportation of our products to our customers, which may be subject to various uncertainties and risks. Uncertainties and risks such as transportation strikes or delay in supply of products are likely to have an adverse effect on our supplies and deliveries to and from our customers and suppliers. Additionally, products may be lost or damaged in transit for various reasons including the occurrence of accidents or natural disasters. A failure to deliver our products to our customers in a timely, efficient and reliable manner may adversely affect our business, results of operations and financial condition.

Further, we have not entered into any long-term agreements with our transporters and the costs of transportation are generally based on mutual terms and the prevailing market price. In the absence of such agreements, we cannot assure that the transport agencies would fulfill their obligations or would not commit a breach of understanding with us. Further, the transport agencies are not contractually bound to deal with us exclusively, we may face the risk of our competitors offering better terms or prices, which may cause them to cater to our competitors alongside us or on a priority basis, which might adversely affect our business, results of operations and financial condition.

21. If we are unable to identify customer demand accurately and maintain an optimal level of inventory proportionately, our business, results of operations and financial condition may be adversely affected.

The success of our business depends upon our ability to anticipate and forecast customer demand and trends. Any error in such identification could result in either surplus stock, which we may not be able to sell in a timely manner, or no stock at all, or under stocking, which will affect our ability to meet customer demand. We plan our inventory and estimate our sales based on the forecast, demand and requirements for our products based on past data. An optimal level of inventory is important to our business as it allows us to respond to customer demand effectively by readily making our products available to our customers. Ensuring continuous availability of our products requires prompt turnaround time and a high level of coordination across suppliers, inventory management and departmental coordination. While we aim to avoid under-stocking and over-stocking, our estimates and forecasts may not always be accurate. If we fail to accurately forecast customer demand, we may experience excess inventory levels or a shortage of products available for sale. If we over-stock inventory, our capital requirements may increase and we may incur additional financing costs. Any unsold inventory would have to be sold at a discount, leading to losses. We cannot assure you that we will be able to sell surplus stock in a timely manner, or at all, which in turn may adversely affect our business, results of operations and financial condition. If we under-stock inventory, our ability to meet customer demand may be adversely affected.

Our industry is competitive and our inability to compete effectively will adversely affect our business, results of operations, financial condition and cash flows.

The textile industry in India is fragmented and competitive with several regional brands and retailers present in local markets across the country. The textile market in India has historically been dominated by the unorganized sector. Our products compete with local retailers, non-branded products, economy brands and products of other established brands. Any increase in sale of such brands or if preference is given to such brands it may have an adverse impact on our business and results of operations. Some of our competitors may be able to procure denim fabrics at lower costs than us and consequently be able to sell their products at lower prices. As a result, our

competitors may be able to withstand industry downturns better than us or provide customers with products at more competitive prices.

We cannot assure you that we will be able to effectively and successfully compete in future against our existing or potential competitors or that our business and results of operations will not be adversely affected by increased competition.

22. Our continued operations are critical to our business and any shutdown of our manufacturing unit might adversely affect our business, results of operations and financial condition. Further, our manufacturing unit, our warehouses, godowns and all our facilities are currently located in one geographical area. The loss of, or shutdown of, our operations at this manufacturing or any disruption in the operation of our warehouses will adversely affect our business, financial condition and results of operations.

Our manufacturing units are located in Maharashtra and any local social unrest, natural disaster or breakdown of services and utilities in these areas might have material adverse effect on the business, financial position and results of our operations. Our current manufacturing units are subject to operating risks, such as breakdown or failure of equipment, power supply or processes, reduction or stoppage of water supply, performance below expected levels of efficiency, obsolescence, natural disasters, industrial accidents and the need to comply with the directives of relevant government authorities.

In the event, we are forced to shut down our manufacturing units for a prolonged period; it would adversely affect our earnings, our other results of operations and financial condition as a whole. Spiraling cost of living around our units may push our manpower costs in the upward direction, which might reduce our margin and cost competitiveness.

Any significant disruption, including social, political or economic factors or natural calamities or civil disruptions, impacting this region might adversely affect operations. Any failure of our systems or any shutdown of any of our manufacturing unit and facilities for any reason might result in a significant increase of costs and delays in the execution of orders. We do not have a diversified base of manufacturing operations, and local disturbances which would have a material adverse effect on our business, and consequently on our operations and financial condition.

Further, our warehouses are subject to operating risks, such as performance below expected levels of efficiency, labour disputes, natural disasters, industrial accidents and statutory and regulatory restrictions. Any disruption of operations of our warehouses might result in delayed delivery of our product, which might lead to disputes and legal proceedings with them on account of any losses suffered by them or any interruption of their business operations due to such delay or defect. While our strategic objectives include geographical expansion across India, in the event that we are unable to make available our products in a prompt manner and within the requisite timelines our business, financial condition and prospects might be adversely affected.

23. Any failure in our quality control processes may adversely affect our business, results of operations and financial condition. We may face product liability claims and legal proceedings if the quality of our products does not meet our customers' expectations.

Our products might have certain quality issues or undetected errors, due to defects in manufacture of products or raw materials which are used in the products. We have implemented quality control processes for our raw materials and finished goods on the basis of our internal quality standards. However, we cannot assure you that our quality control processes will not fail or the quality tests and inspections conducted by us will be accurate at all times. Any shortcoming in the raw materials procured by us or in the production of our products due to failure of our quality control procedures, negligence, human error or otherwise, may damage our products and result in deficient products. It is imperative for us to meet international quality standards set by our international customers and agencies as deviation from the same may cause them to reject our products and cause damage to our reputation, market standing and brand value.

In the event the quality of our products is sub-standard or our products suffer from defects and are returned by our customers due to quality complaints, we may be compelled to take back the sub-standard products and reimburse the cost paid by our customers. Such quality lapses may strain our longstanding relationship with our domestic customers and our reputation and brand image may suffer, which in turn may adversely affect our business, results of operations and financial condition. Our customers may lose faith in the quality of our products and could in turn refuse to further deal in our products, which may have a severe impact on our revenue and business operations. We also face the risk of legal proceedings and product liability claims being brought against us by our customers

for defective products sold. We cannot assure you that we will not experience any material product liability losses in the future or that we will not incur significant costs to defend any such claims. A product liability claim may adversely affect our reputation and brand image, as well as entail significant costs.

24. Our insurance coverage may not be sufficient or may not adequately protect us against all material hazards, which may adversely affect our business, results of operations and financial condition.

We have taken insurance which may not be adequate enough for covering the entire future unforeseen liabilities that might occur in the normal course of business. There can be no assurance that any claim under the insurance policies maintained by us will be honoured fully, in part or on time by the insurers. In addition, our insurance coverage expires from time to time. We apply for the renewal of our insurance coverage in the normal course of our business, but we cannot assure you that such renewals will be granted in a timely manner, at acceptable cost or at all. To the extent that we suffer loss or damage for which we did not obtain or maintain insurance, and which is not covered by insurance, exceeds our insurance coverage or where our insurance claims are rejected, the loss would have to be borne by us and our results of operations, cash flows and financial performance could be adversely affected.

25. Some of the raw materials that we use are combustible in nature. While we take adequate care and follow all relevant safety measures, there is a risk of fire and other accidents, at our manufacturing units and warehouses. Any accidents is likely to result in loss of property of our Company and/or disruption in the manufacturing processes which may have a material adverse effect on our results of operations, cash flows and financial condition.

The key raw material used by us for manufacturing our products is polyester and cotton. Due to its combustible nature of cotton and the semi-finished or finished products manufactured by us, we might be exposed to fires or other industrial accidents. While our Company believes that it has necessary controls and processes in place, any failure of such systems, mishandling of hazardous chemicals or any adverse incident related to the use of these chemicals or otherwise during the manufacturing process or storage of products and certain raw materials, may cause industrial accidents, fire, loss of human life, damage to our and third-party property or cause environmental damage. If any industrial accident, loss of human life or environmental damage were to occur we could be subject to significant penalties, other actionable claims and, in some instances, criminal prosecution. In addition to adversely affecting our reputation, any such accidents, may result in a loss of property of our Company and/or disruption in our manufacturing operations entirely, which may have a material adverse effect on our results of operations and financial condition. In addition to the loss as a result of such fire or industrial accident, any shutdown of any of our manufacturing units may result in us being unable to meet with our commitments, which will have an adverse effect on our business, results of operation and financial condition.

Further, any fire or industrial accident, any shutdown of our manufacturing units or any environmental damages will increase the regulatory scrutiny and result in enhanced compliance requirements including use of materials and effluent treatment which would, amongst others, increase the cost of our operations. We cannot assure you that despite our best efforts we will not face similar situations at our manufacturing units which may result in significant loss to our Company and/or a disruption of our manufacturing operations.

26. Our Promoters and Directors may have interests in our Company other than reimbursement of expenses incurred or remuneration or benefits.

Our Promoters and Directors may be deemed to be interested in our Company, in addition to the regular remuneration or benefits, reimbursements of expenses, Equity Shares held by them or their relatives, their dividend or bonus entitlement, benefits arising from their directorship in our Company. Our Promoters and Directors may also be interested to the extent of any transaction entered into by our Company with any other company or firm in which they are directors or partners.

There can be no assurance that our Promoters, and Directors will exercise their rights as shareholders to the benefit and best interest of our Company. Our Promoters and members of our Promoter Group will continue to exercise significant influence over our Company, including being able to control the composition of our Board of Directors and determine decisions requiring simple or special majority voting of shareholders, and our other shareholders may be unable to affect the outcome of such voting.

27. *Our Promoters and members of the Promoter Group have significant influence over the Company and have the ability to direct our business and affairs; their interests may conflict with your interests as a shareholder.*

Our Promoters and members of the Promoter Group have significant influence over the Company and have the ability to direct our business and affairs. On the date of this Letter of Offer, our Promoters and members of the Promoter Group collectively hold 21.73% of the issued and paid-up equity share capital of the Company. While they do not hold a majority, they may continue to exercise significant influence over our Company, including over decisions relating to the appointment of directors, business strategy, and policies. Further, the extent of the Promoters' shareholding in our Company may result in the delay or prevention of a change of management or control of our Company, even if such a transaction may be beneficial to the other shareholders of our Company.

28. *We have in the past entered into related party transactions and may continue to do so in the future, which may potentially involve conflicts of interest with the equity shareholders.*

We have entered into various transactions with related parties. While we believe that all such transactions have been conducted on an arm's length basis and contain commercially reasonable terms, we cannot assure you that we could not have achieved more favorable terms had such transactions been entered into with unrelated parties.

While we believe that all our related party transactions have been conducted on an arm's length basis, we cannot assure you that we may not have achieved more favourable terms had such transactions been entered into with unrelated parties. There can be no assurance that such transactions, individually or taken together, will not have an adverse effect on our business, prospects, results of operations and financial condition, including because of potential conflicts of interest or otherwise. In addition, our business and growth prospects may decline if we cannot benefit from our relationships with them in the future.

29. *The bankruptcy code in India may affect our rights to recover loans from borrowers.*

The Insolvency and Bankruptcy Code, 2016 ("Bankruptcy Code") was notified on August 5, 2016. The Bankruptcy Code offers uniform and comprehensive insolvency legislation encompassing all companies, partnerships and individuals (other than financial firms). It allows creditors to assess the viability of a debtor as a business decision and agree upon a plan for its revival or a speedy liquidation. The Bankruptcy Code creates a new institutional framework, consisting of a regulator, insolvency professionals, information utilities and adjudicatory mechanisms, which will facilitate a formal and time-bound insolvency resolution and liquidation process.

In case insolvency proceedings are initiated against a debtor to our Company, we may not have complete control over the recovery of amounts due to us. Under the Bankruptcy Code, upon invocation of an insolvency resolution process, a committee of creditors is constituted by the interim resolution professional, wherein each financial creditor is given a voting share proportionate to the debts owed to it. Bankruptcy Code provides a 180 (One-hundred and Eighty) day timeline which may be extended by 90 (Ninety) days when dealing with insolvency resolution applications. Subsequently, the insolvency resolution plan prepared by the insolvency professionals has to be approved by 66% of voting share of financial creditors, which requires sanction by the adjudicating authority and, if rejected, the adjudicating authority will pass an order for liquidation. Any resolution plan approved by committee of creditors is binding upon all creditors, even if they vote against it. In case a liquidation process is opted for, the Bankruptcy Code provides for a fixed order of priority in which proceeds from the sale of the debtor's assets are to be distributed. Before sale proceeds are distributed to a secured creditor, they are to be distributed for the costs of the insolvency resolution and liquidation processes, debts owed to workmen and other employees. Further, under this process, dues owed to the Central and State Governments rank at par with those owed to secured creditors. Moreover, other secured creditors may decide to opt out of the process, in which case they are permitted to realise their security interests in priority.

Accordingly, if the provisions of the Bankruptcy Code are invoked against any of the borrowers of our Company, it may affect our Company's ability to recover our loans from the borrowers and enforcement of our Company's rights will be subject to the Bankruptcy Code.

Further, the GOI vide notification dated March 24, 2020 ("Notification") has amended section 4 of the Bankruptcy Code, GoI has increased the minimum amount of default under the insolvency matters from ₹1,00,000 to ₹1,00,00,000. Therefore the ability of our Company to initiate insolvency proceedings against the defaulters where

the amount of default in an insolvency matter is less the ₹1,00,00,000 may impact the recovery of outstanding loans and profitability of our Company.

30. Our funding requirements and proposed deployment of the Net Proceeds are based on management estimates and have not been independently appraised and may be subject to change based on various factors, some of which are beyond our control.

Our funding requirements and deployment of the Net Proceeds are based on internal management estimates based on current market conditions and have not been appraised by any bank or financial institution or other independent agency. Further, in the absence of such independent appraisal, our funding requirements may be subject to change based on various factors which are beyond our control. For details, see “**Objects of the Issue**” on page 53. However, the deployment of the Gross Proceeds will be monitored by the Monitoring Agency, Infomerics Valuation and Rating Limited in accordance with Regulation 82 of the SEBI ICDR Regulations and the Monitoring Agency will submit its report to us on a quarterly basis in accordance with the SEBI ICDR Regulations which will be uploaded on the website of our Company and will also be intimated on the websites of the Stock Exchanges.

31. Our future fund requirements, in the form of further issue of capital or securities and/or loans taken by us, may be prejudicial to the interest of the Shareholders depending upon the terms on which they are eventually raised.

Any further issue of Equity Shares or convertible securities would dilute the shareholding of the existing Shareholders, and such issuance may be done on terms and conditions, which may not be favourable to the then existing Shareholders. If such funds are raised in the form of loans or debt or preference shares, then it may substantially increase our fixed interest/dividend burden and decrease our cash flows, thus adversely affecting our business, results of operations and financial condition.

32. Our success largely depends upon the knowledge and experience of our Promoters, Directors and our Key Managerial Personnel. Loss of any of our Directors and key managerial personnel or our ability to attract and retain them could adversely affect our business, operations and financial condition.

The growth and success of our Company’s future significantly depends upon the experience and continued services and the management skills of our Key Managerial Personnel and the guidance of our Directors for development of business strategies, monitoring its successful implementation and meeting future challenges. We believe the expertise, experience and continued efforts of our Key Managerial Personnel and their inputs are valuable to for the operations of our Company. Our future success and growth depend largely on our ability to attract, motivate and retain the continued service of our highly skilled management personnel. Our Company has never been faced with a challenge of high rate of attrition of our Key Management Personnel in the past, however, any attrition of our experienced Key Managerial Personnel, would adversely impact our growth strategy. We cannot assure you that we will be successful in recruiting and retaining a sufficient number of personnel with the requisite skills to replace those Key Managerial Personnel who leave. In the event we are unable to motivate and retain our key managerial personnel and thereby lose the services of our highly skilled Key Managerial Personnel may adversely affect the operations, financial condition and profitability of our Company and thereby hampering and adversely affecting our ability to expand our business.

33. Our ability to pay dividends in the future may be affected by any material adverse effect on our future earnings, financial condition or cash flows.

Our ability to pay dividends in future will depend on our earnings, financial condition and capital requirements. We may be unable to pay dividends in the near or medium term, and our future dividend policy will depend on our capital requirements and financing arrangements in respect of our operations, financial condition and results of operations.

34. Non-compliance with and changes in, safety, health, labour and environmental laws and other applicable regulations, may adversely affect our business, results of operations and financial condition.

Our Company is engaged in the business of manufacturing cotton yarn, fabrics, processing fabrics and garments for sale to various manufacturers which makes it mandatory for us to comply with extensive laws and government regulations, including in relation to safety, health and environmental protection. We cannot assure you that there will not arise a situation wherein we shall not be able to effectively treat the industrial waste, thereby failing to

comply with the necessary procedures and requirements laid down under the applicable environmental laws. On the occurrence of any of the above events, we could face regulatory action which could lead to enforced shutdowns and other sanctions imposed by the relevant authorities. There can be instances in the future, where our Company may be forced to halt our business operations in our manufacturing units on receiving adverse orders from state pollution control boards. We cannot assure you that there will not be any instances in the future wherein our Company will not be forced to halt the operations in its manufacturing units due to not complying with the applicable laws and such events will not cause loss of revenue and have an adverse impact on our business operations.

India has stringent labour legislations which protect the interest of workers, including legislation that sets forth detailed procedures for the establishment of unions, dispute resolution, working conditions, hiring and termination of employees, contract labour and work permits and maintenance of regulatory and statutory records and making periodic payments, minimum wages and maximum working hours, overtime, working conditions, etc.

Our Company is also subject to safety, health and environment laws and regulations such as the Environment (Protection) Act, 1986, the Water (Prevention and Control of Pollution) Act, 1974, the Air (Prevention and Control of Pollution) Act, 1981. These laws and regulations impose controls on our Company's safety standards, and other aspects of its operations. Our Company has incurred and expects to continue to incur, operating costs to comply with such laws and regulations. In addition, our Company has made and expects to continue to make capital expenditures on an on-going basis to comply with the safety and health laws and regulations. Our Company may be liable to the Central and State governmental bodies with respect to its failures to comply with applicable laws and regulations. Further, the adoption of new safety and health laws and regulations, new interpretations of existing laws, increased governmental enforcement of laws or other developments in the future may require that our Company make additional capital expenditures or incur additional operating expenses in order to maintain its current operations or take other actions that could adversely affect its financial condition, results of operations and cash flow. Safety, health and environmental laws and regulations in India and all around the world, in particular, have been increasing in stringency and it is possible that they will become significantly more stringent in the future. The costs of complying with these requirements could be significant and may have an impact on our financial condition. Therefore, if there is any failure by us to comply with the terms of the laws and regulations governing our operations we may be involved in litigation or other proceedings, or be held liable in any litigation or proceedings, incur increased costs, be subject to penalties, have our approvals and permits revoked or suffer a disruption in our operations, any of which could adversely affect our business and results of operations.

35. *Our Company is highly dependent on skilled and unskilled labour for manufacturing of our products. Our manufacturing processes are labour intensive, therefore our operations could be adversely affected by strikes, work stoppages or increased wage demands by our employees or any other kind of disputes with our employees. If we are unable to continue to hire skilled and unskilled labour, in sufficient numbers and the quality and quantity of our products being manufactured in our units can get affected.*

Our operations are significantly dependent on access to a large pool of laborers for operation of our manufacturing unit. Our dependence on skilled and unskilled labour may result in significant risks for our operations, relating to the availability and skill of such laborers, as well as contingencies affecting availability of such laborers during peak periods. Further, our manufacturing units are surrounded by a number of industries, which may create a demand-supply gap in the labour industry which may impact on our business operations. There can be no assurance that we will have adequate access to skilled and unskilled workmen at reasonable rates. As a result, we may be required to incur additional costs to ensure timely execution of our projects. In addition to the above, in view of the ongoing pandemic and the lockdown, which was imposed by several State and Central Governments, there is an acute shortage of laborers, since most of the labourers have returned to their native places due to the widening income gap and lack of adequate resources to sustain their livelihood. In the event, we are unable to source adequate numbers of laborers for our manufacturing units or if we are exposed to an increased expense due to the surge in the wages of such laborers we cannot assure you that it will not impact our business operations and financial condition. Due to the increase in the wages paid to the labours, we may have to increase the cost of our product which would directly impact our customers. In the event, we are unable to deploy the required number of labours to run our manufacturing units for addressing such increased demand of our products, we might not be able to efficiently and timely satisfy the demand of our customers. We believe our employees and labour employed in our manufacturing unit are critical to maintain our competitive position. Although we have not experienced any material labour unrest, we cannot assure you that we will not experience disruptions in work due to disputes or other problems with our work force, which may adversely affect our ability to continue our business operations. Any labour unrest directed against us, could directly or indirectly prevent or hinder our normal operating activities, and, if not resolved in a timely manner, could lead to disruptions in our operations and could adversely affect our

results of operations and financial position.

36. *Increased losses due to fraud, employee negligence, theft or similar incidents may have an adverse impact on us.*

Our business and the industry in which we operate are vulnerable to the problem of pilferage by employees, damage, misappropriation of cash and inventory management and logistical errors. An increase in product losses due to such factors at our place of operation may require us to install additional security and surveillance equipment and incur additional expenses towards inventory management and handling. We cannot assure you whether these measures will successfully prevent such losses. Further, there are inherent risks in cash management as part of our operations, which include theft and robbery, employee fraud and the risks involved in transferring cash to banks. Additionally, in case of losses due to theft, financial misappropriation, fire, breakage or damage caused by other casualties, we cannot assure you that we will be able to recover from our insurers the full amount of any such loss in a timely manner, or at all. In addition, if we file claims under an insurance policy it could lead to increases in the insurance premiums payable by us or the termination of coverage under the relevant policy.

37. *Changes in technology may render our current technologies obsolete or require us to make substantial capital investments.*

Modernization and technology up-gradation is essential to provide better products. Although we strive to keep our technology in line with the latest standards, we may be required to implement new technology or upgrade the existing technology employed by us. Further, the costs in upgrading our technology could be significant which could substantially affect our finances and operations.

ISSUE SPECIFIC RISKS

38. *We will not distribute this the Letter of Offer, Application Form and RightsEntitlement Letter to overseas Shareholders who have not provided an address in India for service of documents.*

In accordance with the SEBI ICDR Regulations and SEBI Rights Issue Circulars our Company will send, only through email, this Letter of Offer, the Letter of Offer, the Rights Entitlement Letter, Application Form and other issue material to the email addresses of all the Eligible Equity Shareholders who have provided their Indian addresses to our Company or who are located in jurisdictions where the offer and sale of the Rights Equity Shares permitted under laws of such jurisdictions and in each case who make a request in this regard. The Issue Materials will not be distributed to addresses outside India on account of restrictions that apply to circulation of such materials in overseas jurisdictions. However, the Companies Act, 2013 requires companies to serve documents at any address which may be provided by the members as well as through e-mail. Presently, there is lack of clarity under the Companies Act, 2013 and the rules made thereunder with respect to distribution of Issue Materials in overseas jurisdictions where such distribution may be prohibited under the applicable laws of such jurisdictions. While we have requested all the shareholders to provide an address in India for the purposes of distribution of Issue Materials, we cannot assure you that the regulator or authorities would not adopt a different view with respect to compliance with the Companies Act, 2013 and may subject us to fines or penalties.

39. *Investors will not have the option of getting the Allotment of Rights Equity Shares in physical form and the Rights Entitlement of Eligible Equity Shareholders holding Equity Shares in physical form (“Physical Shareholders”) may lapse in case they fail to furnish the details of their demat account to the Registrar.*

The concept of crediting Rights Entitlements into the demat accounts of the Eligible Equity Shareholders has been introduced by the SEBI in 2020. Accordingly, the process for such Rights Entitlements has been recently devised by capital market intermediaries. Eligible Equity Shareholders are encouraged to exercise caution, carefully follow the requirements as stated in the SEBI circulars dated January 22, 2020, May 6, 2020 and January 19, 2021, April 22, 2021 and May 19, 2022, as applicable (“SEBI Rights Issue Circular”) and ensure completion of all necessary steps in relation to providing/updating their demat account details in a timely manner.

In accordance with Regulation 77A of the SEBI ICDR Regulations read with the SEBI Rights Issue Circular SEBI/HO/CFD/DIL2/CIR/P/2020/13 dated January 22, 2020 the credit of Rights Entitlements and Allotment of Rights Equity Shares shall be made in dematerialized form only. Prior to the Issue Opening Date, our Company shall credit the Rights Entitlements to (i) the demat accounts of the Eligible Equity Shareholders holding the Equity Shares in dematerialized form; and (ii) a demat suspense escrow account opened by our Company, for the

Eligible Equity Shareholders which would comprise of Rights Entitlements relating to (a) Equity Shares held in a demat suspense account pursuant to Regulation 39 of the SEBI Listing Regulations; or (b) Equity Shares held in the account of IEPF authority; or (c) the demat accounts of the Eligible Equity Shareholder which are frozen or details of which are unavailable with our Company or with the Registrar on the Record Date; or (d) credit of the Rights Entitlements returned/reversed/failed; or (e) the ownership of the Equity Shares currently under dispute, including any court proceedings.

Accordingly, the Rights Entitlements of the Physical Shareholders shall be credited in a suspense escrow demat account opened by our Company during the Issue Period. The Physical Shareholders are requested to furnish the details of their demat account to the Registrar not later than 2 (two) Working Days prior to the Issue Closing Date to enable the credit of their Rights Entitlements in their demat accounts at least 1 (one) day before the Issue Closing Date. The Rights Entitlements of the Physical Shareholders who do not furnish the details of their demat account to the Registrar not later than 2 (two) Working Days prior to the Issue Closing Date, shall lapse. Further, pursuant to a press release dated December 3, 2018 issued by the SEBI, with effect from April 1, 2019, a transfer of listed Equity Shares cannot be processed unless the Equity Shares are held in dematerialized form (except in case of transmission or transposition of Equity Shares).

40. Failure to exercise or sell the Rights Entitlements will cause the Rights Entitlements to lapse without compensation and result in a dilution of shareholding.

The Rights Entitlements that are not exercised prior to the end of the Issue Closing Date will expire and become null and void, and Eligible Equity Shareholders will not receive any consideration for them. The proportionate ownership and voting interest in our Company of Eligible Equity Shareholders who fail (or are not able) to exercise their Rights Entitlements will be diluted. Even if you elect to sell your unexercised Rights Entitlements, the consideration you receive for them may not be sufficient to fully compensate you for the dilution of your percentage ownership of the equity share capital of our Company that may be caused as a result of the Issue. Renouncees may not be able to apply in case of failure in completion of renunciation through off-market transfer in such a manner that the Rights Entitlements are credited to the demat account of the Renouncees prior to the Issue Closing Date. Further, in case, the Rights Entitlements do not get credited in time, in case of On Market Renunciation, such Renouncee will not be able to apply in this Issue with respect to such Rights Entitlements.

41. Any future issuance of Equity Shares, or convertible securities or other equity-linked securities by our Company may dilute your shareholding and any sale of Equity Shares by our Promoter or members of our Promoter Group may adversely affect the trading price of the Equity Shares.

Any future issuance of the Equity Shares, convertible securities or securities linked to the Equity Shares by our Company may dilute your shareholding in our Company; adversely affect the trading price of the Equity Shares and our ability to raise capital through an issue of our securities. In addition, any perception by investors that such issuances or sales might occur could also affect the trading price of the Equity Shares. We cannot assure you that we will not issue additional Equity Shares. The disposal of Equity Shares by any of our Promoter and Promoter Group, or the perception that such sales may occur may significantly affect the trading price of the Equity Shares. We cannot assure you that our Promoter and Promoter Group will not dispose of, pledge or encumber their Equity Shares in the future.

42. Investors may be subject to Indian taxes arising out of capital gains on the sale of the Equity Shares.

Under current Indian tax laws, unless specifically exempted, capital gains arising from the sale of equity shares of an Indian company are generally taxable in India. Accordingly, you may be subject to payment of long-term capital gains tax in India, in addition to payment of STT, on the sale of any Equity Shares held for more than 12 months. STT will be levied on and collected by a domestic stock exchange on which the Equity Shares are sold. Further, any gain realized on the sale of listed equity shares held for a period of 12 months or less will be subject to short-term capital gains tax in India. Capital gains arising from the sale of the Equity Shares may be partially or completely exempt from taxation in India in cases where such exemption is provided under a treaty between India and the country of which the seller is a resident. Generally, Indian tax treaties do not limit India's ability to impose tax on capital gains. As a result, residents of other countries may be liable for tax in India as well as in their own jurisdiction on gains made upon the sale of the Equity Shares.

43. Applicants to this Issue are not allowed to withdraw their Applications after the Issue Closing Date.

In terms of the SEBI ICDR Regulations, Applicants in this Issue are not allowed to withdraw their Applications

after the Issue Closing Date. The Allotment in this Issue and the credit of such Equity Shares to the Applicant's demat account with its depository participant shall be completed within such period as prescribed under the applicable laws. There is no assurance, however, that material adverse changes in the international or national monetary, financial, political or economic conditions or other events in the nature of force majeure, material adverse changes in our business, results of operation, cash flows or financial condition, or other events affecting the Applicant's decision to invest in the Equity Shares, would not arise between the Issue Closing Date and the date of Allotment in this Issue. Occurrence of any such events after the Issue Closing Date could also impact the market price of our Equity Shares. The Applicants shall not have the right to withdraw their applications in the event of any such occurrence. We cannot assure you that the market price of the Equity Shares will not decline below the Issue Price. To the extent the market price for the Equity Shares declines below the Issue Price after the Issue Closing Date, the shareholder will be required to purchase Equity Shares at a price that will be higher than the actual market price for the Equity Shares at that time. Should that occur, the shareholder will suffer an immediate unrealized loss as a result. We may complete the Allotment even if such events may limit the Applicants' ability to sell our Equity Shares after this Issue or cause the trading price of our Equity Shares to decline.

44. *Investors may not receive the Equity Shares that you subscribe in the Issue until 15 (fifteen) days after the date on which this Issue closes, which will subject you to market risk.*

The Equity Shares that you subscribe in the Issue may not be credited to your demat account with the depository participants until approximately 15 (fifteen) days from the Issue Closing Date. You can start trading such Equity Shares only after receipt of the listing and trading approval in respect thereof. There can be no assurance that the Equity Shares allocated to you will be credited to your demat account, or that trading in the Equity Shares will commence within the specified time period, subjecting you to market risk for such period.

45. *There is no guarantee that our Equity Shares will be listed in a timely manner or at all which may adversely affect the trading price of our Equity Shares.*

In accordance with Indian law and practice, final approval for listing and trading of the Equity Shares will not be granted by the Stock Exchanges until after those Equity Shares have been issued and allotted. Approval will require all relevant documents authorizing the issuing of Equity Shares to be submitted. There could be a failure or delay in listing the Equity Shares on Stock Exchanges. Any failure or delay in obtaining the approval would restrict your ability to dispose of your Equity Shares. Further, historical trading prices, therefore, may not be indicative of the prices at which the Equity Shares will trade in the future which may adversely impact the ability of our shareholders to sell the Equity Shares or the price at which shareholders may be able to sell their Equity Shares at that point of time.

46. *Holders of Equity Shares could be restricted in their ability to exercise pre-emptive rights under Indian law and could thereby suffer future dilution of their ownership position.*

Under the Companies Act, any company incorporated in India must offer its holders of equity shares pre-emptive rights to subscribe and pay for a proportionate number of shares to maintain their existing ownership percentages prior to the issuance of any new equity shares, unless the pre-emptive rights have been waived by the adoption of a special resolution by holders of three-fourths of the shares voted on such resolution, unless our Company has obtained government approval to issue without such rights. However, if the law of the jurisdiction that you are in does not permit the exercise of such pre-emptive rights without us filing an offering document or registration statement with the applicable authority in such jurisdiction, you will be unable to exercise such pre-emptive rights unless we make such a filing. We may elect not to file a registration statement in relation to pre-emptive rights otherwise available by Indian law to you. To the extent that you are unable to exercise pre-emptive rights granted in respect of the Equity Shares, your proportional interests in us would be reduced.

47. *Conditions in the Indian securities market may affect the price or liquidity of our Equity Shares.*

The Indian securities markets are smaller and more volatile than securities markets in more developed economies. The Indian stock exchanges have, in the past, experienced substantial fluctuations in the prices of listed securities. Prices of listed securities are subject to volatility linked among other factors to the uncertainty in the global markets and the rising inflationary and interest rate pressures domestically. The governing bodies of the Indian stock exchanges have, from time to time, imposed restrictions on trading in certain securities, limitations on price movements, and margin requirements. Future fluctuations or trading restrictions could have a material adverse effect on the price of our Equity Shares.

48. *Fluctuation in the exchange rate between the Indian Rupee and foreign currencies may adversely affect the value of our Equity Shares, independent of our operating results.*

On listing, our Equity Shares will be quoted in Indian Rupees on the Stock Exchanges. Any dividends in respect of our Equity Shares will also be paid in Indian Rupees and subsequently converted into the relevant foreign currency for repatriation, if required. Any adverse movement in currency exchange rates during the time that it takes to undertake such conversion may reduce the net dividend to foreign investors. In addition, any adverse movement in currency exchange rates during a delay in repatriating outside India the proceeds from a sale of Equity Shares, for example, because of a delay in regulatory approvals that may be required for the sale of Equity Shares may reduce the proceeds received by equity shareholders. For example, the exchange rate between the Rupee and the U.S. dollar has fluctuated substantially in recent years and may continue to fluctuate substantially in the future, which may adversely affect the trading price of our Equity Shares and returns on our Equity Shares, independent of our operating results.

49. *Sale of Equity Shares by our Promoter or other significant shareholder(s) may adversely affect the trading price of the Equity Shares.*

Any instance of disinvestments of equity shares by our Promoter or by other significant shareholder(s) may significantly affect the trading price of our Equity Shares. Further, our market price may also be adversely affected even if there is a perception or belief that such sales of Equity Shares might occur.

50. *Investors will not have the option of getting the allotment of Equity Shares in physical form.*

In accordance with the Companies Act 2013, SEBI ICDR Regulations, the Equity Shares shall be issued only in dematerialized form. Investors will not have the option of getting the allotment of Equity Shares in physical form. The Equity Shares Allotted to the Applicants who do not have demat accounts or who have not specified their demat details, will be kept in abeyance till receipt of the details of the demat account of such Applicants. This may impact the ability of our shareholders to receive the Equity Shares in the Issue.

51. *Rights of shareholders under Indian laws may be more limited than under the laws of other jurisdictions.*

Indian legal principles related to corporate procedures, directors' fiduciary duties and liabilities, and shareholders' rights may differ from those that would apply to a company in another jurisdiction. Shareholders' rights including in relation to class actions, under Indian law may not be as extensive as shareholders' rights under the laws of other countries or jurisdictions. Investors may have more difficulty in asserting their rights as shareholder in an Indian company than as shareholder of a corporation in another jurisdiction.

52. *In the event there is any delay in the completion of the Issue, there would be a corresponding delay in the completion of the objects / schedule of implementation of this Issue which would in turn affect our revenues and results of operations.*

The funds that we receive would be utilized for the Objects of the Issue as has been stated in the section titled **"Objects of the Issue"** beginning on page 53. The proposed schedule of implementation of the objects of the Issue is based on our management's estimates. If the schedule of implementation is delayed for any other reason whatsoever, including any delay in the completion of the Issue, we may have to revise our business, development and working capital plans resulting in unprecedented financial mismatch and this may adversely affect our revenues and results of operations.

53. *The Issue Price of our Rights Equity Shares may not be indicative of the market price of our Equity Shares after the Issue.*

The Issue Price of Rights Equity Share may not be indicative of the market price for our Equity Shares after the Issue. The market price of the Equity Shares could be subject to significant fluctuations after the Issue and may decline below the Issue Price. There can be no assurance that the Investors will be able to sell their Equity Shares at or above the Issue Price. The factors that could affect our share price are:

- quarterly variations in the rate of growth of our financial indicators such as earnings per share;
- changes in revenue or earnings estimates or publication of research reports by analysts;
- speculation in the press or investment community; general market conditions; and,

- Domestic and international economic, legal and regulatory factors unrelated to our performance.

In addition, the Indian equity share markets have from time-to-time experienced significant price and volume fluctuations that have affected the market prices for the securities of Indian companies. As a result, investors may experience a decrease in the value of the Equity Shares regardless of our operating performance or prospects.

EXTERNAL RISK FACTORS

54. Conditions in the Indian securities market may affect the price or liquidity of the Equity Shares.

Indian stock exchanges have in the past experienced substantial fluctuations in the prices of listed securities. These exchanges have also experienced problems that have affected the market price and liquidity of the securities of Indian companies, such as temporary exchange closures, broker defaults, settlement delays and strikes by brokers. In addition, the governing bodies of the Indian stock exchanges have from time to time restricted securities from trading, limited price movements and restricted margin requirements. Further, disputes have occurred on occasion between listed companies and the Indian stock exchanges and other regulatory bodies that, in some cases, have had a negative effect on market sentiment. If similar problems occur in the future, the market price and liquidity of the Equity Shares could be adversely affected.

55. Significant differences exist between Ind AS, Indian GAAP and other accounting principles, such as US GAAP and International Financial Reporting Standards ("IFRS"), which investors may be more familiar with and consider material to their assessment of our financial condition.

Our summary statements of assets and liabilities and summary statements of profit and loss (including other comprehensive income), cash flows and changes in equity, as per the Financial Statements, have been prepared in accordance with the Indian Accounting Standards notified under Section 133 of the Companies Act, 2013, read with the Ind AS Rules and Audited financial statement in accordance with the SEBI ICDR Regulations, the SEBI Circular and the Letter of Offer Guidance Note.

We have not attempted to quantify the impact of US GAAP, IFRS or any other system of accounting principles on the financial data included in this Letter of Offer, nor do we provide a reconciliation of our audited financial statements to those of US GAAP, IFRS or any other accounting principles. US GAAP and IFRS differ in significant respects from Ind AS and Indian GAAP. Accordingly, the degree to which the Financial Information included in this Letter of Offer will provide meaningful information is entirely dependent on the reader's level of familiarity with Ind AS, Indian GAAP and the SEBI ICDR Regulations. Any reliance by persons not familiar with Indian accounting practices on the financial disclosures presented in this Letter of Offer should accordingly be limited.

56. Political, economic or other factors that are beyond our control may have adversely affect our business and results of operations.

The Indian economy and its securities markets are influenced by economic developments and volatility in securities markets in other countries. Investors' reactions to developments in one country may have adverse effects on the market price of securities of companies located in other countries, including India. Negative economic developments, such as rising fiscal or trade deficits, or a default on national debt, in other emerging market countries may also affect investor confidence and cause increased volatility in Indian securities markets and indirectly affect the Indian economy in general. Any of these factors could depress economic activity and restrict our access to capital, which could have an adverse effect on our business, financial condition and results of operations and reduce the price of our Equity Shares. Any financial disruption could have an adverse effect on our business, future financial performance, shareholders' equity and the price of our Equity Shares.

We are dependent on domestic, regional and global economic and market conditions. Our performance, growth and market price of our Equity Shares are and will be dependent to a large extent on the health of the economy in which we operate. There have been periods of slowdown in the economic growth of India. Demand for our products or services may be adversely affected by an economic downturn in domestic, regional and global economies.

Economic growth is affected by various factors including domestic consumption and savings, balance of trade movements, namely export demand and movements in key imports, global economic uncertainty and liquidity

crisis, volatility in exchange currency rates, and annual rainfall which affects agricultural production.

Consequently, any future slowdown in the Indian economy could harm our business, results of operations and financial condition. Also, a change in the government or a change in the economic and deregulation policies could adversely affect economic conditions prevalent in the areas in which we operate in general and our business in particular and high rates of inflation in India could increase our costs without proportionately increasing our revenues, and as such decrease our operating margins.

57. *A slowdown in economic growth in India could cause our business to suffer.*

We are incorporated in India, and all of our assets and employees are located in India. As a result, we are highly dependent on prevailing economic conditions in India and our results of operations are significantly affected by factors influencing the Indian economy. A slowdown in the Indian economy could adversely affect our business, including our ability to grow our assets, the quality of our assets, and our ability to implement our strategy.

Factors that may adversely affect the Indian economy, and hence our results of operations, may include:

- Any increase in Indian interest rates or inflation;
- Any scarcity of credit or other financing in India;
- Prevailing income conditions among Indian consumers and Indian corporations;
- Changes in India's tax, trade, fiscal or monetary policies;
- political instability, terrorism or military conflict in India or in countries in the region or globally, including in India's various neighboring countries;
- Prevailing regional or global economic conditions; and
- Other significant regulatory or economic developments in or affecting India

Any slowdown in the Indian economy or in the growth of the sectors we participate in or future volatility in global commodity prices could adversely affect our borrowers and contractual counterparties. This in turn could adversely affect our business and financial performance and the price of our Equity Shares.

58. *Changing in laws, rules, regulations, tariffs and legal uncertainties, including adverse application of corporate and tax laws, may adversely affect our business, prospects and results of operations.*

The regulatory and policy environment in which we operate is evolving and subject to change. Such changes, including the instances mentioned below, may adversely affect our business, results of operations and prospects, to the extent that we are unable to suitably respond to and comply with any such changes in applicable law and policy.

The Government of India has issued a notification dated September 29, 2016 notifying Income Computation and Disclosure Standards ("ICDS"), thereby creating a new framework for the computation of taxable income. The ICDS became applicable from the assessment year for Fiscal 2018 and subsequent years. The adoption of ICDS is expected to significantly alter the way companies compute their taxable income, as ICDS deviates from several concepts that are followed under general accounting standards, including Indian GAAP and Ind AS. In addition, ICDS shall be applicable for the computation of income for tax purposes but shall not be applicable for the computation of income for minimum alternate tax. There can be no assurance that the adoption of ICDS will not adversely affect our business, results of operations and financial condition.

- The General Anti Avoidance Rules ("GAAR") have been made effective from April 1, 2017. The tax consequences of the GAAR provisions being applied to an arrangement could result in denial of tax benefit amongst other consequences. In the absence of any precedents on the subject, the application of these provisions is uncertain. If the GAAR provisions are made applicable to our Company, it may have an adverse tax impact on us.
- A comprehensive national GST regime that combines taxes and levies by the Central and State Governments into a unified rate structure, which came into effect from July 1, 2017. We cannot provide any assurance as to any aspect of the tax regime following implementation of the GST. Any future increases or amendments may affect the overall tax efficiency of companies operating in India and may result in significant additional taxes becoming payable.

In addition, unfavorable changes in or interpretations of existing, or the promulgation of new laws, rules,

regulations and tariff including foreign investment laws governing our business, operations and group structure could result in us being deemed to be in contravention of such laws or may require us to apply for additional approvals. We may incur increased costs and other burdens relating to compliance with such new requirements, which may also require significant management time and other resources, and any failure to comply may adversely affect our business, results of operations and prospects. Uncertainty in the applicability, interpretation or implementation of any amendment to, or change in, governing law, regulation or policy, including by reason of an absence, or a limited body, of administrative or judicial precedent may be time consuming as well as costly for us to resolve and may affect the viability of our current business or restrict our ability to grow our business in the future.

Any increase in taxes and levies, or the imposition of new taxes and levies in the future, could increase the cost of production and operating expenses. Taxes and other levies imposed by the central or state governments in India that affect our industry include customs duties, excise duties, sales tax, income tax and other taxes, duties or surcharges introduced on a permanent or temporary basis from time to time. The central and state tax scheme in India is extensive and subject to change from time to time. Any adverse changes in any of the taxes levied by the central or state governments may adversely affect our competitive position and profitability.

59. *Financial instability in both Indian and international financial markets could adversely affect our results of operations and financial condition.*

The Indian financial market and the Indian economy are influenced by economic and market conditions in other countries, particularly in emerging market in Asian countries. Financial turmoil in Asia, Europe, the United States and elsewhere in the world in recent years has affected the Indian economy. Although economic conditions are different in each country, investors' reactions to developments in one country can have an adverse effect on the securities of companies in other countries. A loss in investor confidence in the financial systems of other emerging markets may cause increased volatility in the Indian economy in general. Any global financial instability, including further deterioration of credit conditions in the U.S. market, could also have a negative impact on the Indian economy. Financial disruptions may occur again and could harm our results of operations and financial condition.

The Indian economy is also influenced by economic and market conditions in other countries. This includes, but is not limited to, the conditions in the United States, Europe and certain economies in Asia. Financial turmoil in Asia and elsewhere in the world in recent years has affected the Indian economy. Any worldwide financial instability may cause increased volatility in the Indian financial markets and, directly or indirectly, adversely affect the Indian economy and financial sector and its business.

Although economic conditions vary across markets, loss of investor confidence in one emerging economy may cause increased volatility across other economies, including India. Financial instability in other parts of the world could have a global influence and thereby impact the Indian economy. Financial disruptions in the future could adversely affect our business, prospects, financial condition and results of operations. The global credit and equity markets have experienced substantial dislocations, liquidity disruptions and market corrections.

There are concerns that a tightening of monetary policy in emerging markets and some developed markets will lead to a moderation in global growth. In response to such developments, legislators and financial regulators in the United States and other jurisdictions, including India, have implemented a number of policy measures designed to add stability to the financial markets. However, the overall long-term impact of these and other legislative and regulatory efforts on the global financial markets is uncertain, and they may not have had the intended stabilizing effects. Any significant financial disruption in the future could have an adverse effect on our cost of funding, loan portfolio, business, future financial performance and the trading price of the Equity Shares.

60. *Inflation in India could have an adverse effect on our profitability and if significant, on our financial condition.*

Inflation rates in India have been volatile in recent years, and such volatility may continue in the future. India has experienced high inflation in the recent past. Increased inflation can contribute to an increase in interest rates and increased costs to our business, including increased costs of salaries, and other expenses relevant to our business.

High fluctuations in inflation rates may make it more difficult for us to accurately estimate or control our costs. Any increase in inflation in India can increase our expenses, which we may not be able to pass on to our customers, whether entirely or in part, and the same may adversely affect our business and financial condition. In particular,

we might not be able to reduce our costs or increase our rates to pass the increase in costs on to our customers. In such case, our business, results of operations, cash flows and financial condition may be adversely affected.

Further, the GOI has previously initiated economic measures to combat high inflation rates, and it is unclear whether these measures will remain in effect. There can be no assurance that Indian inflation levels will not worsen in the future.

61. Foreign investors are subject to foreign investment restrictions under Indian law that limits our ability to attract foreign investors, which may adversely impact the market price of the Equity Shares.

As an Indian Company, we are subject to exchange controls that regulate borrowing in foreign currencies, including those specified under FEMA. Such regulatory restrictions limit our financing sources and hence could constrain our ability to obtain financing on competitive terms and refinance existing indebtedness. In addition, we cannot assure you that the required approvals will be granted to us without onerous conditions, or at all. Limitations on foreign debt may adversely affect our business growth, results of operations and financial condition.

Further, under the foreign exchange regulations currently in force in India, transfers of shares between non-residents and residents are freely permitted (subject to certain exceptions) if they comply with the pricing guidelines and reporting requirements specified by the RBI. If the transfer of shares, which are sought to be transferred, is not in compliance with such pricing guidelines or reporting requirements or fall under any of the exceptions referred to above, then the prior approval of the RBI will be required. Additionally, shareholders who seek to convert the Rupee proceeds from a sale of shares in India into foreign currency and repatriate that foreign currency from India will require a no objection/ tax clearance certificate from the income tax authority. There can be no assurance that any approval required from the RBI or any other government agency can be obtained on any particular terms or at all.

62. Any downgrading of India's debt rating by an independent agency may harm our ability to raise financing.

Any adverse revisions to India's credit ratings international debt by international rating agencies may adversely affect our ability to raise additional overseas financing and the interest rates and other commercial terms at which such additional financing is available. This could have an adverse effect on our ability to fund our growth on favorable terms or at all, and consequently adversely affect our business and financial performance and the price of our Equity Shares.

63. Changing laws, rules and regulations and legal uncertainties, including adverse application of tax laws, may adversely affect our business, prospects and results of operations

The regulatory environment in which we operate is evolving and is subject to change. The GoI may implement new laws or other regulations that could affect the insurance industry, which could lead to new compliance requirements, including requiring us to obtain approvals and licenses from the GoI and other regulatory bodies, or impose onerous requirements. New compliance requirements could increase our costs or otherwise adversely affect our business, financial condition and results of operations. Further, the manner in which new requirements will be enforced or interpreted can lead to uncertainty in our operations and could adversely affect our operations. Accordingly, any adverse regulatory change in this regard could lead to fluctuation of price points of various input costs and thereby increase our operational cost.

The Taxation Laws (Amendment) Act, 2019, also prescribes certain changes to the income tax rate applicable to companies in India. According to this Act, companies can henceforth voluntarily opt in favour of a concessional tax regime (subject to no other special benefits/exemptions being claimed), which would ultimately reduce the effective tax rate (on gross basis) for Indian companies from 34.94% to approximately 25.17%. Any such future amendments may affect our ability to claim exemptions that we have historically benefited from, and such exemptions may no longer be available to us. Any adverse order passed by the appellate authorities/ tribunals/ courts would have an effect on our profitability.

Changes in other laws may impose additional requirements, resulting in additional expenditure and time cost. For instance, the GoI has announced four labour codes which are yet to come into force as on the date of this Letter of Offer, namely, (i) the Code on Wages, 2019, (ii) the Industrial Relations Code, 2020; (iii) the Code on Social Security, 2020; and (iv) the Occupational Safety, Health and Working Conditions Code, 2020. Such codes

will replace the existing legal framework governing rights of workers and labour relations. While the rules for implementation under these codes have not been announced, we are unable to determine the impact of all or some such laws on our business and operations which may restrict our ability to grow our business in the future. For example, the Social Security Code aims to provide uniformity in providing social security benefits to employees which were previously segregated under different acts and had different applicability and coverage. The Social Security Code has introduced the concept of workers outside traditional employer-employee work-arrangements, such as “gig workers” and “platform workers” and provides for the mandatory registration of such workers in order to enable these workers to avail themselves of various employment benefits, such as life and disability cover, health and maternity benefits and old age protection, under schemes framed under the Social Security Code from time to time. Any failure to comply may adversely affect our business, results of operations and prospects. Uncertainty in the applicability, interpretation or implementation of any amendment to, or change in, governing law, regulation or policy, including by reason of an absence, or a limited body, of administrative or judicial precedent may be time consuming as well as costly for us to resolve and may impact the viability of our current businesses or restrict our ability to grow our businesses in the future

64. The occurrence of natural or man-made disasters could adversely affect our results of operations, cash flows and financial condition. Hostilities, terrorist attacks, civil unrest and other acts of violence could adversely affect the financial markets and our business.

The occurrence of natural disasters, including cyclones, storms, floods, earthquakes, tsunamis, tornadoes, fires, explosions, pandemic disease and man-made disasters, including acts of terrorism and military actions, could adversely affect our results of operations, cash flows or financial condition. In addition, any deterioration in international relations, especially between India and its neighboring countries, may result in investor concerns regarding regional stability which could adversely affect the price of the Equity Shares. In addition, India has witnessed local civil disturbances in recent years and it is possible that future civil unrest as well as other adverse social, economic or political events in India could have an adverse effect on our business.

Such incidents could also create a greater perception that investment in Indian companies involves a higher degree of risk and could have an adverse effect on our business and the market price of the Equity Shares.

65. We are subject to regulatory, economic, social and political uncertainties and other factors beyond our control.

We are incorporated in India and we conduct our corporate affairs and our business in India. Consequently, our business, operations, financial performance will be affected by interest rates, government policies, taxation, social and ethnic instability and other political and economic developments affecting India.

Factors that may adversely affect the Indian economy, and hence our results of operations may include:

- Any exchange rate fluctuations, the imposition of currency controls and restrictions on the right to convert or repatriate currency or export assets;
- Any scarcity of credit or other financing in India, resulting in an adverse effect on economic conditions in India and scarcity of financing for our expansions;
- Prevailing income conditions among Indian customers and Indian corporations;
- epidemic or any other public health in India or in countries in the region or globally, including in India’s various neighboring countries;
- Hostile or war like situations with the neighboring countries;
- Macroeconomic factors and central bank regulation, including in relation to interest rates movements which may in turn adversely impact our access to capital and increase our borrowing costs;
- Decline in India’s foreign exchange reserves which may affect liquidity in the Indian economy;
- Downgrading of India’s sovereign debt rating by rating agencies; and
- Difficulty in developing any necessary partnerships with local businesses on commercially acceptable terms and/or a timely basis.
- Any slowdown or perceived slowdown in the Indian economy, or in specific sectors of the Indian economy or certain regions in India, could adversely affect our business, results of operations and financial condition and the price of the Equity Shares.

66. Financial instability in other countries may cause increased volatility in Indian financial markets.

The Indian market and the Indian economy are influenced by economic and market conditions in other countries, particularly emerging market countries in Asia. Although economic conditions are different in each country,

investors' reactions to developments in one country can have adverse effects on the securities of companies in other countries, including India. A loss of investor confidence in the financial systems of other emerging markets may cause increased volatility in Indian financial markets and, indirectly, in the Indian economy in general. Any worldwide financial instability could also have a negative impact on the Indian economy. Financial disruptions may occur again and could harm our business, our future financial performance and the prices of the Equity Shares. The outbreak of Novel Coronavirus has significantly affected financial markets around the world. Any other global economic developments or the perception that any of them could occur may continue to have an adverse effect on global economic conditions and the stability of global financial markets, and may significantly reduce global market liquidity and restrict the ability of key market participants to operate in certain financial markets. Any of these factors could depress economic activity and restrict our access to capital, which could have an adverse effect on our business, financial condition and results of operations and reduce the price of our Equity Shares. Any financial disruption could have an adverse effect on our business, future financial performance, shareholders' equity and the price of our Equity Shares.

(This remainder has intentionally been left blank)

SECTION IV – INTRODUCTION THE ISSUE

This Issue has been authorised through a resolution passed by our Board at its meeting held on July 03, 2025, pursuant to Section 62(1)(a) and other applicable provisions of the Companies Act. The terms and conditions of the Issue including the Rights Entitlement, Issue Price, Record Date, timing of the Issue and other related matters, have been approved by a resolution passed by the Board of Directors at its meeting held on November 11, 2025.

The following is a summary of this Issue and should be read in conjunction with and is qualified entirely by the information detailed in the chapter titled “*Terms of the Issue*” on page 108 of this Letter of Offer.

Particulars	Details of Equity Shares
Equity Shares proposed to be issued	Up to 42,32,44,440 Rights Equity Shares
Rights Entitlement	81 Rights Equity Share for every 25 Equity Shares held on the Record Date
Fractional Entitlement	For Equity Shares being offered on a rights basis under the Issue, if the Shareholding of any of the Eligible Equity Shareholders is less than 25 Equity Shares or is not in multiples of 25, the fractional entitlement of such Eligible Equity Shareholders shall be ignored for computation of the Rights Entitlement. However, Eligible Equity Shareholders whose fractional entitlements are being ignored earlier will be given preference in the Allotment of one additional Equity Share each, if such Eligible Equity Shareholders have applied for additional Equity Shares over and above their Rights Entitlement, if any.
Record Date	Saturday, November 15, 2025
Face value per Equity Shares	₹1.00/-
Issue Price per Rights Equity Shares	₹ 1.00/- per Equity Share
Issue Size	Issue not exceeding ₹ 4232.44 Lakhs [#] <i>[#]Assuming full subscription, to be adjusted as per the Rights Entitlement ratio</i>
Voting Rights and Dividend	The Equity Shares issued pursuant to this Issue shall rank <i>pari passu</i> in all respects with the Equity Shares of our Company
Equity Shares issued, subscribed and paid up prior to the Issue	13,06,31,000 Equity Shares. For details, see “ <i>Capital Structure</i> ” beginning on page 51 of this Letter of Offer
Equity Shares subscribed and paid-up after the Issue (assuming full subscription for and allotment of the Rights Entitlement)	Upto 42,32,44,440 Equity Shares
Equity Shares outstanding after the Issue (assuming full subscription for and Allotment of the Rights Entitlement)	55,38,75,440 Equity Shares
Money payable at the time of Application	₹ 01.00/-
Scrip Details	ISIN: INE560D01027 Rights Entitlement ISIN: INE560D20019 BSE Scrip Code: 531411
Use of Issue Proceeds	For details, please refer to the chapter titled “ <i>Objects of the Issue</i> ” on page 53 of this Letter of Offer.
Terms of the Issue	For details, please refer to the chapter titled “ <i>Terms of the Issue</i> ” on page 108 of this Letter of Offer
Terms of payment	The full amount is payable on application

Please refer to the chapter titled “*Terms of the Issue*” on page 108 of this Letter of Offer.

GENERAL INFORMATION

Our Company was originally incorporated as “Tuni Textile Mills Private Limited” on July 06, 1987, as a Private Limited Company under the Companies Act, 1956 in the State of Maharashtra. Subsequently, the Company was converted into a Public Limited Company under the name “Tuni Textile Mills Limited” and was issued a fresh certificate of incorporation by the Registrar of Companies (“ROC”), Mumbai, Maharashtra, on August 6, 1992. The corporate identification number of our Company is L17120MH1987PLC043996. At the time of incorporation, the Registered Office of our Company was situated at 63/71, 3rd Floor, Dadiseth Agiary Lane, Kalbadevi Road, Mumbai-400002, Maharashtra, India.

Registered Office, CIN and registration number of our Company

The details of the changes undertaken in the Registered Office of our Company have been provided below:

Company	Tuni Textile Mills Limited
Date of Change of Registered Office: March 25, 2022	The Registered Office was shifted from 63/71, 3rd Floor, Dadiseth Agiary Lane, Kalbadevi Road, Mumbai-400002, Maharashtra, India to Suite 267, Bldg 5B, 2nd floor, Mittal Industrial Estate, Andheri Kurla Road, Andheri (E), Mumbai-400059, Maharashtra, India Reason for Change: Administrative convenience.
Date of Change of Registered Office Address: July 06, 2023	The Registered Office was shifted from Suite 267, Bldg 5B, 2nd floor, Mittal Industrial Estate, Andheri Kurla Road, Andheri (E), Mumbai-400059, Maharashtra, India to Unit No. 207, 2nd Floor, Building No. 3A, Mittal Industrial Estate, Andheri Kurla Road, Andheri (E), Marol Naka, Mumbai-400059, Maharashtra, India Reason for Change: Administrative convenience.
Contact Number	022-4604-3970
Email-ID	info@tunitextiles.com
Website	www.tunitextiles.com
Corporate Identification Number	L17120MH1987PLC043996
BSE Scrip ID	TUNITEX
BSE Scrip Code	531411
ISIN No. of Equity Shares	INE560D01027

Address of the Registrar of Companies

Our Company is registered with the RoC, Mumbai, which is situated at the following address:

Registrar of Companies, Mumbai, Maharashtra,

Registrar Of Companies

100, Everest, Marine Drive

Mumbai 400 002

Maharashtra, India

Website: www.mca.gov.in

Company Secretary and Compliance Officer:

Jyoti Kothari

Address: Unit No. 207, 2nd Floor, Building No. 3A, Mittal Industrial Estate, Andheri Kurla Road, Andheri (E), Marol Naka, Mumbai-400059, Maharashtra, India

E-mail: info@tunitextiles.com

Tel No: +91 022 46043970

Chief Financial Officer:

Mr. Archit Pradeep Sureka

Address: Unit No. 207, 2nd Floor, Building No. 3A, Mittal Industrial Estate, Andheri Kurla Road, Andheri (E), Marol Naka, Mumbai-400059, Maharashtra, India

E-mail: info@tunitextiles.com

Tel No: +91 022 46043970

Board of Directors of our Company

For detailed profile of our Directors, please refer to the chapter titled *“Our Management”* beginning on page 81 of this Letter of Offer.

Details of Key Intermediaries pertaining to this Issue of our Company:

Registrar To the Issue:

M/s. Purva Sharegistry (India) Private Limited
9, Shiv Shakti Industrial Estate, J.R.Boricha Marg Lower
Parel (East), Mumbai-400011, Maharashtra, India
Tel: +91 022-3522 0056
E-mail: support@purvashare.com
Website: [https:// www.purvashare.com](https://www.purvashare.com)
Contact person: Ms. Deepali Dhuri
SEBI Registration No.: INR000001112
Validity of Registration: Perpetual

Banker to the Issue & Refund Bank:

KOTAK MAHINDRA BANK LIMITED
Address – Intellion Square, 501, 5th Floor, A Wing,
Infinity IT Park, Gen. A.K. Vaidya Marg, Malad – East,
Mumbai 400097
Email Id: cmsipo@kotak.com
Website: www.kotak.com
Contact Person: Siddhesh Shirodkar
SEBI Registration Number: INBI00000927
CIN: L65110MH1985PLC038137

Statutory and Peer Review Auditor of the Issuer:

M/s. K. K. Jhunjhunwala & Co.
Office No. 8A, 8th Floor, Astral Centre, 470-B, N. M. Joshi Marg,
Chinchpokli – West, Mumbai – 400011. Maharashtra, India.
Contact Person: Mr. Mahendra Saini
Firm Registration Number: 111852W
Telephone Number: +91 022 – 2300 1201
E-mail: info@kkjca.com
Peer review No.: 016635

Legal Advisor

ANA Advisors
Address: 118, Shilavihar, Gokulpura, Kalwarroad,
Jhotwara, Jaipur 302012, Rajasthan
Contact Person: Mr. Kamlesh Kumar Goyal
Mobile Number: 9887906529
E-mail: anaadvisors22@gmail.com

Designated Intermediaries:

Self-Certified Syndicate Banks

The list of banks that have been notified by SEBI to act as the SCSBs for the ASBA process is provided on the website of SEBI at www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34 and updated from time to time. For a list of branches of the SCSBs named by the respective SCSBs to receive the ASBA Forms from the Designated Intermediaries, please refer to the above-mentioned link.

Credit Rating

As this is a Right of Equity Shares, there is no credit rating required for the Issue.

Debenture Trustees

As this is a Right Issue of Equity Shares, appointment of Debenture Trustee is not required.

Monitoring Agency

Our Company has appointed Infomerics Valuation and Rating Limited as a monitoring agency to monitor the utilization of the Gross Proceeds in terms of Regulation 82 of the SEBI ICDR Regulations. The details of the Monitoring Agency are as follows:

Infomerics Valuation and Rating Limited

Address – B-903, 9th Floor, Kanakia Wall Street, Off. Andheri Kurla Road, Andheri East, Mumbai – 400093, India

Tel: 8097731498

Email Id: amit.srivastaval@infomerics.com

Website: <https://www.infomerics.com/>

Contact Person: Amit Srivastava

SEBI Registration Number: IN/CRA/007/2015

CIN: U32202DL1986PLC024575

Underwriting Agreement and Details

This Issue is not underwritten and our Company has not entered into any underwriting arrangement.

Inter-se Allocation of Responsibilities

Since the Company is not required to appoint any Merchant Banker as Lead Manager for this Issue, a statement of inter se allocation of responsibilities amongst Lead Managers is not required.

Expert Opinion

Except as stated below, our Company has not obtained any expert opinions:

Our Company has received written consent from the Statutory Auditors, namely M/s. K. K. Jhunjhunwala & Co. through their letter dated July 3, 2025, to include their name as required under Section 26(5) of the Companies Act, 2013 read with SEBI ICDR Regulations in this Letter of Offer as an “Expert” as defined under Section 2(38) of the Companies Act, 2013 to the extent and in its capacity as an independent Statutory Auditor and in respect of its

- (i) Audit report dated May 21, 2025 on our Audited Financial Statements for the financial year ended March 31, 2025.
- (ii) Statement of Special Tax Benefits dated July 3, 2025, in this Letter of Offer and such consent has not been withdrawn as on the date of this Letter of Offer.

The term “expert” and “consent” does not represent an “expert” or “consent” within the meaning under the U.S. Securities Act.

Investor Grievances

Investors may contact the Registrar to the Issue or our Company Secretary and Compliance Officer for any pre-Issue or post-Issue related matters. All grievances relating to the ASBA process may be addressed to the Registrar to the Issue, with a copy to the SCSB giving full details such as name, address of the Applicant, contact number(s), e-mail address of the sole/ first holder, folio number or demat account, number of Rights Equity Shares applied for, amount blocked, ASBA Account number and the Designated Branch of the SCSB where the Application Forms, or the plain paper application, as the case may be, was submitted by the Investors along with a photocopy of the acknowledgement slip. For details on the ASBA process, see “*Terms of the Issue*” beginning on page 108 of this Letter of Offer.

Minimum Subscription

The object of the Issue involves:

- (i) Part repayment/ Pre-payment of certain secured loans availed from lenders (as on October 31, 2025); (ii) Funding the expenditure towards renovation including Flooring & Roof Sheetting, Repair, Restoration and

Strengthening of entire Structure of existing factory located at Murbad, Thane, Maharashtra along with interior work of factory office (iii) Augment the existing and incremental working capital requirement of our Company. (iv) upgradation of existing machinery and purchase of new machinery at existing factory located at Murbad, Thane, Maharashtra; and (v) General corporate purposes.

Further Our Promoter and Promoter Group have confirmed that they will not subscribe to the Rights Entitlements in full extent of the Issue, and they may renounce/sell their Rights Entitlements fully or in part in favour of the Others; also not subscribe to additional Equity Shares, if any, as well as to any unsubscribed portion in the Issue up to the total Issue Size subject to compliance with the minimum public shareholding requirements, as prescribed under the SCRR, 1957 and the SEBI (LODR) Regulations, 2015.

Accordingly, the object of the Issue involves financing of capital expenditure. Therefore, the minimum subscription criteria i.e. at least 90% of the issue, as provided in regulation 86(1) of the SEBI ICDR Regulations is applicable to this Issue. In the event of non-receipt of minimum subscription, application monies received shall be refunded to the applicants forthwith, but not later than 4 (four) days from the closure of the Issue.

Filing

This Letter of Offer is being filed with the Stock Exchanges as per the provisions of the SEBI ICDR Regulations. On receipt of the in-principle approval from BSE, the final Letter of Offer is being filed with the Stock Exchange and will be submitted to SEBI for information and dissemination purposes as per the provisions of the SEBI ICDR Regulations.

(This remainder has intentionally been left blank)

CAPITAL STRUCTURE

The Equity Share capital of our Company, as on the date of this Letter of Offer and after giving effect to the Issue is set forth below:

Sr. No.	Particulars	Amount (₹. in lakhs)	
		Aggregate nominal value	Aggregate value at Offer Price
A.	Authorized Share Capital^s		
	65,00,00,000 Equity Shares of ₹ 1/- each	6500.00	-
B.	Issued, Subscribed and Paid-Up Share Capital before the Issue		
	13,06,31,000 Equity Shares of ₹ 1/- each	1306.31	-
C.	Present Issue in terms of this Letter of Offer		
	Offer upto 4,23,24,44,440 Equity Shares of Face Value ₹ 1.00/- each per share at a Price of ₹ 1.00/- per Right Equity Share at par.	Upto 4232.44	upto 4232.44
D.	Issued, subscribed and paid-up Equity Share Capital after the Issue		-
	55,38,75,440 Equity Shares ₹ 01.00/- each	55,38,75,440	
E.	Securities Premium /Share Premium Account		
	Before the Issue**	75.86	
	After the Issue	75.86	

^sThe Company, pursuant to the approval obtained at its Annual General Meeting held on June 25, 2025, has approved an increase in its Authorised Share Capital from ₹1,350.00 lakhs to ₹6,500.00 lakhs. The Company is currently in the process of filing the necessary forms with the Registrar of Companies to give effect to the said increase.

** As on date of this Letter of Offer.

Notes:

- (i) The present Issue has been authorized by the Board of Directors vide a resolution passed at its meeting held July 3, 2025.
- (ii) The Equity Share Capital after the Issue includes the full value of the Rights Equity Shares allotted in the Issue.
- (iii) On Application, Investors will have to pay ₹ 01.00/- per Rights Equity Share which constitutes 100% of the Issue Price.

Notes to the Capital Structure

1. Shareholding pattern of our Company as per the last filing with the Stock Exchanges in compliance with the provisions of the SEBI LODR Regulations

The shareholding pattern of our Company, as on June 30, 2025, can be accessed on the website of the BSE on the below mentioned link, <https://www.bseindia.com/stock-share-price/tuni-textile-mills-ltd/tunitex/531411/qtrid/126.00/shareholding-pattern/Jun-2025/>

The shareholding pattern of our Company, as on September 30, 2025, can be accessed on the website of the BSE on the below mentioned link, <https://www.bseindia.com/stock-share-price/tuni-textile-mills-ltd/tunitex/531411/qtrid/127.00/shareholding-pattern/Sep-2025/>

The statement showing holding of Equity Shares of persons belonging to the category “Promoter and Promoter Group” including the details of lock-in, pledge of and encumbrance thereon, if any, as on September 30, 2025, can be accessed on the website of BSE at <https://www.bseindia.com/corporates/shpPromoterNGroup.aspx?scripcd=531411&qtrid=127.00&QtrName=Sep-25>

The statement showing holding of securities (including Equity Shares, warrants, convertible securities) of persons belonging to the category "Public" including Equity Shareholders holding more than 1% of the total number of Equity Shares as on September 30, 2025, as well as details of shares which remain unclaimed for public can be accessed on the website of the BSE on the below link,

<https://www.bseindia.com/corporates/shpPublicShareholder.aspx?scripcd=531411&qtrid=127.00&QtrName=Sep-25>

Note: Late Mr. Prabhudayal Sureka held 87,13,000 Equity Shares under the Promoter Category. Late Mr. Prabhudayal Sureka passed away on April 23, 2014. Pursuant to his demise, a request for transmission of 87,13,000 Equity Shares in favour of the nominee, Mr. Pradeep Kumar Sureka (Promoter of the Company), was submitted to the Depository Participant (DP). However, the said transmission is yet to be processed and remains pending with the Depository Participant (DP) as on date.

2. Our Promoters and members of the Promoter Group have not acquired any Equity Shares in the last one year immediately preceding the date of filing of the Letter of Offer.
3. As on date of this Letter of Offer, our Company has not issued any Equity Shares under any employee stock option scheme or employee stock purchase scheme. Further, there are no outstanding options or convertible securities, including any outstanding warrants or rights to convert debentures, loans or other instruments convertible into our Equity Shares as on the date of this Letter of Offer.
4. Our Company has not made any issuances of Equity Shares for consideration other than cash in the last one year immediately preceding the date of this Letter of Offer.
5. The ex-rights price of the Rights Equity Shares as per Regulation 10(4)(b) of the Takeover Regulations is ₹ 01.09/- per equity share.
6. At any given time, there shall be only one denomination of the Equity Shares of our Company.
7. All Equity Shares are fully paid-up and there are no partly paid-up Equity Shares as on the date of this Letter of Offer. Further, the Rights Equity Shares allotted pursuant to the Issue, shall be fully paid-up. Further, the Rights Equity Shares allotted pursuant to the Issue, shall be fully paid up.

OBJECTS OF THE ISSUE

The Issue comprises of an issue of up to 42,32,44,440 Equity Shares, aggregating up to ₹ 4232.44 lakhs by our Company.

We intend to utilize the gross proceeds raised through the Issue (the “**Issue Proceeds**”) after deducting the Issue related expenses (“**Net Proceeds**”) for the below mentioned Objects:

1. Part repayment/ Pre-payment of certain secured/unsecured loans availed from lenders (as on October 31, 2025);
2. Funding the expenditure towards renovation including replacement/repairing of Industrial Shed’s Wall, Flooring & Roof Sheeting, Repair, Restoration and Strengthening of entire Structure of existing factory located at Murbad, Thane, Maharashtra along with interior work of factory office;
3. Augment the existing and incremental working capital requirement of our Company;
4. Upgradation of existing machinery and purchase of new machinery at existing factory located at Murbad, Thane, Maharashtra; and
5. General corporate purposes.

(Collectively, referred to herein as the “**Objects**”)

The main objects and objects incidental or ancillary to the main objects as stated in the Memorandum of Association of our Company enable us to undertake (i) our existing business activities; (ii) the activities proposed to be funded from the Net Proceeds; (iii) activities for which funds earmarked towards general corporate purposes shall be used.

Issue Proceeds

The details of the proceeds from the Issue are provided in the following table:

Particulars	Amount (₹ in lakhs)
Gross proceeds from the Issue*	4232.44
Less: Issue related expenses	50.00
Net Proceeds of the Issue	4182.44

**Assuming full subscription in the Issue and subject to the finalization of the Basis of Allotment and to be adjusted per the Rights Entitlement Ratio.*

Requirement of Funds and utilization of Net proceeds:

Sr. No.	Particulars	Total estimated amount to be utilized (₹ in lakhs) #
1	Part repayment/ Pre-payment of certain secured/unsecured loans availed from lenders (as on October 31, 2025)	837.93
2	Funding the expenditure towards renovation including replacement/repairing of Industrial Shed’s Wall, Flooring & Roof Sheeting, Repair, Restoration and Strengthening of entire Structure of existing factory located at Murbad, Thane, Maharashtra	466.78
3	Augment the existing and incremental working capital requirement of our Company	1,372.00
4	Upgradation of existing machinery and purchase of new machinery along with electrical and other ancillaries at existing factory located at Murbad, Thane, Maharashtra	565.33
6	General Corporate Purposes*	990.40
	Total Net proceeds of the Issue **	4232.44

we intend to spend the entire rights issue proceeds in within 6 months from the closure of issue.

** General corporate purposes, includes the issue expenses and shall not exceed 25% of the Issue Proceeds.*

***Assuming full subscription in the Issue and subject to finalization of the Basis of Allotment and to be adjusted as per the Rights Entitlement ratio.*

In view of the competitive environment of the industry in which we operate, Our Company may have to revise its business plan from time to time and consequently our fund requirements may also change. Our Company's historical expenditure may not be reflective of our future expenditure plans. We may have to revise our funding requirements and deployment of the Net Proceeds from time to time on account of various factors, such as financial and market conditions, business and strategy, competitive environment and interest or exchange rate fluctuations, incremental preoperative expenses, taxes and duties, interest and finance charges, working capital margin, regulatory costs, and other external factors such as changes in the business environment or regulatory climate and interest or exchange rate fluctuations, which may not be within the control of our management. This may entail rescheduling the proposed utilisation of the Net Proceeds and changing the allocation of funds from its planned allocation at the discretion of our management, subject to compliance with applicable laws. See ***“Risk Factors –Our funding requirements and proposed deployment of the Net Proceeds are based on management estimates and have not been independently appraised and may be subject to change based on various factors, some of which are beyond our control.”*** on page 23.

Subject to applicable laws, in case of a shortfall in raising requisite capital from the Net Proceeds or an increase in the total estimated cost of the Objects, business considerations may require us to explore a range of options including utilising our internal accruals and seeking additional debt from existing and future lenders. We believe that such alternate arrangements would be available to fund any such shortfalls. Further, in case of variations in the actual utilisation of funds earmarked for the purposes set forth above, increased fund requirements for a particular purpose may be financed by surplus funds, if any, available in respect of the other purposes for which funds are being raised in the Issue in accordance with the applicable laws including the SEBI ICDR Regulations. In the event that the estimated utilisation of the Net Proceeds in a scheduled Financial Year is not completely met, due to the reasons stated above, the same shall be utilised in the next Fiscal Year, as may be determined by our Company in accordance with applicable laws.

If the actual utilisation towards any of the Objects is lower than the proposed deployment, such balance will be used for future growth opportunities including funding other existing objects, if required and towards general corporate purposes to the extent that the total amount to be utilised towards general corporate purposes will not exceed 25% of the Gross Proceeds in accordance with the SEBI ICDR Regulations.

Means of Finance

The funding requirements mentioned above are based on inter alia our Company's internal management estimates and have not been appraised by any bank, financial institution or any other external agency. They are based on current circumstances of our business and our Company may have to revise these estimates from time to time on account of various factors beyond our control, such as market conditions, competitive environment, costs of commodities, interest or exchange rate fluctuations. Our Company proposes to meet the entire requirement of funds for the proposed objects of the Issue from Net Proceeds. Accordingly, our Company confirms that there is no requirement to make of finance through verifiable means towards at least 75% of the stated means of finance, excluding the amount to be raised from the Issue and existing identifiable accruals, as prescribed under the SEBI ICDR Regulations.

Details of the Objects of the Issue

The details in relation to objects of the Issue are set forth herein below:

1. Part repayment/ Pre-payment of certain secured loans/ unsecured loans availed from lenders (as on October 31, 2025)

Our Company proposes to utilise an aggregate amount of ₹ 837.93/- lakhs from the Net Proceeds towards full or partial re-payment or pre-payment of the secured/unsecured loans availed by our Company. The selection and extent of loans proposed to be repaid from our Company's loans mentioned below will be based on various commercial considerations including, among others, the costs, expenses and charges relating to the facility including interest rate of the relevant loan, the amount of the loan outstanding, the remaining tenor of the loan, presence of onerous terms and conditions under the facility, levy of any prepayment penalties and the quantum thereof, provisions of any law, rules, regulations governing such borrowings, terms of pre-payment to lenders, if any and mix of credit facilities provided by lenders.

Given the nature of these borrowings and the terms of repayment, the aggregate outstanding amounts under these loans may vary from time to time and our Company may, in accordance with the relevant repayment schedule, repay or refinance some of its existing borrowings prior to allotment. However, the aggregate amount to be utilized

from the Net Proceeds towards pre-payment or repayment of loans in part or full, would not exceed ₹ 837.93/- lakhs. The pre-payment or repayment will help reduce our outstanding indebtedness and debt servicing costs, assist us in maintaining a favorable debt to equity ratio and enable utilization of our internal accruals for further investment in business growth and expansion. In addition, we believe that the leverage capacity of our Company will improve our ability to raise further resources at more favorable terms in the future to fund potential business development opportunities and plans to grow and expand our business in the future.

Breakup of Identified Loans proposed to be repaid:

List of loans availed from Banks/NBFCs/Companies, and which are proposed to be repaid, partly or fully are tabulated below:

(₹ in Lakhs except percentage)

Name of Lender	Purpose of Loan	Type of Loan	Amount Sanctioned	*Amount outstanding as on October 31, 2025	Sanction Date	Loan End Date	Interest Rate
ICICI Bank Ltd	Business Loan / Working Capital	Unsecured	50.00	17.40	November 10, 2023	October 10, 2026	15.00%
Tata Capital	Business Loan / Working Capital	Unsecured	40.00	16.82	October 28, 2023	November 03, 2026	17.00%
Bajaj Finance Ltd	Business Loan / Working Capital	Unsecured	6.79	6.79	October 21, 2023	November 02, 2028	18.00%
Unity Small Finance Bank Ltd	Business Loan / Working Capital	Unsecured	36.72	26.22	September 23, 2024	October 04, 2027	18.50%
Union Bank Of India - Term Loan	Covid-Term Loan	Secured (UGECL 1)	72.92	32.32	March 30, 2024	December 31, 2025	7.50%
Union Bank Of India - Term Loan	Covid-Term Loan	Secured (UGECL 2)	75.56	3.39	March 30, 2024	February 28, 2027	7.50%
Keshav Priya Creations Pvt Ltd	Business Loan / Working Capital	Unsecured	50.00	35.00	May 25, 2024	On Demand	13.00%
Prime Capital Market Limited	Business Loan / Working Capital	Unsecured	500.00	265.00	May 20, 2025	November 20, 2025	9.00%
Arstu Tradelines Ltd	Business Loan / Working Capital	Unsecured	400.00	290.00	May 20, 2025	November 20, 2025	9.00%

Virdhi Buildwell Ltd	Business Loan / Working Capital	Unsecured	40.00	40.00	May 20, 2025	November 20, 2025	9.00%
Satabdi Tradeline Ltd	Business Loan / Working Capital	Unsecured	105.00	105.00	June 10, 2025	December 10, 2025	9.00%
Total			1438.38	837.94	-	-	-

* The Company has obtained certificate dated July 22, 2025 from M/s K.K. Jhunjhunwala & Co., Chartered Accountants, Statutory Auditor of our Company for the period ended June 30, 2025, Subsequent to the issuance of this certificate and up to the finalization of this Letter of Offer, the aforementioned figures have been reduced. Therefore, the figures stated above represent the outstanding amounts as of October 31, 2025.

2. Funding the expenditure towards renovation including replacement/repairing of Industrial Shed's Wall, Flooring & Roof Sheeting, Repair, Restoration and Strengthening of entire Structure of existing factory located at Murbad, Thane, Maharashtra

The Company proposes to utilize a portion of the proceeds of the Rights Issue towards the expenditure associated with the infrastructure upgradation of its existing industrial facility located at Murbad, Thane, Maharashtra and towards the interior work of the factory office.

The scope of this project includes:

a) Replacement of Wall and Roof Sheeting:

The existing wall cladding and roof sheeting of the industrial shed have deteriorated over time due to prolonged exposure to harsh weather conditions, wear and tear, and operational stress. To ensure safety, thermal efficiency, and long-term sustainability, the company intends to replace the existing sheets with high-quality, corrosion-resistant, and energy-efficient materials. This replacement will also reduce potential maintenance costs and improve working conditions within the premises.

b) Structural Repairs and Restoration:

The existing structural framework, including columns, beams, and support trusses, requires urgent attention due to visible signs of fatigue, rusting, and minor deformation in certain areas. The proposed repairs will involve sandblasting, anti-corrosion treatments, welding, reinforcement, and realignment of affected members to ensure the stability and safety of the structure.

c) Strengthening of the Entire Structure:

In line with industry's best practices and applicable engineering standards, the company intends to strengthen the entire structural framework of the industrial shed. This includes additional bracing, load distribution mechanisms, anchoring systems, and structural reinforcements. These enhancements are aimed at extending the operational life of the facility and ensuring that the infrastructure can safely support future operational needs, including the installation of heavier or more advanced machinery, if required.

d) **Interior Work of Factory Office:**

The Company intends to utilize a portion of the Net Proceeds from the Issue towards the interior fit-out and furnishing of its Factory Office, with the objective of enhancing operational efficiency, administrative functionality, and overall workplace environment. This is crucial to accommodate business expansion, support a growing workforce, ensure compliance with regulatory and safety standards, and create a modern, professional setting that reflects the Company's brand image. The upgraded infrastructure is expected to improve coordination across departments, optimize space utilization, and contribute to increased productivity and organizational growth.

e) **Improved Safety and Compliance:**

The initiative aligns with the company's commitment to worker safety and adherence to statutory regulations under the Factories Act, Building Codes, and other industrial safety norms. The upgraded infrastructure will also enhance fire safety, ventilation, and rainwater drainage systems.

f) **Business Continuity and Operational Efficiency:**

By investing in the restoration and strengthening of the factory shed, the company will significantly mitigate risks associated with structural failure, operational downtime, and potential safety hazards. This will ensure uninterrupted manufacturing activities, optimize productivity, and contribute to long-term value creation.

This expenditure is a critical infrastructural investment that underscores the company's forward-looking strategy for operational excellence, sustainability, and workplace safety. The upgradation of the industrial shed is essential not only for maintaining current production levels but also to enable potential capacity expansion in the future.

The total estimated cost of this Object is ₹466.78 Lakhs. The break-up of the same is set forth as below:

Factory Building Civil Work [#]					
Sr. No.	Description	Type of Work	Area	Sq. Ft.	Amount (₹ in Lakhs)*
1	Shop Floor	Compaction/Leveling	120x80	9600	63.36
		Soling	120x80	9600	
		PCC	120x80	9600	
		Kota Stone	120x80	9600	
		Polishing	120x80	9600	
2	Extension Right Side	Compaction/Leveling	150x50	7500	49.50
		Soling	150x50	7500	
		PCC	150x50	7500	
		Kota Stone	150x50	7500	
		Polishing	150x50	7500	
3	Extension Left Side	Compaction/Leveling	30x150	4500	29.70
		Soling	30x150	4500	
		PCC	30x150	4500	
		Kota Stone	30x150	4500	
		Polishing	30x150	4500	
4	Wapping and of	Compaction/Leveling	160x60	9600	47.52
		PCC	160x60	9600	
		Spartex/ Kota	160x60	9600	
		Polishing	160x60	9600	

5	First Floor	PCC	160x60	9600	37.92
		Spartex	160x60	9600	
6	EX Right Side	Brick Work Wall	120x12	1440	13.97
		Plaster	240x12	2880	
7	Window Frame	Marble Frame	32x10	320	2.08
8	Sliding Window	Aluminum	32x10	320	1.20
9	Safety Grill	MS	32x10	320	0.80
10	Colouring	Cement & Oil Paint	33000x1	33000	15.84
11	Roof	Colour Profile Sheet	28200x1	28200	47.94
Total					309.83

*Excluding Taxes

#Total cost as per the estimates received from M/s Sushant Omprakash Khawtad, having office at Shop No. 01, Bhagvan Heights, behind Hotel Golden Choice, Barshi Road, Beed, Maharashtra – 431 122 vide their quotation dated July 12, 2025.

Interior Work for Factory Office and Corporate Office[^]				
Sr. No.	Particulars	Remarks	Approx. Quantity (Sq. Ft.)	Amount (₹ in Lakhs)*
1	Professional Fees	Designing, planning, execution of Factory Office	2500	10.75
2	Quote for Interior work (Factory Office)	Labour & Raw Material Included	2500	75.00
Total				85.75

*Excluding Taxes

[^]Total cost as per the estimates received from M/s The Accent ST, having office at 21, Oasis Incl. Estate, Nehru Road, Santacruz East, Mumbai, Maharashtra – 400 055 vide their quotation dated July 15, 2025.

The vendors (i.e., The Accent St., and M/s Sushant Omprakash Khawtad) are in no way related / connected to promoters, promoter group directors, and/or KMPs of our Company. Quotations received from the vendors mentioned above are valid for 6 (six) months from date of issue. We have not entered into any definitive agreement with the vendors as on the date of this Letter of Offer and there can be no assurance that the same vendors would be engaged to carry out the above-mentioned expenditures at the same costs. We may be required to obtain fresh quotations at the time of carrying such expenditure. The actual cost would, thus, depend on the prices finally settled with the vendor and, to that extent, may vary from the above estimates. Additional costs incurred, if any, shall be funded from the Net Proceeds proposed to be utilised towards General Corporate Purposes or through internal accruals.

3. Augment the existing and incremental working capital requirement of our Company

The Company is engaged in the textile industry, encompassing end-to-end operations such as spinning, weaving, dyeing, finishing, and garmenting. The nature of the business is working capital-intensive, requiring significant investment in raw material procurement, inventory management, manufacturing processes, and customer credit cycles. To support current operations and anticipated business growth, the Company proposes to utilize a portion of the net proceeds from the Rights Issue to augment its existing and incremental working capital requirements.

We fund the majority of our working capital requirements in the ordinary course of our business from our internal accruals and availed working capital loans from banks. We operate in highly competitive and dynamic market conditions and may have to revise our estimates from time to time on account of external circumstances, business

or strategy, foreseeable opportunity. Consequently, our fund requirements may also change.

The proposed infusion will be deployed towards the purchase of raw materials such as cotton, yarn, dyes, and chemicals, along with other consumables and packaging materials essential for production. It will also be utilized to manage trade receivables, maintain optimal inventory levels, and meet other operational expenses including vendor payments, wages, utilities, and logistics. The additional working capital will enable the Company to maintain uninterrupted production, enhance supply chain efficiency, and respond effectively to seasonal and export-driven demand.

An estimated amount of ₹ 1,372.00 lakhs from the net proceeds is proposed to be allocated towards this object. The deployment of funds will be carried out in a structured manner based on actual business requirements and will be monitored by the Monitoring Agency and the Audit Committee of the Board to ensure compliance with applicable regulations, including the SEBI (ICDR) Regulations, 2018.

Working Capital Estimate Calculation*				
(₹ in Lakhs)				
Particulars	2023 (Audited)	2024 (Audited)	2025 (Audited)	2026 (Projected)
Revenue	4,295.53	5,649.84	7,649.79	11,569.79
Inventory	1,963.66	2,337.71	2,662.70	4,003.77
Receivables	1,044.94	1,737.68	1,154.72	1,901.88
Other current Assets	111.27	124.23	305.00	392.36
Total Current Assets	3,119.87	4,199.62	4,122.42	6,298.01
Trade Payables	904.69	1,689.51	1,227.33	1,426.41
Other current Liabilities	996.43	1,759.77	1,281.22	1,567.66
Total Current Liabilities	1,901.12	3,449.28	2,508.55	2,994.07
Working Capital	1,218.75	750.34	1,613.87	3,303.93
Incremental Working Capital				1,690.06
By Issue proceeds				1,372.00
By Internal Accruals and Others				318.06

* As certified by M/s K.K. Jhunjhunwala & Co., Chartered Accountants, Statutory Auditor of our Company vide their certificate November 03, 2025.

Assumptions:

Sr. No.	Particulars	No. of days for the period ended*			
		March 31, 2023 (Actual)	March 31, 2024 (Actual)	March 31, 2025 (Actual)	March 31, 2026 (Projected)
1	Inventory Days	167	151	126	126
2	Receivable Days	89	112	55	60
3	Trade Payable Days	77	109	59	45

* As certified by M/s K.K. Jhunjhunwala & Co., Chartered Accountants, Statutory Auditor of our Company vide their certificate November 03, 2025.

Justifications* :

Sr. No.	Particulars	Details
1.	Inventory Days	Steady procurement and production cycle with consistent demand forecasts we have estimated the consistent Inventory level of 126 days in FY 2026 as compare to 126 days in FY 2025.

2.	Receivable Days	Due to increase in Sales volume and number of customers we have estimated slight increase in receivable days from 55 days in FY 2025 to 60 days in FY 2026.
3.	Trade Payable Days	We may make early payment to Trade payables to avail benefit of early payment discount. Thus, the company has estimated Trade payables of 45 days in FY 2026 as compare to 59 days in FY 2025.

* As certified by M/s K.K. Jhunjhunwala & Co., Chartered Accountants, Statutory Auditor of our Company vide their certificate November 03, 2025.

4. Upgradation of existing machinery and purchase of new machinery along with electrical and other ancillaries at existing factory located at Murbad, Thane, Maharashtra

The Company proposes to utilize a part of the proceeds from the Rights Issue for the upgradation of existing machinery and the purchase of new machinery at its current manufacturing facility located at Murbad, Thane, Maharashtra. This upgradation is a part of the Company's strategic plan to modernize its production infrastructure, enhance manufacturing efficiency, and support its long-term growth objectives.

Over the years, certain machinery and equipment at the factory have experienced wear and tear, resulting in reduced performance, frequent maintenance requirements, and occasional production downtime. To address these challenges, the Company intends to undertake comprehensive upgradation of these existing machines. This will include improvements such as retrofitting newer components, replacing manual systems with automated controls, and integrating energy-efficient and digitally controlled solutions. These upgrades will help restore optimum performance levels, reduce energy consumption, and improve the precision and reliability of the manufacturing process.

In addition to upgrading the current setup, the Company also plans to invest in the acquisition of new and advanced machinery. The new equipment will enable the Company to expand its production capacity, reduce dependency on manual operations, and manufacture a wider range of products with improved quality. By incorporating modern technologies, including automated handling systems and smart manufacturing tools, the Company aims to bring in higher levels of productivity, reduce operational inefficiencies, and ensure better consistency in output.

The modernization of machinery is also aligned with the Company's commitment to safety and environmental responsibility. New machines will comply with updated industrial safety standards and help in minimizing workplace hazards, while also reducing emissions and waste. Furthermore, the enhanced technological capability will prepare the factory for future requirements, including potential product diversification and the ability to meet evolving customer expectations and market standards.

This expenditure is expected to significantly improve operational efficiencies, reduce long-term costs, and enhance overall competitiveness. The Company believes that this investment will create a solid foundation for sustainable growth, improved profitability, and increased shareholder value in the years ahead. The cost associated with the above-mentioned Object is stated below:

Machinery Purchase and Upgradation [^]				
Sr No.	Particulars	Unit Price (₹ in Lakhs)	Quantity	Amount* (₹ in Lakhs)
1	Used dobby power loom of SULZER/PICANOL or similar make along with all standard accessories and ancillaries	10.00	16	160.00
2	Upgradation, repair and maintenance of existing machine to increase its life and performance	5.55	44	244.20
3	Existing Sample Warper, humidification plant maintenance and repairs	22.50	1	22.50
4	Existing Warping machine upgradation, repair and maintenance to increase its life and performance	5.10	2	10.20
Total				436.90

*Excluding Taxes

[^] Total cost estimated for the first expenditure is received from M/s Ankur Natural Fibres, having office at 2323/A Tare Compound, Guruji Building, Sonale Thane, Maharashtra, vide their quotation dated July 02, 2025; and Total cost estimated for all other expenditures is

received from M/s Sai Tech Engineering, having office at B8 and B9, Shri radhe Krishna Apt, Kalyan, Thane, vide their quotation dated July 10, 2025.

Machinery Electricals [#]		
Sr. No.	Particular	Amount* (₹ in Lakhs)
1	Installation and supply of all electrical wiring, transformer, meter, cables, earthing, making of transformer shed along with labour	42.20
Total		42.20

*Excluding Taxes

[#] Total cost as per the estimates received from M/s NRP Electricals, having office at Shop No. 11, Sahyog Plaza Bldg., Near Bus Depot, Murbad – Mhasa road, vide their quotation dated July 15, 2025

The vendors (i.e., M/s Ankur Natural Fibres, M/s Sai Tech Engineering and M/s NRP Electricals) are in no way related / connected to promoters, promoter group directors, and/or KMPs of our Company. Quotations received from the vendors mentioned above are valid for 6 (six) months from date of issue. We have not entered into any definitive agreement with the vendors as on the date of this Letter of Offer and there can be no assurance that the same vendors would be engaged to carry out the above-mentioned expenditures at the same costs. We may be required to obtain fresh quotations at the time of carrying such expenditure. The actual cost would, thus, depend on the prices finally settled with the vendor and, to that extent, may vary from the above estimates. Additional costs incurred, if any, shall be funded from the Net Proceeds proposed to be utilised towards General Corporate Purposes or through internal accruals.

5. General Corporate Purpose:

Our Company intends to deploy the balance Net Proceeds, aggregating to ₹ 990.40 lakhs towards general corporate purposes as approved by our management from time to time, subject to such utilisation not exceeding 25% of the Gross proceeds in compliance with the SEBI ICDR Regulations.

The general corporate purposes for which our Company proposes to utilise Net Proceeds may include, but are not restricted to, drive our business growth, including, amongst other things, funding growth opportunities, including strategic initiatives and joint ventures, acquiring assets such as plant and machineries, immovable properties, leasehold improvements and intangibles, prepayment or repayment of borrowings availed by our Company, meeting of exigencies which our Company may face in the course of any business, brand building and other marketing expenses and any other purpose as permitted by applicable laws; subject to meeting regulatory requirements and obtaining necessary approvals/consents, as applicable.

The quantum of utilisation of funds towards each of the above purposes will be determined by our Board, based on the amount actually available under this head and the business requirements of our Company, from time to time, subject to compliance with applicable law.

In addition to the above, our Company may utilise the Net Proceeds towards other purposes considered expedient and as approved periodically by our Board, subject to compliance with necessary provisions of the Companies Act. Our Company's management shall have flexibility in utilising surplus amounts, if any. Our management will have the discretion to revise our business plan from time to time and consequently our funding requirement and deployment of funds may change. This may also include rescheduling the proposed utilization of Net Proceeds. Our management, in accordance with the policies of our Board, will have flexibility in utilizing the proceeds earmarked for general corporate purposes. In the event that we are unable to utilize the entire amount that we have currently estimated for use out of Net Proceeds in a Fiscal 2026, we will utilize such unutilized amount in the subsequent Fiscals.

Issue Related Expenses

The Issue related expenses consist of fees payable to Legal Counsel, processing fee to the SCSBs, Registrars to the Issue, printing and stationery expenses, advertising expenses and all other incidental and miscellaneous expenses for listing the Rights Equity Shares on the Stock Exchanges. The estimated Issue related expenses are as follows:

(₹ in lakhs)			
Activity	Estimated Expense	% of Total Expenses	As a % of Issue size

Fees payable to regulators, including Stock Exchanges, SEBI, depositories and other statutory fees	13.66	31.12	0.32
Fees to Intermediaries (including RTA, Legal Advisor, Bank, Monitoring Agency)	19.47	44.35	0.46
Brokerage and banking charges	0.77	1.75	0.02
Advertisement & Printing Expenses	8.10	16.20	0.19
Miscellaneous expenses	8.00	16.00	0.19
Total estimated Issue Expenses*	50.00	100	1.18

**Includes applicable taxes. Subject to finalization of Basis of Allotment. In case of any difference between the estimated Issue related expenses and actual expenses incurred, the shortfall or excess shall be adjusted with the amount allocated towards general corporate purposes. All Issue related expenses will be paid out of the Gross Proceeds received at the time of receipt of the Application Money.*

Interim use of the Net Proceeds:

Our Company shall deposit the Net Proceeds, pending utilization of the Net Proceeds for the purposes described above, by depositing the same with scheduled commercial banks included in the second schedule of Reserve Bank of India Act, 1934.

Appraising entity

None of the objects of the Issue for which the Net Proceeds will be utilised has been appraised by any bank, financial institution or any other external agency.

Bridge Financing Facilities

As on the date of this Letter of Offer, we have not entered into any bridge financing arrangements which is subject to being repaid from the Issue Proceeds.

Monitoring of Utilization of Funds

Our Company has appointed Infomerics Valuation and Rating Limited as the Monitoring Agency to monitor utilization of proceed from the Issue, prior to filing the Letter of Offer, including the proceeds proposed to be utilised towards general corporate purposes in accordance with Regulation 82 of the SEBI ICDR Regulations. Our Company undertakes to place the Net Proceeds in a separate bank account which shall be monitored by the Monitoring Agency for utilization of the Net Proceeds. Our Company undertakes to place the report(s) of the Monitoring Agency on receipt before the Audit Committee without any delay. Our Company will disclose and continue to disclose the utilization of the Net Proceeds, including interim use, under a separate head in its balance sheet for such fiscal periods as required under the SEBI ICDR Regulations, the SEBI LODR Regulations and any other applicable laws or regulations, specifying the purposes for which the Net Proceeds have been utilized. Our Company will also, in its balance sheet for the applicable fiscal periods, provide details, if any, in relation to all such Net Proceeds that have not been utilized, if any, of such currently unutilized Net Proceeds.

Pursuant to Regulation 32(3) of the SEBI LODR Regulations, our Company shall, on a quarterly basis, disclose to the Audit Committee the uses and applications of the Net Proceeds, which shall discuss, monitor and approve the use of the Net Proceeds along with our Board. On an annual basis, our Company shall prepare a statement of funds utilized for purposes other than those stated in this Letter of Offer and place it before the Audit Committee and make other disclosures as may be required until such time as the Net Proceeds remain unutilized. Such disclosure shall be made only until such time that all the Net Proceeds have been utilized in full. The statement prepared on an annual basis for utilization of the Net Proceeds shall be certified by the Auditors.

Furthermore, in accordance with Regulation 32(1) of the SEBI LODR Regulations, our Company shall furnish to the Stock Exchanges on a quarterly basis, a statement indicating (i) deviations, if any, in the actual utilization of the proceeds of the Issue from the Objects; and (ii) details of category wise variations in the actual utilization of the proceeds of the Issue from the Objects.

Strategic or financial partners

As on date of this Letter of Offer, there are no strategic or financial partners attributed to the Objects of the Issue.

Other Confirmations

Except disclosed above, there is no material existing or anticipated transactions in relation to the utilisation of the Net Proceeds with our Promoters, Directors or Key Management Personnel of our Company and no part of the Net Proceeds will be paid as consideration to any of them. Except disclosed above, none of our Promoters, members of Promoter Group or Directors are interested in the Objects of the Issue. Our Company does not require any material government and regulatory approvals in relation to the Objects of the Issue.

(This remainder has intentionally been left blank)

STATEMENT OF SPECIAL TAX BENEFITS

STATEMENT OF POSSIBLE TAX BENEFITS AVAILABLE TO TUNI TEXTILE MILLS LIMITED ("THE COMPANY") AND THE SHAREHOLDERS OF THE COMPANY UNDER THE APPLICABLE DIRECT AND INDIRECT TAX LAWS IN INDIA

Date: July 03, 2025

To,
The Board of Directors
Tuni Textile Mills Limited
Unit No. 207, 2nd Floor, Building No. 3A, Mittal Industrial Estate,
Andheri Kurla Road, Andheri (E), Marol Naka, Mumbai-400059, Maharashtra, India

Sub: Statement of possible tax benefits available to the company and its shareholders under the direct and indirect tax laws

We refer to the rights issue offering of equity shares ("the Offer") of Tuni Textile Mills Limited ("the Company").

We hereby confirm that the enclosed statement states the possible special direct tax benefits available to the Company and the shareholders of the Company under the Income Tax Act, 1961 ("Act") as amended from time to time, presently in force in India. Several of these benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant provisions of the Act. Hence, the ability of the Company or its shareholders to derive the tax benefits is dependent upon fulfilling such conditions, which based on the business imperatives, the Company may or may not choose to fulfill.

This statement is only intended to provide general information to the investors and hence is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences, the changing tax laws, each investor is advised to consult his or her own tax consultant with respect to the specific tax implications arising out of their participation in the rights issue of equity shares of the Company particularly in view of the fact that certain recently enacted legislation may not have a direct legal precedent or may have a different interpretation on the benefits, which an investor can avail. Neither are we suggesting nor are we advising the investor to invest money based on this statement.

The contents of the enclosed statement are based on the information, explanations and representations obtained from the Company and on the basis of their understanding of the business activities and operations of the Company. We do not express any opinion or provide any assurance as to whether:

- i. the Company or its shareholders will continue to obtain these benefits in future; or
- ii. the conditions prescribed for availing the benefits have been/would be met with

This statement is intended solely for information and for inclusion in the Draft letter of offer/ Letter of offer in relation to the Issue of equity shares of the Company and is not to be used, circulated or referred to for any other purpose without our prior written consent. Our views are based on the existing provisions of law referred to earlier and its interpretation, which are subject to change from time to time.

We shall not be liable to any claims, liabilities or expenses relating to this assignment except to the extent of fees relating to this assignment, as finally judicially determined to have resulted primarily from bad faith or intentional misconduct. We will not be liable to any other person in respect of this Statement.

For M/s K. K. Jhunjhunwala & Co , Chartered Accountants
Firm Registration No.: 111852W
Sd/-
CA Surendra Sureka
M. No. 119433

Date: 03/07/2025
Place: Mumbai
UDIN: 25119433BMHPTJ9731

**ANNEXURE TO THE STATEMENT OF SPECIAL TAX BENEFITS AVAILABLE TO THE
COMPANY AND ITS SHAREHOLDERS UNDER THE APPLICABLE TAX LAWS IN INDIA**

I. Special Tax Benefits available to the Company under the Act:

There are no special tax benefits available to the Company.

II. Special Tax Benefits available to the Shareholders under the Act:

There are no special tax benefits available for the shareholders of the Company under the provisions of the Act.

For M/s K. K. Jhunjhunwala & Co , Chartered Accountants

Firm Registration No.: 111852W

Sd/-

CA Surendra Sureka

M. No. 119433

Date: 03/07/2025

Place: Mumbai

UDIN: 25119433BMHPTJ9731

SECTION V – ABOUT THE COMPANY

INDUSTRY OVERVIEW

The information in this section includes extracts from publicly available information, data and statistics and has been derived from various government publications and industry sources. Neither We nor any of our affiliates nor any other person connected with Issue have verified this information. The data may have been re-classified by us for the purposes of presentation. The information may not be consistent with other information compiled by third parties within or outside India. Industry sources and publications generally state that the information contained therein has been obtained from sources it believes to be reliable, but their accuracy, completeness and underlying assumptions are not guaranteed, and their reliability cannot be assured. Industry and government publications are also prepared based on information as of specific dates and may no longer be current or reflect current trends. Industry and government sources and publications may also base their information on estimates, forecasts and assumptions which may prove to be incorrect.

Before deciding to invest in Equity Shares, prospective investors should read this entire Letter of Offer including the information in the sections "Risk Factors" of this Letter of Offer respectively. An investment in the Equity Shares involves a high degree of risk. For a discussion of certain risks in connection with an investment in the Equity Shares, please see the section 'Risk Factors' of this Letter of Offer. Accordingly, investment decisions should not be based on such information.

Summary of Textile Industry

India has emerged as the second largest manufacturer of PPE globally; it is expected to exceed US\$ 92.5 billion by 2025 as compared to US\$ 52.7 billion in 2019. India is the world's second-largest producer of textiles and garments. It is also the fifth-largest exporter of textiles spanning apparel, home, and technical products. The textiles and apparel industry contributes 2.3% to the country's GDP, 13% to industrial production and 10.5% to exports. The textile industry in India is predicted to double its contribution to the GDP, rising from 2.3% to approximately 5% by the end of this decade.



India has a 4.6% share of the global trade in textiles and apparel. Moreover, India is the world's third largest exporter of Textiles and Apparel. India ranks among the top five global exporters in several textile categories. In FY25 (April-June), exports of readymade garments including accessories stood at US\$ 2,244 million. The textile sector is expected to play a significant role, with a target of US\$ 100 billion in exports by FY30, up from US\$ 34.43 billion in FY24. In FY25 (April- September) the total exports of textiles stood at US\$ 21.35 billion.

Around 45 million people are working in the textile business, including 3.5 million people who work on handlooms. Textile manufacturing in India has been steadily recovering amid the pandemic. Textile manufacturing in India has been steadily recovering amid the pandemic. The Manufacturing of Textiles Index for the month of June 2024 is 106. Global apparel market is expected to grow at a CAGR of around 8% to reach US\$ 2.37 trillion by 2030 and the Global Textile & Apparel trade is expected to grow at a CAGR of 4% to reach US\$ 1.2 trillion by 2030. The market for Indian textiles and apparel is projected to grow at a 10% CAGR to reach US\$ 350 billion by 2030, with exports expected to reach US\$ 100 billion.



Key statistics:

2.3%	13%	12%	4%
Share in Indian GDP	Share in industrial production	Share in exports	Share in Global trade in textiles and apparel

The technical textiles industry is on the brink of remarkable growth, with projections placing the global market

The Indian Medical Textiles market for drapes and gowns is around US\$ 9.71 million in 2022 and is expected to grow at 15% to reach US\$ 22.45 million by 2027. The Indian composites market is expected to reach an estimated value of US\$ 1.9 billion by 2026 with a CAGR of 16.3% from 2021 to 2026 and the Indian consumption of composite materials will touch 7,68,200 tonnes in 2027.

Pre 1990s	1901-2000	2000-2015	2016 onwards
▪ The first cotton textile mill of Mumbai was established in 1854. ▪ The first cotton mill of Ahmedabad was founded in 1861; it emerged as a rival centre to Mumbai.	▪ Number of mills increased from 178 in 1901 to 417 in 1945. ▪ Out of 423 textile mills of the undivided India, India received 409 after partition and the remaining 14 went to Pakistan. ▪ In 1999, TUFs was set up to provide easy access to capital for technological up gradation. ▪ TMC was launched to address issues related to low productivity and infrastructure. ▪ In 2000, NTP was announced for the overall development of the textile and apparel industry.	▪ SITP was implemented to facilitate setting up of textile units with appropriate support infrastructure. ▪ After MFA cotton prices are aligned with global prices. ▪ Technical textile industry will be a new growth avenue. ▪ Free trade agreement with ASEAN countries and proposed agreement with EU under discussion. ▪ Restructured TUFs was launched attracting a subsidy cap of US\$ 420.65 Million.	▪ Make in India campaign was launched to attract manufacturers and FDI. ▪ Technology Mission for Technical Textile has been continued. ▪ The Mega Integrated Textile Region and Apparel (MITRA) Park' scheme was launched to establish seven textile parks with state-of-the-art infrastructure, common utilities and R&D lab over a three-year period.

According to Crisil Ratings, the organized retail apparel sector is projected to achieve revenue growth of 8-10% in the current financial year, driven by rising demand from a normal monsoon, easing inflation, and the festive and wedding seasons. The increasing preference for affordable, trendy fashion clothing that mimics high-fashion designs is expected to be the primary revenue driver this fiscal year. The textile industry in India is predicted to double its contribution to the GDP, rising from 2.3% to approximately 5% by the end of this decade.

The diagram illustrates the key segments of the textile industry, organized into two horizontal rows of chevron-shaped boxes connected by arrows, indicating a sequential process.

Top Row (Process):

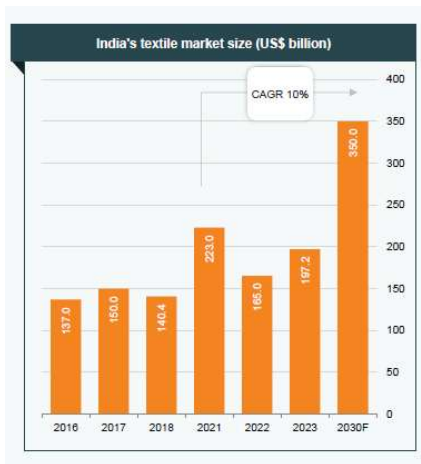
- Process
- Raw material
- Ginning
- Spinning
- Weaving/ knitting
- Processing
- Garment/ apparel production

Bottom Row (Output):

- Output
- Cotton, jute, silk, wool
- Fibre
- Yarn
- Fabric
- Processed fabric
- Final garment/ apparel

Segment Groupings:

- A bracket under the bottom row groups "Cotton, jute, silk, wool", "Fibre", and "Yarn" under the label "Yarn and fibre segment".
- A bracket under the bottom row groups "Fabric", "Processed fabric", and "Final garment/ apparel" under a list of textile types:
 - Woollen textiles
 - Silk textiles
 - Jute textiles
 - Technical textiles

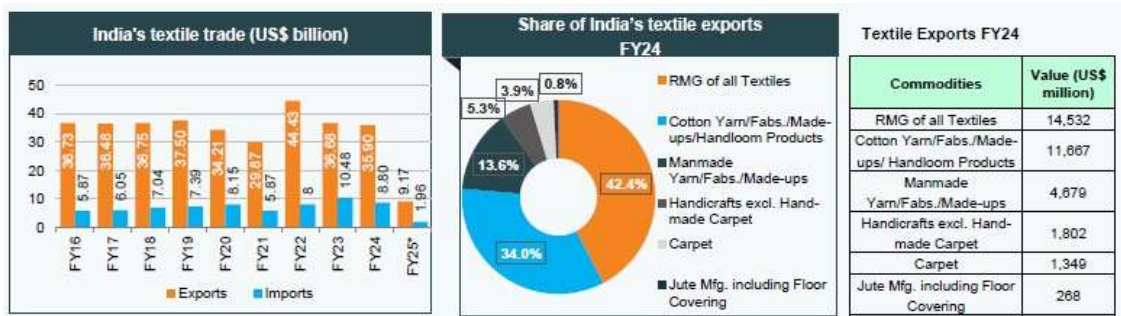


The Indian textiles market is expected to be worth US\$ 350 billion by 2030. In December 2022, the Minister of Commerce and Industry, Consumer Affairs, Food and Public Distribution, and Textiles, Mr. Piyush Goyal, discussed the roadmap to achieve the target of US\$ 250 billion in textiles production and US\$ 100 billion in exports by 2030. In September 2021, the government approved a Rs. 10,683 crore (US\$ 1.44 billion) production-linked incentive (PLI) scheme for the textiles sector. This will benefit the textile manufacturers registered in India.

Incentives under the scheme will be available for five years from 2025-26 to 2029-30 on incremental turnover achieved from 2024-25 to 2028-29. The scheme proposes to incentivise MMF (man-made fibre) apparel, MMF fabrics and 10 segments of technical textiles products.

Export have posted strong growth over the years

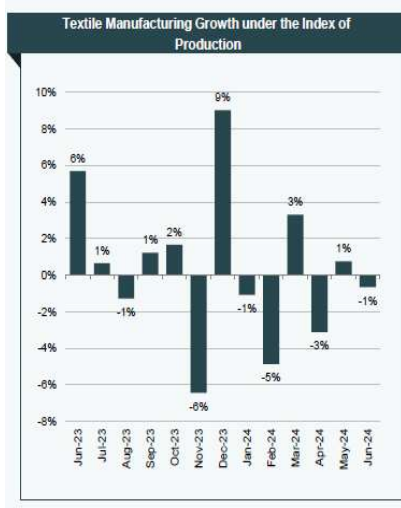
India's textile industry is on the brink of expansion, with total textile export projected to reach US\$ 65 billion by FY26. India's share of global trade in textiles and apparel stands at 3.9%. In FY25 (April- October) the total exports of textiles and apparels (incl. handicrafts) stood at Rs. 1,84,105 crore (US\$ 21,358 million). Ready Made Garments (RMG) category with export of US\$ 8,733 million has the largest share (41%) in the total exports (US\$ 21,358 million) during the period of April-October of FY25, followed by Cotton Textiles (33%, US\$ 7,082 million), Man- Made Textiles (15%, US\$ 3,105 million).



India's ready-made garment (RMG) exports are likely to surpass US\$ 30 billion by 2027, growing at a CAGR of 12-13%. In July 2021, the government extended the Rebate of State and Central Taxes and Levies (RoSCTL) scheme for exports of apparel/garments and made-ups until March 2021. This helped boost exports and enhance competitiveness in the labour-intensive textiles sector. In August 2021, Minister of Textiles, Commerce and Industry, Consumer Affairs, Food and Public Distribution, Mr. Piyush Goyal, said that steps need to be taken to boost production capacities of the handloom sector from existing Rs. 60,000 crore (US\$ 8.06 billion) to 125,000 crore (US\$ 16.80 billion) in three years. He added that target must be set to increase exports of handloom items from existing Rs. 2,500 crore (US\$ 335.92 million) to Rs. 10,000 crore (US\$ 1.34 billion). He also announced that a committee would be constituted consisting of all weavers, trainer equipment makers, marketing experts and other stakeholders to recommend ways and means to achieve these objectives and enhance overall progress of the handloom sector.

Steady recovery in textile manufacturing to aid growth

Union Minister of Textiles, Mr. Giriraj Singh, expressed confidence that India's technical textile industry will surpass the US\$ 10 billion target set for 2030. Textile manufacturing in India has been steadily recovering amid the pandemic. The index for 'Manufacture of Textiles' sub-group remained stable at 136.9 in January 2025. The seven mega textile parks announced in the Union Budget 2022-23 should attract investments.



The textile sector contributes significantly to employment, generating 11% of the manufacturing sector's jobs. In July 2023, PM MITRA Park, Amravati expected to attract investment of Rs. 10,000 crore (US\$ 1.20 billion) and create employment for 300,000 individuals. In May 2023, an investment of around Rs. 6,850 crore (US\$ 824.25 million) is expected in the PM MITRA Park in Madhya Pradesh and Rs. 8,675 crore (US\$1.04 billion) in other parts of the state. While the government is working towards upliftment of technical and MMF textile companies by upscaling its infrastructure, it is also interesting to note that textile will be added to the educational curriculum in the near future.

In June 2022, Minister of Textiles, Commerce and Industry, Consumer Affairs & Food and Public Distribution, Mr. Piyush Goyal, stated that the Indian government wants to establish 75 textile hubs, similar to Tiruppur, which will greatly increase employment opportunities while promoting the export of textile products and ensuring the use of sustainable technology.

Global Economy And Outlook

Change is happening against quite a challenging economic backdrop. 2025 will not be a year of rapid GDP growth: U.S. growth is forecast at a modest 2.0%, with the Eurozone lagging some way behind (0.9%) and Chinese growth (4.2%) well below recent historical averages. Inflation could also prove tenacious, due to higher fiscal spending and possible tariff hikes. This, in turn, will give central banks less room to cut interest rates as they seek to balance growth and inflation control. The result may well be uncertain and shifting market expectations, triggering more bouts of volatility than in 2024. Geopolitical fallout, perhaps due to changing trade policy, could add to the uncertainty.

For the global economy, we think 2025 will be a case of staying the course in turbulent times. The ability of individual economies to weather possible geopolitical and policy challenges next year will be determined by a number of factors. But, as the growth numbers highlighted above show, there is already a distinction between a high technology, higher productivity U.S. economy and a European economy that is lagging behind on the interlinked issues of productivity and investment.

The market focus on stocks should not preclude interest in other asset classes in 2025. Corporate bonds in the U.S., Asia and Europe, for example, are likely to remain interesting for investors for several reasons. These include institutional demand, still high yields and the return of the (term) premium. Supply and demand will remain fundamental to commodities such as oil and industrial metals but we also see other factors maintaining a relatively high price for gold in 2025. In alternative assets, we focus in this outlook on infrastructure – central to investing in future growth – and what we call the public and private mixology of investing in this area. FX considerations will, as always, be a central consideration for investors and here 2025 will clearly be a case of strong economy, strong currency for the U.S. dollar. The euro will look weak in comparison, but rate rises and growth could support the Japanese yen.

2025 will not always be an easy year for investors as markets navigate through geopolitical or other risks (including the “three Rs” of recession, rates and rotations). But we believe that these risks are manageable. With markets already anticipating the impact of future economic growth and development, this means that being and staying invested will be essential for portfolio success both in the short and long term. I hope you find the analysis in this annual outlook useful and we are, of course, always here to guide you through 2025 and beyond.

Growth drivers

Changing consumer preferences: Nowadays, consumers seek comfort, sustainability, and fashionable choices, which has led to a surge in demand for textiles that cater to these needs. The rising preference for eco-friendly fabrics, organic materials, and functional textiles has influenced manufacturers to adapt their product offerings. Additionally, increasing awareness among consumers about ethical and sustainable practices in the industry has pushed textile companies to adopt more responsible manufacturing processes. The adoption to these changing preferences is crucial for businesses to remain competitive and meet the evolving market demand.

Expanding global population: With the constantly expanding population, there is a continuous increase in the demand for clothing and textile production. As the purchasing power rises, the market experiences a surge in consumer spending on textiles. Moreover, the growth of emerging economies, coupled with rising disposable incomes, further fuels the demand for textiles. This population-driven demand creates opportunities for textile manufacturers and stimulates market growth.

Rising partnerships and acquisitions amongst key players: Innovations, such as automation, digital printing, and smart textiles, in textile manufacturing processes have revolutionized the industry. Automation has improved production efficiency and reduced costs, enabling manufacturers to meet increasing demands. Digital printing has opened new possibilities for customization and design flexibility, allowing for faster and more accurate production. Smart textiles, integrated with sensors and electronics, offer enhanced functionality and performance. These technological advancements cater to the changing consumer preferences and drive industry competitiveness by enabling faster production, improved quality, and innovative product offerings.

Policy support has been a key ingredient to growth

1) Amended Technology Upgradation Fund Scheme (A-TUFS)

A total of US\$ 75.74 million (Rs. 621.41 crore) in subsidies was distributed in 3,159 cases under the Amended Technology Upgradation Fund Scheme, with special campaigns held in significant clusters to settle backlog cases. The government allocated funds worth Rs. 17,822 crore (US\$ 2.38 billion) between FY16 and FY22 for the 'Amended Technology Upgradation Fund Scheme' (A-TUFS) to boost the Indian textile industry and enable ease of doing business.

2) National Textile Policy - 2000

Key areas of focus include technological upgrades, enhancement of productivity, product diversification and financing arrangements. New draft for this policy ensures that 35 million people get employment by attracting foreign investment. It also focuses on establishing a modern apparel garment manufacturing centre in every state in the Northeast for which the Government has invested an amount of US\$ 3.27 million.

3) FDI

Foreign direct investment (FDI) of up to 100% is allowed in the textile sector through the automatic route.

4) Scheme for Capacity Building in Textiles Sector (SCBTS)

The Cabinet Committee on Economic Affairs (CCEA), Government of India, has approved a new skill development scheme called 'Scheme for Capacity Building in Textile Sector (SCBTS)' with an outlay of Rs. 1,300 crore (US\$ 202.9 million) from FY18-20. The scheme is aimed at providing a demand driven and placement-oriented skilling programme to create jobs in the organised textile sector and to promote skilling and skill upgradation in the traditional sectors.

5) Government Incentives

A tripartite Memorandum of Understanding (MoU) was signed by the Textiles Committee under the Ministry of Textiles, the Government e Marketplace (GeM) under the Ministry of Commerce and Industry, and the Standing Conference of Public Enterprises (SCOPE) to promote upcycled products made from textile waste and scrap. In the academic year 2022–23, the opening of a new campus of the National Institute of Fashion Technology (NIFT) in Daman. Moreover, new campus buildings are being constructed in Bhopal and Srinagar.

Under the National Technical Textile Mission (NTTM), 74 research projects for specialty fibre and technical textiles valued at US\$ 28.27 million (Rs. 232 crore) were approved. For the export of handloom products globally, the Handloom Export Promotion Council (HEPC) is participating in various international fairs/events with handloom exporters/weavers to sell their handloom products in the international markets under NHDP.

The Ministry of Textiles has also been implementing Handloom Marketing Assistance (HMA), a component of National Handloom Development Programme (NHDP) all across India. HMA provides a marketing platform to the handloom weavers/agencies to sell their products directly to the consumers and develop and promote the marketing channel through organizing expos/events in domestic as well as export markets.

In August 2021, Minister of Petroleum & Natural Gas and Labor & Employment, Mr. Rameswar Teli, launched ONGC-supported Assam handloom project 'Ujjwal Abahan' through the virtual platform. The project will support and train >100 artisans of Bhatiapar of Sivasagar, Assam in Hathkharga handicraft.

6) Production-Linked Incentive Scheme

Under this scheme, incentives will be provided to manufacture and export specific textile products made of man-made fibers. The government approved Rs. 10,683 crore (US\$ 1.44 billion) for man-made fibre and technical textiles.

7) Mega Integrated Textile Region and Apparel (MITRA) Parks Scheme

The establishment of 7 (seven) PM Mega Integrated Textile Region and Apparel (PM MITRA) Parks with a total investment of US\$ 541.82 million (Rs. 4,445 crore) for the years up to 2027–28 was approved by the government. The government is planning to set up 12 new industrial parks and 5-6 mega textile parks, announced by Minister of Commerce and Industry Mr. Piyush Goyal. He also urged the private sector to capitalize on these initiatives. Under the Union Budget 2021-22, Minister of Finance and Corporate Affairs, Ms. Nirmala Sitharaman launched a Mega Integrated Textile Region and Apparel (MITRA) Park scheme to establish seven textile parks with state-of-the-art infrastructure, common utilities and R&D lab over a three-year period.

8) Government Announcements

The Union Budget 2025-26 introduced a five-year Cotton Mission to enhance cotton productivity, especially extra-long staple varieties, with Science & Technology support for farmers. This initiative aligns with the 5F principle, aiming to boost farmer income, ensure quality cotton supply, reduce imports, and strengthen MSME-driven textile competitiveness.

MoU signed at Bharat Tex 2024 between Textiles Committee, Government e-Marketplace and Standing Conference of Public Enterprises to promote upcycled products made from textiles waste and scrap. National Technical Textiles Mission (NTTM) has been approved with an outlay of US\$ 178.74 million (Rs. 1,480 crore); from Financial Year 2020-21 and valid upto 31.03.2026. So far, as of February 2024, 137 research projects have been approved under NTTM. The total cost approved of the said projects by the Government is US\$ 57.33 million (Rs. 474.7 crore (approx.)).

In June 2022, Amazon India signed a MoU with the Manipur Handloom & Handicrafts Development Corporation Limited (MHHDCL), a Government of Manipur entity, to encourage the development of weavers and artisans throughout the state. Through the Digital India Corporation and the Ministry of Electronics and Information Technology, the Ministry of Textiles is creating an ecommerce platform to offer direct marketing opportunities to the handicraft artists and weavers. In the first phase, artisans/weavers from 205 handicrafts/handlooms clusters are being selected throughout the country for uploading their handicrafts/handlooms products on the portal.

Opportunities & Challenges

Opportunities

Sustainability and eco-friendly textiles: With increasing global awareness around sustainability, Indian textile companies have a unique opportunity to lead in organic and eco-friendly fabrics. The demand for biodegradable materials, water-efficient processes, and ethical sourcing are rising, paving the way for innovative and sustainable business models.

Government initiatives and policy support: The Indian government continues to bolster the textile sector through schemes such as the Production Linked Incentive (PLI) scheme, Make in India, and tax incentives for exporters. These initiatives provide businesses with financial and infrastructural support, encouraging investment in modern manufacturing facilities.

Technological advancements and digital integration: Automation, AI-driven quality control, and smart textiles are transforming the industry. Digital platforms enable manufacturers to streamline supply chains, enhance production efficiency, and deliver better customer experiences. The rise of e-commerce has further opened direct-to-consumer opportunities for textile brands.

Export potential and global demand: India remains one of the top textile exporters globally. With rising global demand for affordable yet high-quality textiles, Indian manufacturers can leverage free trade agreements, diversified export markets, and global supply chain disruptions to strengthen their foothold in international markets.

Challenges

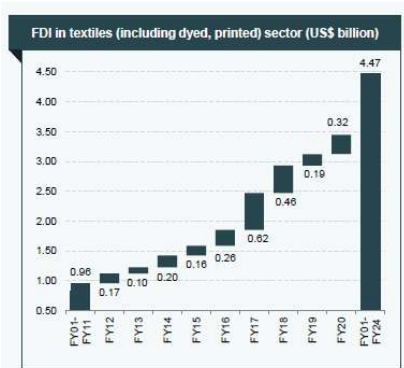
Supply chain disruptions and raw material costs: The volatility in raw material prices, particularly cotton and synthetic fibres, continues to impact production costs. Global supply chain disruptions, influenced by geopolitical tensions and climate change, also pose risks to material availability and pricing stability.

Labour shortages and skill gaps: While India has a large workforce, a shortage of skilled labour in advanced textile manufacturing processes remains a challenge. Upskilling and vocational training programs are essential to equip workers with the expertise needed for modern textile production.

Competitive pressure from other markets: Countries like Bangladesh and Vietnam have emerged as strong competitors in textile exports due to lower labour costs and favourable trade agreements. Indian businesses must focus on innovation, efficiency, and branding to maintain a competitive edge.

Environmental regulations and compliance: As sustainability norms tighten globally, businesses must adapt to stricter environmental regulations. Investing in green technology, waste reduction strategies, and responsible sourcing is critical to meeting compliance standards and consumer expectations.

Foreign investment flowing into the sector



100% FDI is permitted in the sector. Cumulative FDI inflows in the textiles sector (including dyed and printed textiles) stood at Rs. 29,077 crore (US\$ 4.56 billion) between April 2000-September 2024.

The textiles industry in India is experiencing a significant increase in collaboration between global majors and domestic companies. International apparel giants like Hugo Boss, Liz Claiborne, Diesel and Kanz have already started operations in India.

In April 2021, South Korea's textile major Youngone announced that it will start its operations within six months at Kakatiya Mega Textile Park in Warangal, providing employment to 12,000 people in the region.

(Source: www.ibef.org)

OUR BUSINESS

Some of the information in this section, including information with respect to our plans and strategies, contain forward-looking statements that involve risks and uncertainties. Before deciding to invest in the Equity Shares, Shareholders should read this entire Letter of Offer. An investment in the Equity Shares involves a high degree of risk. For the purpose of discussion of certain risks in connection with investment in the Equity Shares, prospective investors should read "Risk Factors" beginning on page 23 of this Letter of Offer, and for the purpose of discussion of the risks and uncertainties related to those statements, as well as for the discussion of certain factors that may affect our business, financial condition or results of operations, prospective investors should read "Financial Information" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" beginning on pages 85 and 96, respectively of this Letter of Offer. Our actual results may differ materially from those expressed in or implied by these forward-looking statements. Unless otherwise stated, the financial information used in this section is derived from our Audited Financial Statements.

1. Overview and History

The Company was originally incorporated as Tuni Textile Mills Private Limited under the provisions of the Companies Act, 1956, pursuant to a Certificate of Incorporation dated July 6, 1987, issued by the Registrar of Companies, Maharashtra at Mumbai. Subsequently, the Company was converted into a public limited company in accordance with the applicable provisions of the Companies Act, 1956, pursuant to a resolution passed by the shareholders at their meeting held on March 25, 1992, and the name of the Company was changed to Tuni Textile Mills Limited. A fresh Certificate of Incorporation consequent upon such change was issued by the Registrar of Companies, Maharashtra at Mumbai on August 6, 1992.

The Corporate Identification Number (CIN) of the Company is L17120MH1987PLC043996.

The registered office of the Company was originally situated at 63/71, Dadiseth Agyari Lane, Kalbadevi, Mumbai – 400002, Maharashtra, India. Subsequently, the registered office was changed to its present address at Suite 207, Building 3A, Mital Industrial Estate, Marol Naka, Andheri (East), Mumbai – 400059, Maharashtra, India.

Tuni Textile Mills Limited (“TTML” or “the Company”) is engaged in the business of manufacturing shirting fabrics in India. The Company primarily operates in the business-to-business (B2B) segment and supplies high-quality fabrics to several well-established Indian brands. TTML was founded in the year 1987 by Mr. Pradeep Sureka and Mr. Narendra Sureka, both of whom possess extensive experience in the textile industry. Over the years, the Company has evolved into a manufacturing and trading enterprises, with a business model centered on quality, innovation, and customer satisfaction.

Corporate Journey

The Company commenced its operations in 1987 as a trading enterprise and subsequently undertook a public offering in the year 1992, pursuant to which its equity shares were listed on the Bombay Stock Exchange (BSE). As of the date hereof, TTML operates a fully-equipped weaving facility located at Murbad, Maharashtra. The said manufacturing unit comprises 44 rapier looms along with modern preparatory equipment, enabling a monthly production capacity of approximately 225,000 meters of grey fabric. The Company's operational infrastructure is aligned with industry standards and is geared towards ensuring consistent product quality and timely delivery to its clients.

Leadership Team

- Mr. Narendra Sureka: Chairman & Managing Director
- Mr. Pradeep Sureka: Director - Marketing and Operations
- Mr. Archit Sureka: Chief Financial Officer (CFO), Product & Business Development

2. Mission, Vision, and Values

Vision Statement

"To become the trusted supplier of shirting fabrics, renowned for our design and development capabilities in India's fashion industry."

Mission Statement

In pursuit of its vision, the Company shall endeavor to:

- Deliver superior customer value by listening and adapting to clients' diverse needs.
- Innovate with unmatched design and development facilities.
- Uphold ethical and trustworthy business practices.
- Ensure quality through scheduled delivery and adherence to best industry standards.
- Embrace the "Quality is Free" paradigm to consistently exceed expectations.

3. Key Market Segments

a) Corporate and School Uniforms

Tuni Textile Mills Limited ("TTML") collaborates with prominent domestic and regional uniform brands to supply high-performance shirting fabrics tailored for institutional use. The product range includes durable plains, twills, oxfords, herringbones, checks, and stripes, available in a variety of fiber blends to meet the functional and aesthetic requirements of corporate and educational institutions.

b) Fancy and Regular Wear

The Company serves both established and emerging fashion brands by delivering innovative and trend-responsive fabric solutions. Product offerings emphasize contemporary design, incorporating specialty yarns, micro-cottons, and bespoke blends developed to align with seasonal and market-specific trends in the casual and formal shirting categories.

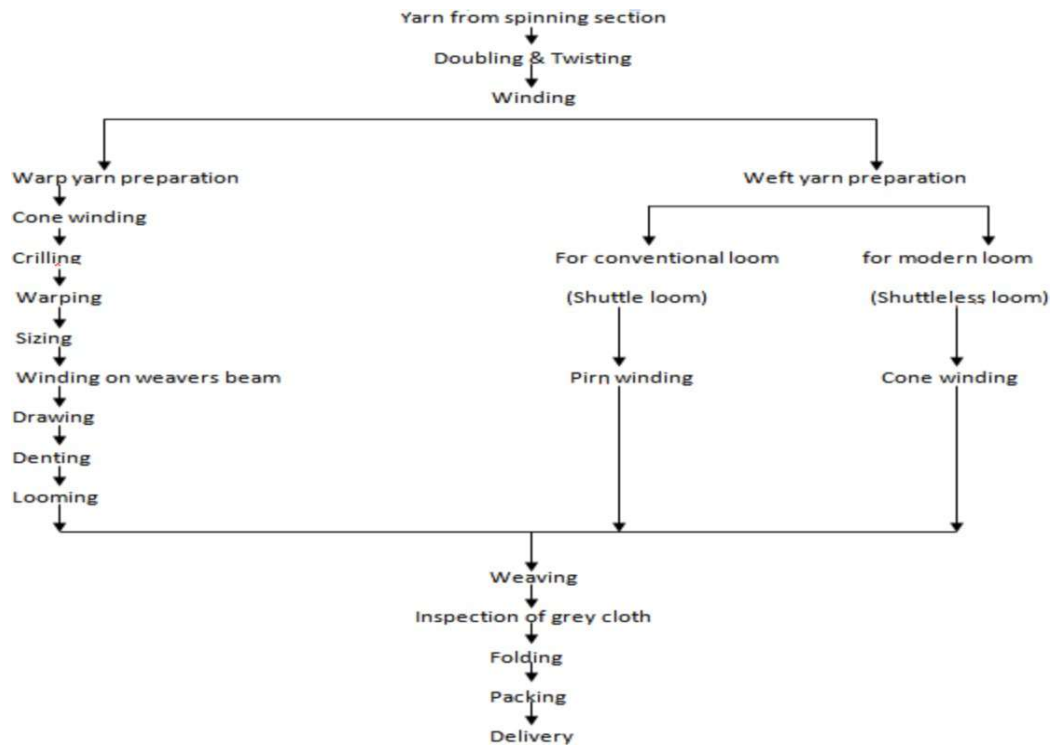
4. Manufacturing Excellence

Tuni Textile Mills Limited operates a technologically advanced manufacturing facility located in Murbad, Maharashtra. The unit is equipped with state-of-the-art textile machinery, including Sulzer G6200 rapier looms and precision sample warping equipment, enabling the production of high-quality shirting fabrics with exceptional consistency and accuracy. The facility currently maintains a peak production capacity of up to 225,000 meters per month (based on 36"/58" width specifications). In addition to in-house production, the Company strategically partners with select external manufacturers and trading entities to enhance its supply chain efficiency and expand market reach.

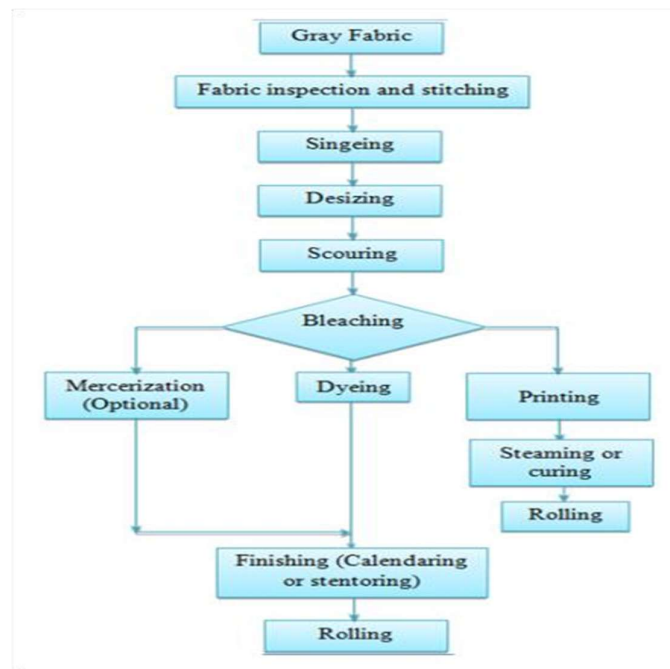
5. Production Process

TTML production workflow is defined by a disciplined, three-month development cycle, spanning from initial design conceptualization to final bulk production and delivery. The Company places a strong emphasis on market-driven innovation, leveraging Computer-Aided Design (CAD) technology to generate over 2,000 design prototypes per month during peak seasons. Of these, approximately 500 to 700 designs are selected for bulk production, based on client approvals, design ratings, and prevailing fashion trends. This approach enables TTML to maintain a dynamic and responsive product portfolio while ensuring timely fulfilment of customer orders. The integration of cutting-edge technology, robust production planning, and strategic collaborations underscores TTML's commitment to manufacturing excellence, design innovation, and customer satisfaction.

6. Process Flow Chart of Grey Fabric Manufacturing



The additional process, which we outsource to processing or finishing dyeing units for converting “grey” fabric to “finished” fabric is shown in below figure. After rolling, fabric is inspected in our packing unit and packed for final delivery to client. The whole procedure, starting from yarn to grey fabric to finished fabrics takes around 90-120 days.



7. Commitment to Innovation

In response to the rapidly evolving demands of the fashion and textile industry, Tuni Textile Mills Limited (TTML) has positioned itself not merely as a fabric manufacturer, but as a comprehensive solutions provider. The Company's commitment to innovation is reflected in its robust end-to-end product development capabilities, beginning with advanced Computer-Aided Designing (CAD) systems that enable the creation of diverse and trend-responsive fabric concepts. TTML further supports rapid prototyping through its single-end warping machine, allowing for sampling and development runs of up to 50 meters, thus facilitating quicker client approvals and market testing. To stay ahead of emerging trends and consumer preferences, the Company actively engages in industry-leading trade fairs such as Paris and China, which provide valuable insights into global fashion directions, materials, and design innovations. Additionally, TTML maintains a focused research and development framework that involves continuous market research, fabric sampling, and handloom-based concept development. This integrated approach to innovation ensures that TTML consistently delivers cutting-edge, market-relevant fabric solutions to its clients, reinforcing its reputation as a forward-thinking and responsive industry leader.

8. Key Operational and Financial

Table set forth below are certain key operational and financial metrics for the periods indicated

(₹ in lakhs unless specified)

Particulars	FY 2024-25	FY 2023-24	FY 2022-23
Total revenue from operations	7649.79	5649.84	4295.53
Net profit/loss before tax and extraordinary items	80.25	44.51	36.01
Net profit/loss after tax and extraordinary items	56.65	32.11	25.56
Equity share capital	1317.93	1317.93	1317.93
Reserves and surplus	78.46	18.51	(18.31)
Net worth	1396.39	1336.44	1299.62
Earnings Per Share			
(a) Basic Earnings Per Share (in Rs.)	0.04	0.02	0.02
(b) Diluted Earnings Per Share (in Rs.)	0.04	0.02	0.02
Return on Net Worth (%)	4.05%	2.40%	1.96%
Net Asset Value / Book Value per Equity Share each (in ₹)	1.06	1.02	0.99

9. Addressing Industry Challenges

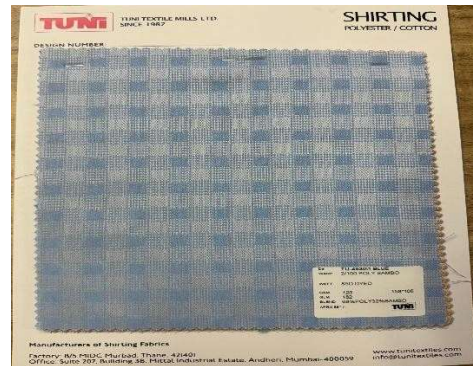
As a business-to-business (B2B) textile manufacturer operating in a highly competitive and dynamic market, Tuni Textile Mills Limited (TTML) continues to navigate several structural challenges, including competition from unorganised local players, large export-oriented manufacturing houses, and the rising consumer preference for knitwear. In response, the Company adopts a differentiated strategy focused on delivering superior client servicing, maintaining high responsiveness to emerging fashion trends, and integrating service excellence with its core manufacturing capabilities. This holistic approach enables TTML to retain and expand its client base despite external market pressures.

A key pillar supporting TTML's adaptability and sustained growth is its trading division, which has emerged as a strategic business unit complementing the Company's manufacturing operations. Through innovative sourcing strategies and the cultivation of strong, relationship-driven client engagement, the trading division plays a vital role in enhancing the Company's product diversity and market reach. By partnering with a broad network of textile mills, TTML secures access to exclusive fabric designs and premium-quality materials tailored to the specific requirements of its clients. This collaborative sourcing model allows the Company to deliver customized solutions with speed and precision.

The agility of the trading arm is exemplified by its ability to rapidly develop and supply new fabric designs and weaves in short turnaround times, thereby enabling clients to respond swiftly to market trends and consumer preferences. In addition, the Company's cost-efficient procurement processes ensure optimal value delivery without compromising on quality. Strategically headquartered in Mumbai—with warehousing facilities located in Murbad and Bhiwandi—the trading division benefits from close proximity to India's key commercial and fashion centers. This geographical advantage facilitates real-time market intelligence, enhances logistical efficiency, and reinforces TTML's position as a reliable, value-driven partner in the textile supply chain. Over time, the success and flexibility of the trading operations have significantly contributed to the Company's reputation as an innovative, forward-thinking, and resilient player in the Indian textile industry.

Tuni Textile Mills Limited (TTML) is more than a textile manufacturer—we are a trusted partner, an innovation-driven enterprise, and a comprehensive solution provider to India's dynamic fashion industry. Through the seamless integration of traditional textile craftsmanship with modern technologies and market insights, TTML continues to set industry benchmarks in quality, customer service, and product innovation. This enduring commitment has firmly established our reputation as a forward-looking leader in the Indian textiles sector.

10. Our product portfolio:





11. Competitive Strengths

We believe the following competitive strengths contribute to our success and position us well for future growth.

1. Promoters and Experienced Management

We believe that, leadership is the result of team work allowing issues and ideas to be developed, widening our competitive advantage. We have grown steadily under the vision, leadership and guidance of our promoters. Our promoters have played a key role in developing our business and we benefit from their industry expertise, vision and leadership. Also, they have been assisted by a team of experienced personnel. We believe that our management team's experience and their understanding of the industry will enable us to continue to take advantage of both current and future market opportunities.

2. Existing relationship with suppliers

We have acquired fabric from several suppliers. We believe that our strong relationships with suppliers will enable us to continue to grow our business. Due to our relationship with our suppliers, we get quality and timely supplies of denim fabric. This enables us to manage our inventories and supply quality products on a timely basis to our customers. This in turn has enabled us to generate repeat business.

3. Customer Centric Business Model

Our Company focuses on attaining highest level of Customer Satisfaction. The Progress achieved by us is the largely due to our ability to address and exceed customer satisfaction. Our company has always believed in assessing the changing customer preferences from time to time and redesigning our denim fabrics accordingly by continuously exploring new types of fashion trends.

12. Our Business Strategies

Our key strategic priorities are as follows:

1. Expanding Customer Base through Innovation and Design Excellence –

We are dedicated to enhancing our market reach by offering innovative products and compelling designs. Leveraging cutting-edge technologies like Computer-Aided Design (CAD) and traditional craftsmanship through handlooms, we create unique prototypes that resonate with customer preferences. Our strategic investment in a sample warping machine in 2017 has revolutionized our approach, enabling us to swiftly develop samples, accelerate time-to-market, and provide clients with tangible previews of new designs and fabric bases. This proactive approach builds trust and fosters long-term relationships, ensuring repeat business and opening doors to new opportunities.

2. Driving Operational Efficiency and Cost Optimization –

Efficiency and cost-effectiveness are at the heart of our operational strategy. Over the next five years, we are committed to a transformative journey, adopting globally recognized ISO standards, Just-In-Time (JIT) methodologies, and sophisticated Enterprise Resource Planning (ERP) systems. These initiatives will enable us to streamline processes, reduce wastage, and respond proactively to current and future market demands. By embracing these advanced practices, we aim to strengthen our competitive edge and enhance profitability.

3. Building a Professional and Agile Organization –

As a company founded by two visionary leaders in the textile industry, we recognize the importance of institutionalizing their expertise to ensure sustained success. To this end, we are focused on creating a robust organizational structure by hiring and developing skilled tier-2 and tier-3 managerial talent. Our investment in human resources reflects our commitment to nurturing local talent and leveraging India's rich pool of human capital. By fostering a professional and agile team, we are well-positioned to drive innovation, operational excellence, and growth in the years to come.

4. Optimal Utilization of Resources –

Our Company constantly endeavors to improve our sales process, skill up-gradation of sales personnel. We analyse our existing procurement policy to identify the areas of bottlenecks and take corrective measure wherever possible. This helps us in improving efficiency and putting resources to optimal use.

13. SWOT Analysis

<i>Strengths</i>	<i>Weaknesses</i>
1. Established Reputation: A well-recognized name with a strong market reputation. 2. Extensive Experience: Deep expertise in manufacturing and trading within the textile industry. 3. Adaptable Infrastructure: Strong internal capacity to meet evolving market demands. 4. State-of-the-Art Machinery: Equipped with advanced European-manufactured machinery. 5. Strategic Location: Based in the MIDC zone, ensuring reliable access to power and water resources.	1. High Capital Requirements: Significant working capital needed to sustain operations. 2. Quality Control Needs: Greater investment required in quality control measures. 3. Low Profit Margins: Limited margin of profitability in the current market. 4. Market Fragmentation: Operates within a highly fragmented and competitive market. 5. Labor Dependence: The business is highly labor-intensive, posing operational challenges.

<i>Opportunities</i> 1. Vertical Integration Potential: Leverage technical expertise to expand into yarn dyeing or processing facilities. 2. Shift to Cotton Fabrics: Explore manufacturing cotton fabrics as a strategic shift from synthetics over time. 3. Support from Organizations: Access to technical assistance from entities like BTRA and Sasmira. 4. Government Initiatives: Capitalize on initiatives such as Make in India and the China+1 strategy, which attract foreign brands to source locally. 5. Technological Upgrades: Invest in new loom technologies and monitoring systems to improve productivity and quality. 6. Operational Efficiency: Enhance operations by adopting ERP software and related systems.	<i>Threats</i> 1. Unorganized Sector Competition: Rising competition from the unorganized power loom sector. 2. Dominant Incumbents: Established firms with strong market share in distribution and marketing. 3. Profit Margin Erosion: Increasing pressure on profit margins. 4. Labor Shortages: Workforce challenges due to labor migration and shortages in Maharashtra. 5. Substitute Products: Growing competition from alternatives like t-shirts and other knitwear fabrics.
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OUR MANAGEMENT

As on date of this Letter of Offer, our Board consists of 6 (Six) Directors, out of which 2 (Two) are Executive Directors, and 1 (One) are Non-Executive Directors and 3 (Three) are Independent Directors.

BRIEF PROFILE OF OUR DIRECTORS

The following table sets forth certain details regarding the members of our Company's Board as on the date of this Letter of Offer:

Sr. No.	Name, Date of Birth, Age, Qualification, Occupation, Address, Nationality and Term	DIN	Designation	Other Directorship
1.	Name: Mr. Narendra Kumar Sureka Date of Birth: April 25, 1953 Age: 72 years Qualification: B.Com Address: 78, Hatkesh Society, 9th Road JVPD Scheme, Vile Parle West, Mumbai-400049, Maharashtra, India. Occupation: Business Nationality: Indian Term: Managing Director from April 01, 2023 till March 31, 2028 (both days inclusive) Date of Original Appointment: July 06, 1987 Date of Appointment at Current Designation: July 06, 1987 Date of expiration of the current term: March 31, 2028	01963265	Chairperson and Managing Director	Indian Companies: Nil Foreign Companies: Nil
2	Name: Mr. Pradeep Kumar Sureka Date of Birth: September 24, 1959 Age: 65 Years Qualification: B.Com Address: 78, Hatkesh Housing Society, 9th Road, JVPD Scheme, Mumbai, Maharashtra - 400049 Occupation: Business Nationality: Indian Term: Liable to retire by roatation Date of Original Appointment: July 06, 1987 Date of Appointment at Current Designation: October 01, 2007 Date of expiration of the current term: Liable to retire by roatation	01632706	Executive, Whole Time Director	Indian Companies: Nil Foreign Companies: Nil

3	Name: Mrs. Urmiladevi Sureka Date of Birth: December 20, 1959 Age: 65 Years Qualification: B.Com Address: 78, Hatkesh Housing Society, 9th Road, JVPD Scheme, Mumbai, PO: Juhu, DIST: Mumbai, Maharashtra - 400049 Occupation: Business Nationality: Indian Term: Liable to retire by rotation, and eligible for reappointment. Date of Original Appointment: March 23, 2015 Date of Appointment at Current Designation: September 30, 2015 Date of expiration of the current term: Liable to retire by rotation	02344028	Non - Executive Director	Indian Companies: Yesman Infin P Ltd Foreign Companies: Nil
4.	Name: Mr. Mahendra Shyambihari Agarwal Date of Birth: May 31, 1975 Age: 50 years Qualification: B.Com Address: 18/702, Siddhachal Complex, Pokharan Road No. 2, Near Reliance Fresh, Vasant Vihar, Thane West, Maharashtra – 400610. Occupation: Business Nationality: Indian Term: Liable to retire by rotation, and eligible for re-appointment for one more term Date of Original Appointment: August 14, 2018 Date of Appointment at Current Designation: September 25, 2018 Date of expiration of the current term: August 13, 2028	01882316	Independent Director	Indian Companies: Kirti Polytex Private Limited Foreign Companies: Nil
5	Name: Gaurishankar Ramlal Saraf Date of Birth: October 20, 1957 Age: 67 Years Qualification: B.Com Address: 702, Marigold, Vasant Valley Hsg. Soc. General A K vaidya Marg, Malad (East)	02411330	Independent Director	Indian Companies: Nil Foreign Companies: Nil

	Mumbai-400097, Maharashtra, India Occupation: Business Nationality: Indian Term: For five consecutive years Date of Original Appointment: April 01, 2024 Date of Appointment at Current Designation: May 07, 2024 Date of expiration of the current term: March 31, 2029			
6	Name: Mr. Gaurav Ganesh Tibe Date of Birth: November 08, 1995 Age: 29 Years Qualification: MBA Address: Tibe House Opp Govt Hospital, Main Road Murbad, Opp Panchayat Samiti, Murbad, Thane, Maharashtra - 421401 Occupation: Business Nationality: Indian Term: Liable to retire by rotation, and eligible for re-appointment for one more term Date of Original Appointment: July 06, 2023 Date of Appointment at Current Designation: September 27, 2023 Date of expiration of the current term: July 2, 2028	09106922	Independent Director	Indian Companies: Tibe Allianz Private Limited Foreign Companies: Nil

Past directorships in suspended companies

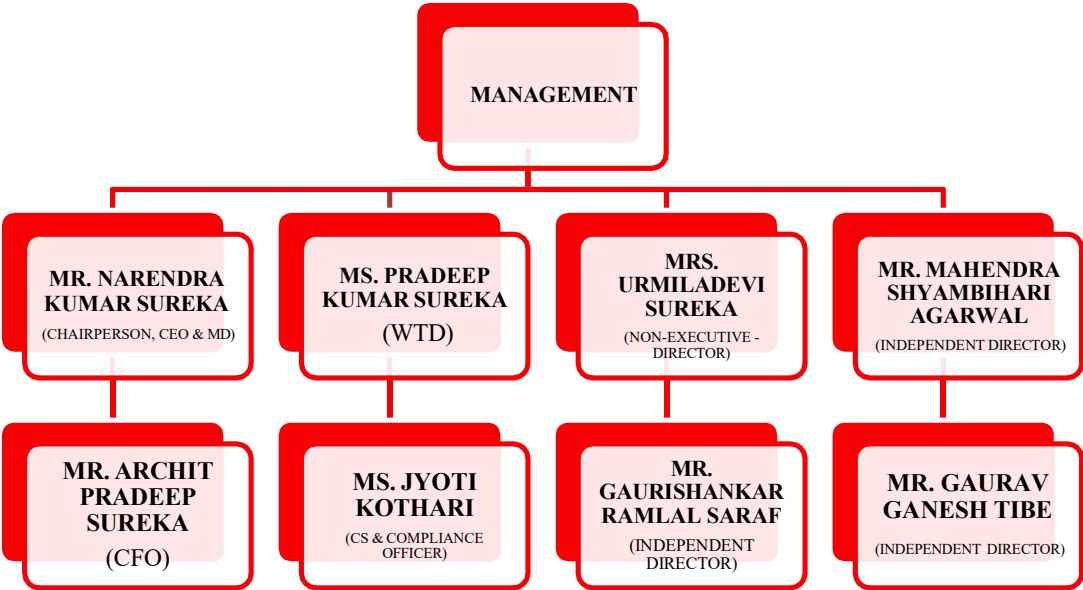
None of our Directors is or was the director of any listed company during the last five years preceding the date of filing of this Letter of Offer, whose shares have been or were suspended from being traded on any of the stock exchanges during the term of their directorship in such a company.

Past Directorships in delisted companies

Further, none of our Directors are or were a director of any listed company, which has been, or was delisted from any stock exchange during the term of their directorship in such Company during the last 10 (Ten) years preceding the date of this Letter of Offer.

MANAGEMENT ORGANIZATION STRUCTURE

The Management Organization Structure of the Company as on date of this Letter of Offer is depicted in the following chart:



SECTION VI-- FINANCIAL INFORMATION

FINANCIAL STATEMENTS

Particulars	Website Link
Audited Standalone Financial Statements along with the Notes and auditors report thereon	https://www.tunitextiles.com/data2025/RightsIssue2025-26/Material%20Documents/12-FY2024-25%20Audit%20Report.pdf

(This remainder has intentionally been left blank)

TUNI TEXTILE MILLS LIMITED

Regd. Office : Unit No. 207, 2nd Floor, Building No. 3A Mittal Industrial Estate, Andheri Kurla Road, Andheri East , Mumbai-400059

CIN : L17120MH1987PLC043996, Email : info@tunitextiles.com, Web : www.tunitextiles.com

Statement of Standalone Audited Financial Results for the Quarter & Year ended 31st March 2025

₹ in Lakhs

Sr. No.	Particulars	3 Months ended 31.03.2025	Preceding 3 Months ended 31.12.2024	Corresponding 3 Months ended 31.03.2024	Year to date figures as on 31.03.2025	Year to date figures as on 31.03.2024
		Audited	Un-Audited	Audited	Audited	Audited
I	Revenue from Operations	1,697.056	2,008.544	2,590.370	7,649.790	5,649.840
II	Other Income	8.708	2.787	6.350	18.920	14.560
III	Total Income (I+II)	1,705.764	2,011.331	2,596.720	7,668.710	5,664.400
IV	Expenses					
	Cost of Material Consumed	46.399	73.388	116.970	240.430	471.270
	Purchases of Stock in Trade	1,558.006	1,726.034	2,326.270	7,010.120	4,810.880
	Changes in Inventories of Finished Goods, Work-in-Progress and Stock-in-Trade	(94.609)	21.297	(122.990)	(318.040)	(436.350)
	Employees Benefit Expenses	81.571	61.059	73.320	243.480	243.700
	Finance Costs	44.405	49.865	49.640	177.660	145.320
	Depreciation & Amortization Expenses	8.205	2.047	7.540	22.116	30.500
	Other Expenses	31.128	60.418	127.190	212.690	354.570
	Total Expenses (IV)	1,675.105	1,994.108	2,577.940	7,588.456	5,619.890
V	Profit / (Loss) before Tax & Exceptional Items (III-IV)	30.659	17.223	18.780	80.254	44.510
VI	Exceptional Items	(4.090)	-	1.510	(4.090)	1.510
VII	Profit / (Loss) before Tax (V-VI)	34.749	17.223	17.270	84.344	43.000
VIII	Tax Expenses					
	Current	13.755	4.478	6.810	26.650	16.280
	Deferred Tax	5.080	1.346	(1.890)	1.040	(5.390)
	Total Tax Expenses (VIII)	18.835	3.132	4.920	27.690	10.890
IX	Profit for the Period / Year from continuing operations (VII-VIII)	15.914	14.091	12.350	56.654	32.110
X	Other Comprehensive Income	-	-	-	-	-
	A. Items that will not be classified to Profit or Loss	(0.310)	1.590	4.270	4.460	6.370
	B. Tax (expense)/benefit on item that will not be reclassified to profit or loss	0.080	0.420	1.110	1.160	1.660
	Total other Comprehensive Income (X)	(0.230)	1.170	3.160	3.300	4.710
XI	Total Comprehensive Income for the Period / Year (IX+X)	16.144	12.921	15.510	59.954	36.820
XII	Paid-up Equity Share Capital (Face Value of ₹ 1/- each)	1,306.310	1,306.310	1,306.310	1,306.310	1,306.310
XIII	Other Equity	22.740			78.460	18.510
XIV	Earnings per Share (Face Value of ₹ 1/- each)					
	a) Basic	0.012	0.011	0.009	0.043	0.025
	b) Diluted	0.012	0.011	0.009	0.043	0.025

Notes :

- As per Indian Accounting Standard (IndAS) 108 "Operating Segment", the Company's business falls within a single business segment viz. "Textile Segment" and thus Segmental Report for the Quarter is not applicable to the Company.
- Above results were reviewed and recommended by Audit Committee taken on record by Board of Directors in their Meeting held on May 21, 2025.
- The Statutory Auditors have carried Statutory Audit for above Financial Results.
- This statement has been prepared in accordance with the Companies (Indian Accounting Standards) Rules, 2015 (Ind-AS) - 34, Interim Financial Reporting prescribed under Section 133 of the Companies Act, 2013, read with rule 3 of the Companies (Indian Accounting Standard) Rules, 2015 and Companies (Indian Accounting Standard) Accounting Rules, 2016.
- Previous period figure have been regrouped/rearranged wherever necessary to correspond with the current period / year classification / disclosures.
- Figures for the quarters ended 31st March 2025 and 31st March 2024 as reported in these financial results, are the balancing figures between audited figures in respect of the full financial years and the published year to date figures up to the end of the third quarter of the respective financial years.

Place : Mumbai
Date : May 21, 2025

For Tuni Textile Mills Limited
Sd/-
Narendra K. Sureka
Managing Director

Digitally signed by Narendra Kumar Sureka
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Date: 2025.05.21 10:41:30 +05'30'

TUNI TEXTILE MILLS LIMITED

Statement of Assets & Liabilities

(₹ In Lakhs)

Particulars	As At 31st March 2025	As At 31st March 2024
	Audited	Audited
ASSETS		
Non-Current Assets		
Property, Plant and Equipment	72.570	90.190
Right of Use Assets	-	30.020
Investment in Property	9.530	9.530
Intangible Assets	2.690	1.360
Financial Assets	114.930	18.550
Income Tax Assets	8.030	2.830
Deferred Tax Assets	29.250	46.220
Other Non-Current Assets	19.350	19.350
Total Non-Current Assets ...	256.350	218.050
Non-Current Financial Assets		
Non-Current Investments	-	-
Trade Receivables, Non-Current	-	-
Loans, Non-Current	-	-
Other Non-Current Financial Assets	-	-
Total Non-Current Financial Assets ...	-	-
Deferred Tax Assets	-	-
Other Non-Current Assets	-	-
Gross Non-Current Assets ...	-	-
Current Assets		
Inventories	2,662.700	2,337.710
Financial Assets		
Current Investments	-	-
Trade Receivables	1,154.720	1,737.680
Cash & Cash Equivalents	7.500	3.430
Bank Balances	1.520	1.680
Short Term Loans & Advances	-	-
Current Tax Assets	-	-
Other Current Assets	305.000	124.230
Total Non-Current Assets ...	4,131.440	4,204.730
Total Assets	4,387.790	4,422.780
EQUITY & LIABILITIES		
Equity		
Equity Share Capital Reserves & Surplus	1,317.930	1,317.930
Money Received against Share Warrants	78.460	18.510
Total Equity ...	1,396.390	1,336.440
Share Application Money Pending Allotment	-	-
LIABILITIES		
Non Current Liabilities		
Financial Liabilities	5.760	4.190
Long Term Borrowings	58.410	141.400
Lease Liabilities	-	23.690
Long Term Provisions	27.090	20.940
Deferred Tax Liabilities (Net)	-	-
Other Non Current Liabilities	-	1.180
Total Non-Current Liabilities ...	91.260	191.400
Current Liabilities		
Financial Liabilities	-	-
Short Term Borrowings	1,618.920	1,135.170
Lease Liabilities	-	8.170
Trade Payables	1,227.330	1,689.510
Other Financial Liabilities	1.410	13.940
Short Term Provisions	24.940	23.350
Current Tax Liabilities (Net)	1.350	1.270
Other Current Liabilities	26.190	23.530
Total Current Liabilities ...	2,900.140	2,894.940
Total Liabilities	2,991.400	3,086.340
Total Equity & Liabilities	4,387.790	4,422.780

Narendra
Kumar Sureka

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Textile Mills Limited, ou=Finance, email=nsureka@tuni.com, c=IN
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TUNI TEXTILE MILLS LIMITED
Statement of Cash Flow as at 31st March, 2025

₹ In Lakhs

Particulars	As at 31st March 2025	As at 31st March 2024
A. <u>Cash Flow from Operating Activities</u>		
Net Profit before Tax and Extra-Ordinary Items <u>Adjustments for</u>	84.344	44.510
Depreciation		
Profit/(Loss) on Sale of Property, Plant & Equipments Interest Income	22.120	30.500
Unrealized Exchange (Gain)/Loss Gain on termination of Lease	-	(2.170)
Gain on Sale of Property Investment	(5.510)	(0.710)
Allowance on Doubtfull Debts Interest on Borrowings	(0.410)	(0.170)
Operating profit before working Capital Changes	-	(0.240)
<u>Adjustments for Working Capital Changes</u>	-	-
Decrease/(Increase) Trade Receivable	-	4.770
Decrease/(Increase) in Inventories	177.660	145.320
Increase/(Decrease) in Trade Payable Other Adjustments	278.204	221.810
Decrease / (Increase) in Other Current Assets Increase/(Decrease) in Other Current Liabilities and Provisions	582.960	(697.500)
Cash Generated from operations	(324.980)	(374.050)
Direct Tax Paid	(462.180)	784.820
Deferred Tax Adjustments	(4.084)	-
	(180.750)	(12.650)
	9.180	(22.590)
	(379.854)	(100.160)
	(21.400)	(7.490)
	15.940	-
Net Cash From Operating Activities	(107.110)	(107.650)
B. <u>Cash Flow From Investing Activities</u>		
Purchase of Fixed Assets	(5.840)	(12.660)
Sale of Fixed Assets	30.020	2.750
Interest Income	2.940	0.050
Payment for Other Financial Assets	(96.390)	-
Proceeds from Other Financial Assets	0.150	-
Net Cash from Investing Activities	(69.120)	(9.860)
C. <u>Cash Flow From Financing Activities</u>		
Proceeds from Long Term Borrowings	-	124.770
Repayment of Long Term Borrowings	(82.990)	(276.820)
Proceeds from Short Term Borrowings	483.760	247.770
Repayment of Short Term Borrowings	-	(67.160)
Repayment of Lease Liabilities	(31.860)	(7.310)
Change in working Capital Borrowings from Bank	-	239.870
Proceeds from Other Financial Liabilities	1.580	-
Repayment of Other Financial Liabilities	(12.540)	-
Interest on Long Term Borrowings	(177.660)	(144.120)
Net Cash used in Financing Activities	180.290	117.000
Net Increase/(Decrease) in Cash & Cash Equivalents (A+B+C)	4.060	(0.510)
Opening Balance of Cash & Cash Equivalents	3.430	3.940
Closing Balance of Cash & Cash Equivalents	7.490	3.430

Narendra
Kumar Sureka

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ou=PK, email=narendra.k.sureka@pk.com,
serialNumber=1, c=IN
Date: 2025.03.21 12:41:52 +05'30'

**Independent Auditor's Report on Quarterly Financial Results and Year ended 31.03.2025
Results of TUNI TEXTILE MILLS LIMITED Pursuant to the Regulation 33 of the SEBI
(Listing Obligations and Disclosure Requirements) Regulations, 2015.**

To

The Members of

TUNI TEXTILE MILLS LIMITED

Opinion on Annual Standalone Financial Results

We have audited the accompanying Standalone Annual Financial Results of Tuni Textile Mills Limited ("the Company") for year ended 31st March 2025 and the Statements of Assets and Liabilities and Statement of Cash Flow as at and for the year ended on that day attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, as amended (the listing regulations").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone annual financial results,

- i. Presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015; and
- ii. gives a true and fair view in conformity with the recognition and measurement principles laid down in the applicable Indian Accounting standards prescribed under section 133 of the Companies Act, 2013 (The "Act") and other accounting principles generally accepted in India of the Net Profit and other comprehensive Profit and other financial information of the Company for the year ended 31st March 2025 and



the Statement of Assets and Liabilities and the Statement of cash Flow as at and for the year ended on that day.

Basis of Opinion on Annual Standalone Financial Results

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013 (the Act). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Annual Financial Results 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 Standalone financial results under the provisions of the Companies Act, 2013 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 we have obtained is sufficient and appropriate to provide a basis for our opinion.

Management's and Board of Directors' Responsibilities for the Standalone Annual Financial Results

These standalone annual financial results have been prepared on the basis of Standalone Annual Financial Statements. The Company's Management and the Board of Directors are responsible for the preparation of these Standalone Annual Financial Results that give a true and fair view of the net profit and other comprehensive Profit and other financial information in accordance with the recognition and measurement principles laid down in Indian Accounting Standards prescribed under Section 133 of the Act read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. 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 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 standalone annual financial results that give a true and fair view and are free from material misstatement, whether due to fraud or error, which

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Have been used for the purpose of preparation of the Financial Results by the Directors of the Company, as aforesaid.

In preparing the standalone annual financial results, 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

Auditors' Responsibilities for the Audit of the Standalone Annual Financial Results

Our objectives are to obtain reasonable assurance about whether the Standalone Annual Financial Results as a whole are 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 these standalone annual financial results.

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 standalone annual financial results, 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 opinion through a separate report on the complete set of financial statements on whether the Company has adequate

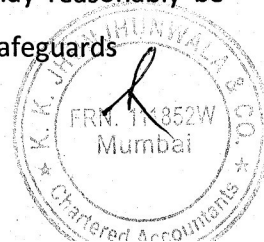


Internal financial controls with reference to financial statements in place and operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management and Board of Directors.
- Conclude on the appropriateness of the Management and 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 appropriateness of this assumption. 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 results 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 Standalone Annual Financial Results; including the disclosures, and whether the financial results represent the underlying transactions and events in a manner that achieves fair presentation.

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



Others Matters

The standalone Annual Financial Results include the results for the quarter ended 31st March 2025, being the balancing figure between the audited figures in respect of the full financial year and the published year to date figures up to the third quarter of the current financial year which were subject to limited review by us.

The Annual Financial Result dealt with by this report has been prepared for the express purpose of filling with stock Exchange. These Results are based on and should be read with the Audited Financial Statements of the Company for the year ended 31st March, 2025 on which we issued an unmodified audit opinion vide our report dated 21.05.2025.

For K.K. Jhunjhunwala & Co Chartered Accountants
Firms Reg. No. 11852W



SURENDRA SUREKA
(Partner)

M. N. No. 119433

UDIN: 25119433BMHPSU2619

Place: Mumbai

Date: 21.05.2025

STATEMENT OF ACCOUNTING RATIOS

Extract of the FY 2024-25 Audited Financial Statements prepared in accordance with applicable accounting standards for the last financial year (with the comparative prior full year period), disclosed to the Stock Exchanges:

(₹ in lakhs unless specified)

Particulars	FY 2024-25	FY 2023-24	FY 2022-23
Total revenue from operations	7649.79	5649.84	4295.53
Net profit/loss before tax and extraordinary items	80.25	44.51	36.01
Net profit/loss after tax and extraordinary items	56.65	32.11	25.56
Equity share capital	1317.93	1317.93	1317.93
Reserves and surplus	78.46	18.51	(18.31)
Net worth	1396.39	1336.44	1299.62
Earnings Per Share			
(a) Basic Earnings Per Share (in Rs.)	0.04	0.02	0.02
(b) Diluted Earnings Per Share (in Rs.)	0.04	0.02	0.02
Return on Net Worth (%)	4.05%	2.40%	1.96%
Net Asset Value / Book Value per Equity Share each (in Rs.)	1.06	1.02	0.99

The ratios have been computed as below:

Ratio	Computation
Basic and Diluted Earnings Per Share	Profit attributable to shareholder / Total number of weighted average number of shares
Return on Net Worth	Profit for the Year / Net Worth
Net Asset Value / Book Value per Equity Share each	Net Worth / Number of shares as at the end of the relevant period
EBITDA	Profit before tax + depreciation and amortization expenses + finance cost - other income

Detailed rationale for the Issue Price

The Issue Price will be determined by our Company on the basis of various qualitative and quantitative factors as described below:

Qualitative factor

Some of the qualitative factors which form the basis for computing the Issue Price are set forth below:

Our company holds a well-recognized position in the textile sector, known for quality and reliability. This enhances investor confidence and supports premium pricing.

- Technology-led streamlined approval process and administrative procedures enabling better monitoring and customer service;
- Access to diversified and cost-effective sources of funding backed by a broad lender base;
- Repeat orders from reputed brands demonstrate strong customer trust and ensure consistent revenue flow.
- Experienced management team with extensive industry knowledge.

Quantitative factors

Some of the quantitative factors which may form the basis for calculating the Issue Price are as follows:

Calculation of Earning per Equity Share:

Particulars	FY 2024-25	FY 2023-24	FY 2022-23
Profit attributable to Equity shareholders (A)	56.65	32.11	25.56

Weighted average number of equity shares outstanding at the end of the period (B)	1306.31	1306.31	1306.31
Basic and Diluted EPS (A) / (B)	0.04	0.02	0.02

Calculation of Return on Net Worth:

Particulars	FY 2024-25	FY 2023-24	FY 2022-23
Profit / (loss) after tax (A)	56.65	32.11	25.56
Net Worth (B)	1396.39	1336.44	1299.62
Return on Net-Worth (A/B)	4.05	2.40	1.96

Calculation of Net Worth and Net Asset Value per Equity Share:

Particulars	FY 2024-25	FY 2023-24	FY 2022-23
Equity share capital (A)	1317.93	1317.93	1317.93
Other equity (B)	78.46	18.51	(18.51)
Net-Worth (C) = (A+B)	1396.39	1336.44	1299.62
Number of Equity shares as at the end of the relevant period (D)	1306.31	1306.31	1306.31
Net asset value per Equity Share (C / D)	1.06	1.02	0.99

Calculation of EBITDA:

Particulars	FY 2024-25	FY 2023-24	FY 2022-23
Total Comprehensive Income for the period	7668.71	5664.40	4355.38
Tax Expense	7588.46	5619.89	4319.37
Depreciation & Amortization	22.12	30.50	36.64
Finance Cost	177.66	145.32	114.68
EBITDA	80.25	44.51	36.01

The Fiscal 2025 Audited Financial Statements our Company is uploaded on the website of our Company at <https://www.tunitextiles.com/data2025/RightsIssue2025-26/Material%20Documents/12-FY2024-25%20Audit%20Report.pdf>

The ex-rights price of the Equity Shares as per regulation 10(4)(b) of the SEBI Takeover Regulations is ₹ 1.09/- per Equity Share.

The Issue Price is par with the face value of the Equity Share.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL POSITION AND RESULTS OF OPERATIONS

The following discussion of our financial condition and results of operations should be read in conjunction with the ***“Financial Statements”*** on page 85 of this Letter of Offer. Some of the information contained in the following discussion, including information with respect to our plans and strategies, contain forward-looking statements that involve risks and uncertainties. You should also read ***“Risk Factors”*** and ***“Forward Looking Statements”*** beginning on pages 23 and 18 respectively of this Letter of Offer, which discuss a number of factors and contingencies that could affect our financial condition and results of operations.

Our Financial Statements included in this Letter of Offer are prepared in accordance with IND AS, which differs in certain material respects from other accounting standards such as IFR. Our financial year ends on March 31 of each year. Accordingly, all references to a particular financial year are for the 12 months ended March 31 of that year. Unless otherwise indicated or the context requires, the financial information for Financial 2025, Financial 2024 and Financial 2023 based on the Audited Financial Statements included in this Letter of Offer.

OVERVIEW OF BUSINESSES

Our Company was originally incorporated as “Tuni Textile Mills Private Limited” on July 06, 1987, as a private limited company under the Companies Act, 1956 in the State of Maharashtra. Subsequently, the Company was converted into a Public Limited Company under the name “Tuni Textile Mills Limited” and was issued a fresh certificate of incorporation by the Registrar of Companies (“ROC”), Mumbai, Maharashtra, on August 6, 1992.

Our revenues from operations for the year ended March 2025, 2024, and 2023 were ₹ 7649.79 Lacs, ₹ 5649.84 Lacs and ₹ 4295.53 Lacs, respectively. Our profit after tax for year ended March 2025, 2024, and 2023 were ₹ 56.65 Lacs, ₹ 32.11 Lacs and ₹ 25.56 Lacs, respectively.

SIGNIFICANT FACTORS AFFECTING OUR RESULTS OF OPERATIONS

Our financial condition and results of operations are affected by numerous factors and uncertainties, including those discussed in the section titled ***“Risk Factors”*** on page 23 of this Letter of Offer. The following is a discussion of certain factors that have had, and we expect will continue to have, a significant effect on our financial condition and results of operations:

- Adverse effect of competition on our market share and profits
- Any adverse development that may affect our operations in Maharashtra.
- Any qualifications or other observations made by our future statutory auditors which may affect our results of operations.
- Loss of one or more of our key customers and/or suppliers
- An increase in the productivity and overall efficiency of our competitors.
- Any adverse development that may affect the operations of our manufacturing units.
- Our ability to maintain and enhance our brand image.
- Our reliance on third party suppliers for our products.
- General economic and business conditions in the markets in which we operate and in the local, regional and national economies.
- Changes in technology and our ability to manage any disruption or failure of our technology systems.
- Our ability to attract and retain qualified personnel.
- Changes in political and social conditions in India or in countries that we may enter, the monetary and interest rate policies of India and other countries, inflation, deflation, unanticipated turbulence in interest rates, equity prices or other rates or prices.
- The performance of the financial markets in India and globally.
- Any adverse outcome in the legal proceedings in which we are involved.
- Occurrences of natural disasters or calamities affecting the areas in which we have operations.
- Market fluctuations and industry dynamics beyond our control.
- Our ability to compete effectively, particularly in new markets and businesses.
- Changes in foreign exchange rates or other rates or prices.

- Inability to collect our dues and receivables from, or invoice our unbilled services to, our customers, our results of operations.
- Other factors beyond our control.
- Our ability to manage risks that arise from these factors.
- Conflict of interest with our Subsidiary, Individual Promoter and other related parties;
- Changes in domestic and foreign laws, regulations and taxes and changes in competition in our industry;
- Termination of customer/works contracts without cause and with little or no notice or penalty; and
- Inability to obtain, maintain or renew requisite statutory and regulatory permits and approvals or noncompliance with and changes in, safety, health and environmental laws and other applicable regulations, may adversely affect our business, financial condition, results of operations and prospects.
- Our risk management and internal controls, as well as the risk management tools available to us, may not be adequate or effective in identifying or mitigating risks to which we are exposed; and
- changes in technology and our ability to manage any disruption or failure of our technology Systems

SIGNIFICANT ACCOUNTING POLICIES

The accounting policies have been applied consistently to the periods presented in the Audited Financial Statements. For details of our significant accounting policies, please refer section titled “**Financial Information**” on Letter of Offer.

CHANGE IN ACCOUNTING POLICIES

As mentioned in chapter “**Financial Information**” on page 85 of this Letter of Offer, there has been no change in accounting policies for the period which has been included in this Letter of Offer.

PRINCIPAL COMPONENTS OF OUR STATEMENT OF PROFIT AND LOSS ACCOUNT REVENUE FINANCIAL STATEMENTS

Sr.No.	Particulars	Website link
1.	Fiscal 2025 Audited Standalone Financial Statements	https://www.tunitextiles.com/data2025/RightsIssue2025-26/Material%20Documents/12-FY2024-25%20Audit%20Report.pdf
2.	Fiscal 2024 Audited Standalone Financial Statements	https://www.tunitextiles.com/data2025/RightsIssue2025-26/Material%20Documents/11-FY2023-24%20Audit%20Report.pdf
3.	Fiscal 2023 Audited Standalone Financial Statements	https://www.tunitextiles.com/data2025/RightsIssue2025-26/Material%20Documents/10-FY2022-23%20Audit%20Report.pdf

The following descriptions set forth information with respect to the key components of the Financial Statements.

Total income

Our revenue comprises Revenue from Operations and Other Income:

A. Revenue from operations

Our revenue from operations consists of Sale of goods and Sale of Services.

B. Other Income

Our Other income consists of Net Foreign Exchange Loss (Gain), Interest Income, Rent and Brokerage.

Expenses

Our expenses primarily comprise: Cost of Materials Consumed, Changes in Inventory, Employee Benefit Expenses, Depreciation and amortization expenses and other expenses.

A. Finance cost

Finance cost comprises comprise of interest Expenses.

B. Employee benefit expenses

Employee benefit expense consists of salaries, wages, insurance, gratuity, and staff welfare & training expenses.

C. Other expenses

Other expenses consist of Printing and stationery, Postage and telephones, Insurance, Auditors remuneration, Electricity expenses, Legal and professional charges, Donation, General Expenses, Sundry Credit Balances Written Off, Membership and subscription charges, Travelling and conveyance and Office Expenses etc.

D. Tax expenses

Tax expense comprises of current tax and deferred tax. Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with applicable tax rates and the provisions of applicable tax laws. Deferred tax liability or credit is recognized based on the difference between taxable profit and book profit due to the effect of timing differences and treatment of expenses. Our deferred tax is measured based on the applicable tax rates and tax laws that have been enacted or substantively enacted by the relevant balance sheet date.

(This remainder has intentionally been left blank)

SECTION VII – LEGAL AND OTHER INFORMATION

OUTSTANDING LITIGATIONS AND DEFAULTS

Except as disclosed below, there are no outstanding litigations involving our Company whose financial statements are included in the Letter of Offer, in a Standalone form including, suits, criminal or civil proceedings and taxation related proceedings that would have a material adverse effect on our operations, financial position or future revenues. In this regard, please note the following:

In determining whether any outstanding litigation against our Company, other than litigation involving issues of moral turpitude, criminal liability, material violations of statutory regulations or proceedings relating to economic offences against our Company, would have a material adverse effect on our operations or financial position or impact our future revenues, we have considered all pending litigations involving our Company, including criminal proceedings, statutory or regulatory actions as Material in the opinion of the Board of directors under Regulation 30 of the SEBI Listing Regulations for the purpose of litigation disclosure in this Letter of Offer:

Unless stated to the contrary, the information provided below is as of the date of this Letter of Offer. All terms defined in a particular litigation disclosure below are for that litigation only.

OUTSTANDING PROCEEDINGS INVOLVING OUR COMPANY

Outstanding proceedings involving issues of moral turpitude against our Company:

NIL

Outstanding criminal proceedings initiated by our Company:

Tuni Textile Mills Limited (Complainant) V/s. Agile Financials Technologies Private Limited; Kalpesh Pankaj Desai (Accused)

(Criminal Complaint No. 1637/SS/2018 filed and pending before the Court of Metropolitan Magistrate, Esplanade Mumbai)

Our company has filed a complaint before the Hon'ble Additional Chief Metropolitan Magistrate, Mumbai, under Section 138 of the Negotiable Instruments Act, 1881, against M/s Agile Financial Technologies Private Limited. The case pertains to the recovery of an amount of ₹12,15,632 (Rupees Twelve Lakh Fifteen Thousand Six Hundred Thirty-Two Only), for which cheques were issued in favour of our company and subsequently dishonored. As on the date of this letter, the matter is currently pending before the Hon'ble Court.

Outstanding tax proceedings involving our Company:

The following are the outstanding Direct Taxes liabilities against the Company:

Sr. No.	Assessment Year	Raised By	Section Invoked	Demand Order Date	Demand Reference Number	Taxpayer Response	AO Response	Outstanding Demand (₹)
1	1996	DCR	143(3)	21-Mar-2007	2009199651004895742C	Not Collectable	Collectable	3,52,933.00
2	2017	CPC	143(1a)	28-Dec-2018	2018201737046778213C	Not Collectable	Collectable	1,07,530.00
3	1997	DCR	143(3)	21-Mar-2007	2009199751004895750C	Not Collectable	Collectable	1,38,978.00
4	2006	DCR	271(1)(C)	21-Mar-2012	201120065109791388	No Response	Not Collectable	16,112.00

			(Penalty)		1C			
5	1995	CPC	220(2)	29-Nov-2021	2021199537025949716C	No Response	Collectable	16,09,265.00
6.	Previous years till 2024-25	TRACES	234(E)/201 and 220(2)	As per TRACES Portal (late filing fees and Interest)	--	--	--	5,80,045.00
Total								28,04,863.00

The following are the outstanding Indirect Taxes liabilities against the Company:

Sr. No.	Entity and GSTIN	Name of Authority	Notice /Demand Order ID & Period	Notice /Order Description	Amount in Dispute (₹)	Current Status
1.	M/s. Tuni Textile Mills Limited GSTIN: 27AAACT4244J1ZA (Maharashtra)	Assistant Commissioner of State Tax	Intimation in the Form GST DRC - 01A Reference No.: ZD2712210022064 dated December 01, 2021 SCN in the Form GST DRC -01 Reference No.: ZD270122006556 Q dated January 04, 2022 Order in the Form GST DRC-07 Reference No.: ZD270322020469 J dated March 07, 2022 Case ID AD271221001421 Y Period: FY July 2017 to March 2018	Intimation of tax liability u/s 73(5) due to Excess ITC claimed in GSTR 3B/9 which is not confirmed in GSTR-2A or 8A of GSTR 9 and ITC on purchase invoices uploaded by supplier in GSTR1 filed after last date of availment as per section 16(4). Followed by Show Cause Notice u/s 73 Followed by Order for creation of Demand u/s 73 of MGST/CGST Act, 2017	Total Liability: ₹10,28,795 (Tax: ₹ 4,59,507/-, Interest: ₹ 5,05,505/-, & penalty: ₹ 63,783/-)	The assessee herein has filed an appeal before the appellate authority vide Case ID no. AD270423036399V dated April 25, 2023 and the same is accepted dated January 31, 2024.
2.	M/s. Tuni Textile Mills Limited GSTIN: 27AAACT4244J1ZA (Maharashtra)	Assistant Commissioner of State Tax (KALBAD EVI_610) MUM-VAT-D-812,	Intimation in the Form GST DRC - 01A Reference No. : ZD2702240662895 dated February 27, 2024 SCN in the Form GST DRC -01 Reference No.:	Intimation of tax liability u/s 73(5) due to Excess ITC claimed in GSTR 3B/9 which is not confirmed in GSTR-2A or 8A of GSTR 9 and In – eligible ITC claimed from RC cancelled suppliers and	Total Liability: Rs.10,46,039/- (Tax: ₹ 5,72,884/-, Interest: ₹ 4,15,867/-, & penalty: ₹ 57,288/-)	Assistant Commissioner of State Tax has passed an order dated 28/08/2025 levying the penalty and

		GST BHAVAN, MUMBAI.	ZD270625082299 U dated June 19, 2025 Case ID AD270224045815 2 Period: FY April 2021 to March 2022	GSTR9 _Additional _Liability. Followed by Show Cause Notice u/s 73		Interest, which is to be paid upto 27/11/2025.
3.	M/s. Tuni Textile Mills Limited GSTIN: 27AAACT 4244J1ZA (Maharashtra)	Assistant Commissioner of State Tax	Intimation in the Form GST DRC - 01A Reference No. : ZD270823072163 D dated August 29, 2023 Case ID AD270823039770 W Period: FY April 2019 to March 2020	Intimation of tax liability u/s 73(5) due to non reversal of ITC in GSTR- 3B	Total disputed Liability: ₹10,40,628/ - (Tax: ₹ 6,15,756/-, Interest: ₹ 4,24,872/-)	The Company has submitted its reply dated September 04, 2025, with supporting documents stating that reversal of ITC within time and hence there is no liability to pay the tax and interest imposed on the Company.

Outstanding regulatory or statutory proceedings initiated against our Company:

The Company was subjected to monetary penalties under Regulation 17(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the quarters ended December 2020, March 2021, and June 2021, aggregating to a total of ₹16,04,800 (inclusive of 18% GST). The non-compliance arose on account of the Company's inability to fill the casual vacancy of an Independent Director within the statutory time frame due to restrictions and disruptions caused by the COVID-19 pandemic.

In light of the unprecedented circumstances, the Company submitted a detailed representation seeking waiver of the said fines, which was duly considered by the "Committee for Reviewing Representations for Waiver of Fines Levied under SOP." However, vide communication dated January 27, 2022, the Committee declined the Company's request, holding that the waiver could not be granted.

Thereafter, the Company submitted a subsequent representation on September 5, 2022, reiterating the extraordinary challenges faced during the pandemic period, including restricted access to office premises, staffing limitations, and delays in the decision-making process, which cumulatively contributed to the delay in compliance. The said representation emphasized that the non-compliance was neither deliberate nor negligent but was caused solely due to force majeure circumstances beyond the control of the Company.

As on date, no further communication has been received from SEBI or the Stock Exchange in response to the Company's second representation. Accordingly, the matter remains pending, and the Company awaits a formal response or direction. The Company affirms its commitment to regulatory compliance and governance and undertakes to act promptly upon receipt of any further instructions from the regulatory authorities.

Other pending matters against our Company which, if they result in an adverse outcome, would materially and adversely affect the operations or financial position of our Company:

NIL

Economic offences where proceedings have been initiated against our Company:

NIL

CIVIL LITIGATIONS INVOLVING OUR COMPANY

Outstanding material civil proceedings against our Company that are non-quantifiable but otherwise deemed material:

Tuni Textile Mills Limited (Petitioner) V/s. Samir Kumar Panigraphy (Respondent)

M A-PGA Resto- M A PGA Resto -4/2025 filed and pending before the Labour Court, Thane

Recovery Application:

Samir Kumatr Panigrahy V/s. Tuni Textile Mills Limited

Recovery Appln PGA No. 18/2025

Original Matter:

Ex-Parte Original Order dated June 28, 2024 passed in Application (PGA) No. 16 of 2021 passed by Controlling Authority under Payment of Gratuity Act & Judge Third, Labour Court, Thane.

Mr. Samir Kumar Panigraphy, (the original Applicant/ Claimant), instituted Application (PGA) No. 16 of 2021 under the Payment of Gratuity Act, 1972 before the Hon'ble Labour Court at Thane, seeking recovery of ₹1,21,153.84 (Rupees One Lakh Twenty-One Thousand One Hundred Fifty-Three and Eighty-Four Paise Only) along with interest at the rate of 10% per annum from the date of cessation of service. Due to the non-appearance of the present Applicant, M/s. Tuni Textile Mills Limited, despite alleged service of notice, the Hon'ble Court proceeded ex parte and, vide order dated 28/06/2024, allowed the said application, directing the Applicant Company to make payment of the aforesaid amount along with applicable interest. The matter, therefore, stood disposed of said ex-parte order.

Subsequently, the Applicant has preferred the present Miscellaneous Restoration Application no. 4/225 seeking to set aside the ex parte order dated 28/06/2024 and for restoration of Application (PGA) No. 16 of 2021 to its original file for hearing on merits. It is respectfully submitted that the Applicant was neither duly served with the notice of the proceedings nor made aware of the pendency of the said application. The absence of effective service deprived the Applicant of a reasonable opportunity to appear and contest the claim, resulting in grave prejudice and a violation of the principles of natural justice. The present restoration application is pending adjudication, and accordingly, the matter remains sub judice before this Hon'ble Court.

Vis-a-Vis the original applicant/ Claimant has filed a recovery application against the Company for recovery of his claim of ₹ 1,21,153.84 in accordance with the Ex-Parte original order as stated above.

The hearing have been scheduled on August 21, 2025 before the labour court and due to non-availability of the judge, a new date for the hearing is provided and to be scheduled on November 24, 2025.

Outstanding material civil proceedings by our Company that are non-quantifiable but otherwise deemed material:

NIL

Summary of Outstanding Litigation

Name By/Against	By/ Against	Civil Proceedings	Criminal Proceedings	Tax Proceedings	Actions by Regulatory Authority	Amount Involved
Company	By	-	1	-	-	12,15,632
	Against	2	-	4	-	76,46,278.84
Promoter	By	-	-	-	-	-

	Against	-	-	-	-	-
Group Companies/ Entities	By	-	-	-	-	-
	Against	-	-	-	-	-
Directors other than promoters	By	-	-	-	-	-
	Against	-	-	-	-	-

GOVERNMENT AND OTHER APPROVALS

Our Company is required to obtain consents, licenses, permissions and approvals from various governmental and regulatory authorities that are required for carrying on our present business operation. Some of the approvals and license that we require for our present business operation may expire in the ordinary course of business, in which case, we will apply for their renewal from time to time.

We are not required to obtain any licenses or approvals from any government or regulatory authority for the objects of this Issue. For further details, please refer to the section titled "*Objects of the Issue*" at page 53 of this Letter of Offer.

OTHER REGULATORY AND STATUTORY DISCLOSURES

Authority for the Issue

The issue has been authorised by a resolution of our Board of Directors passed at their meeting held on July 03, 2025 pursuant to clause (a) of Sub-Section (1) of Section 62 and other provisions of the Companies Act, 2013.

This Letter of Offer has been approved by our Board pursuant to its resolution dated November 11, 2025. The terms and conditions of the Issue including the Rights Entitlement, Issue Price, Record Date, timing of the Issue and other related matters, have been approved by a resolution passed by our Board at its meeting held on November 11, 2025.

Our Board, in its meeting held on November 11, 2025, has resolved to issue the 42,32,44,440 Rights Equity Shares to the Eligible Equity Shareholders, at ₹ 01.00/- per Rights Equity Share at par aggregating up to ₹ 4232.44 Lakhs (*Assuming full subscription in the Issue and subject to finalization of the basis of allotment*) and the Rights Entitlement as 81 (Eighty One) Rights Equity Share for every 25 (Twenty Five) fully paid-up Equity Shares, held as on the Record Date. The Issue Price has been arrived at by our Company prior to determination of the Record Date.

Our Company has received in-principle approvals from BSE in accordance with Regulation 28(1) of the SEBI LODR Regulations for listing of the Rights Equity Shares to be Allotted in this Issue pursuant to their letters dated September 04, 2025. Our Company will also make applications to BSE to obtain their trading approvals for the Rights Entitlements as required under the SEBI ICDR Master Circular.

Our Company has been allotted the ISIN: INE560D20019 for the Rights Entitlements to be credited to the respective demat accounts of Allottees. For details, see ***“Terms of the Issue”*** beginning on page 108.

Prohibition by SEBI or other Governmental Authorities

Our Company, our Promoter, our Directors, the members of our Promoter Group and persons in control of our Company have not been prohibited from accessing the capital market or debarred from buying or selling or dealing in securities under any order or direction passed by SEBI or any securities market regulator in any jurisdiction or any authority/court as on date of this Letter of Offer.

Further, our Promoter and our Directors are not promoters or directors of any other company which is debarred from accessing or operating in the capital markets or restrained from buying, selling or dealing in securities under any order or direction passed by SEBI.

None our directors or Promoter is associated with the securities market in any manner. Further, there is no outstanding action initiated against any of our directors or Promoters by SEBI in the five years preceding the date of filing of this Letter of Offer.

Neither our Promoter nor our Directors have been declared as fugitive economic offenders under Section 12 of Fugitive Economic Offenders Act, 2018 (17 of 2018).

The Equity shares of our Company have not been suspended from trading as a disciplinary measure imposed by SEBI or any regulatory authority during the last three years except as under:

The Company has received Notice from BSE limited, vide their email dated April 17, 2023, regarding suspension Notice for non-payment of Annual Listing Fees (“ALF”) and advised to make payment of the outstanding ALF within 30 (thirty) days from the date of the Notice i.e. upto May 16, 2025. The Company has paid the outstanding ALF along with the Interest thereon to the BSE Limited on May 11, 2025.

Prohibition by RBI

Neither our Company, nor our Promoter, and Directors have been categorized or identified as wilful defaulters or fraudulent borrowers by any bank or financial institution or consortium thereof, in accordance with the guidelines on wilful defaulters issued by the Reserve Bank of India.

Compliance with Companies (Significant Beneficial Ownership) Rules, 2018

Our Company, our Promoter and the members of our Promoter Group are in compliance with the Companies (Significant Beneficial Ownership) Rules, 2018 to the extent it may be applicable to them as on date of this Letter of Offer.

Eligibility for the Issue

Our Company is a listed company and has been incorporated under the Companies Act, 1956. The Equity Shares of our Company are presently listed on BSE. We are eligible to undertake the Issue in terms of Chapter III of the SEBI ICDR Regulations. Pursuant to Clauses (1) and (2) of Part B of Schedule VI to the SEBI ICDR Regulations, our Company is required to make disclosures in accordance with Part B of Schedule VI to the SEBI ICDR Regulations.

Compliance with Regulations 61 and 62 of the SEBI ICDR Regulations

Our Company is in compliance with the conditions specified in Regulations 61 and 62 of the SEBI ICDR Regulations, to the extent applicable. Further, in relation to compliance with Regulation 62(1)(a) of the SEBI ICDR Regulations, our Company undertakes to make an application to the Stock Exchanges for listing of the Rights Equity Shares to be issued pursuant to the Issue. BSE Limited is the Designated Stock Exchange for the Issue.

Caution

Our Company shall make all information available to the Eligible Equity Shareholders in accordance with the SEBI ICDR Regulations and no selective or additional information would be available for a section of the Eligible Equity Shareholders in any manner whatsoever, including at presentations, in research or sales reports etc. after filing of this Letter of Offer.

No dealer, salesperson or other person is authorized to give any information or to represent anything not contained in this Letter of Offer. You must not rely on any unauthorized information or representations. This Letter of Offer is an offer to sell only the Rights Equity Shares and the Rights Entitlement, but only under circumstances and in the applicable jurisdictions. Unless otherwise specified, the information contained in this Letter of Offer is current only as at its date.

Our Company and its directors, officers, agents, affiliates and representatives accept no responsibility or liability for advising any Applicant on whether such Applicant is eligible to acquire any Rights Equity Shares.

Disclaimer in Respect of Jurisdiction

This Letter of Offer has been prepared under the provisions of Indian law and the applicable rules and regulations thereunder. Any disputes arising out of the Issue will be subject to the jurisdiction of the appropriate court(s) in Mumbai only.

Designated Stock Exchange

The Designated Stock Exchange for the purposes of the Issue is BSE Limited.

Listing

Our Company will apply to BSE for final approval for the listing and trading of the Rights Equity Shares subsequent to their Allotment. No assurance can be given regarding the active or sustained trading in the Rights Equity Shares or the price at which the Rights Equity Shares offered under the Issue will trade after the listing thereof.

Consents

Consents in the writing of our Directors, Company Secretary and Compliance Officer, Chief Financial Officer, legal advisor, Bankers to the Company, the Registrar to the Issue and the Monitoring Agency to act in their respective capacities, have been obtained and such consents have not been withdrawn up to the date of this Letter of Offer.

Filing

This Letter of Offer is being filed with the Stock Exchanges as per the provisions of the SEBI ICDR Regulations.

Mechanism for Redressal of Investor Grievances

Our Company has adequate arrangements for redressal of investor grievances in compliance with the SEBI Listing Regulations. We have been registered with the SEBI Complaints Redress System (SCORES) as required by the SEBI Circular no. CIR/ OIAE/ 2/ 2011 dated June 3, 2011 and shall comply with the SEBI circular no. CIR/OIAE/1/2014 dated December 18, 2014 and the SEBI Master Circular on the redressal of investor grievances through the SEBI Complaints Redress System (SCORES) platform dated November 7, 2022 (SEBI circular no. SEBI/HO/OIAE/IGRD/P/CIR/2022/0150), in relation to redressal of investor grievances through SCORES. Consequently, investor grievances are tracked online by our Company.

Our Company has a Stakeholders Relationship Committee which meets at least once a year and as and when required. Its terms of reference include considering and resolving grievances of Shareholders in relation to transfer of shares and effective exercise of voting rights. Purva Shareregistry (India) Private Limited is our Registrar and Share Transfer Agent. All investor grievances received by us have been handled by the Registrar and Share Transfer Agent in consultation with the Company Secretary and Compliance Officer.

Investor complaints received by our Company are typically disposed of within 15 (fifteen) days from the receipt of the complaint.

Investors may contact the Registrar or our Company Secretary and Compliance Officer for any pre-Issue or post-Issue related matter. All grievances relating to the ASBA process may be addressed to the Registrar, with a copy to the SCSBs (in case of ASBA process), giving full details such as name, address of the Applicant, contact number(s), e mail address of the sole/ first holder, folio number or demat account number, number of Equity Shares applied for, amount blocked (in case of ASBA process), ASBA Account number and the Designated Branch of the SCSBs where the Application Form or the plain paper application, as the case may be, was submitted by the Investors along with a photocopy of the acknowledgement slip (in case of ASBA process). For details on the ASBA process, see "*Terms of the Issue*" beginning on page 108 of this Letter of Offer.

The contact details of Registrar to the Issue and our Company Secretary and Compliance Officer are as follows:

Registrar to the Company:

Purva Shareregistry (India) Private Limited

Address: 9, Shiv Shakti Industrial Estate,

J.R.Boricha Marg Lower Parel (East),

Mumbai-400011, Maharashtra, India,

Telephone: +91 022-3522 0056

Email: support@purvashare.com

Website: [https:// www.purvashare.com](https://www.purvashare.com)

Contact Person: Ms. Deepali Dhuri

SEBI Registration Number: INR000001112

CIN: U67120MH1993PTC074079

Company Secretary and Compliance Officer of our Company

Jyoti Kothari

Address: Unit No. 207, 2nd Floor, Building No. 3A, Mittal Industrial Estate,

Andheri Kurla Road, Andheri (E), Marol Naka, Mumbai-400059, Maharashtra, India

E-mail: info@tunitextiles.com

Tel No: +91 022 46043970

SECTION VIII – ISSUE INFORMATION

TERMS OF THE ISSUE

This section is for the information of the Eligible Equity Shareholders proposing to apply in this Issue. The Eligible Equity Shareholders should carefully read the provisions contained in this Letter of Offer, the Letter of Offer, the Rights Entitlement Letter and the Application Form, before submitting the Application Form. Our Company is not liable for any amendments or modifications or changes in applicable laws or regulations, which may occur after the date of the Letter of Offer. The Eligible Equity Shareholders are advised to make their independent investigation and ensure that the Application Form is accurately filled up in accordance with instructions provided therein and the Letter of Offer. Unless otherwise permitted under the SEBI ICDR Regulations read with the SEBI Master Circulars, the Eligible Equity Shareholders proposing to apply in this Issue can apply only through ASBA.

Investors are requested to note that Application in this Issue can only be made through ASBA or any other mode which may be notified by SEBI.

For guidance on the application process through ASBA and resolution of difficulties faced by investors, you are advised to read the frequently asked question on the website of the Registrar at [https:// www.purvashare.com](https://www.purvashare.com) and on the website of our Company at www.tunitextiles.com.

Please note that our Company is under process of opening a separate demat suspense escrow account namely, Tuni Textile - Rights Issue Demat Suspense Account” (“Demat Suspense Account”) and would credit Rights Entitlements on the basis of the Equity Shares: (a) of the Eligible Equity Shareholder whose demat accounts are frozen or where the Equity Shares are lying in the unclaimed suspense account / demat suspense account (including those pursuant to Regulation 39 of the SEBI LODR Regulations) or details of which are unavailable with our Company or with the Registrar on the Record Date or where Equity Shares have been kept in abeyance or where entitlement certificate has been issued or where instruction has been issued for stopping issue or transfer or where letter of confirmation lying in escrow account; or (b) where credit of the Rights Entitlements have returned/reversed/failed for any reason; or (c) where ownership is currently under dispute, including any court or regulatory proceedings or where legal notices have been issued, if any. Please also note that our Company has credited Rights Entitlements to the Demat Suspense Account on the basis of information available with our Company and to serve the interest of relevant Eligible Equity Shareholders to provide them with a reasonable opportunity to participate in the Issue. The credit of the Rights Entitlements to the Demat Suspense Account by our Company does not create any right in favour of the relevant Eligible Equity Shareholders for transfer of Rights Entitlement to their demat account or to receive any Shares in the Issue.

With respect to the Rights Entitlements credited to the Demat Suspense Account, the Eligible Equity Shareholders are requested to provide relevant details (such as applicable regulatory approvals, Form ISR-1, ISR-2 with original cancelled cheque (if signature does not matched with our record), ISR-4 (if shares are under unclaimed suspense account) self-attested PAN and client master sheet of demat account, details/ records confirming the legal and beneficial ownership of their respective Equity Shares, etc.) to our Company or the Registrar no later than 2 (two) clear Working Days prior to the Issue Closing Date to enable credit of their Rights Entitlements by way of transfer from the Demat Suspense Account to their demat account at least 1 (one) day before the Issue Closing Date, to enable such Eligible Equity Shareholders to make an application in this Issue, and this communication shall serve as an intimation to such Eligible Equity Shareholders in this regard. Such Eligible Equity Shareholders are also requested to ensure that their demat account, details of which have been provided to our Company or the Registrar account is active to facilitate the aforementioned transfer. In the event that the Eligible Equity Shareholders are not able to provide relevant details to our Company or the Registrar by the end of 2 (two) clear Working Days prior to the Issue Closing Date, Rights Entitlements credited to the Demat Suspense Account shall lapse and extinguish in due course and such Eligible Equity Shareholder shall not have any claim against our Company and our Company shall not be liable to any such Eligible Equity Shareholder in any form or manner.

Further, with respect to Equity Shares for which Rights Entitlements are being credited to the Demat Suspense Account, the Application Form along with the Rights Entitlement Letter shall not be dispatched till the resolution of the relevant issue/concern and transfer of the Rights Entitlements from the Demat Suspense Account to the respective demat account other than in case of Eligible Equity Shareholders who

hold Equity Shares in physical form as on the Record Date who will receive the Application Form along with the Rights Entitlement Letter. Upon submission of such documents /records no later than 2 (two) clear Working Days prior to the Issue Closing Date, to the satisfaction of our Company, our Company shall make available the Rights Entitlement on such Equity Shares to the identified Eligible Equity Shareholder. The identified Eligible Equity Shareholder shall be entitled to subscribe to Equity Shares pursuant to the Issue during the Issue Period with respect to these Rights Entitlement and subject to the same terms and conditions as the Eligible Equity Shareholder.

OVERVIEW

This Issue is proposed to be undertaken on a rights basis and is subject to the terms and conditions contained in this Letter of Offer, the Letter of Offer, the Rights Entitlement Letter, the Application Form, and the Memorandum of Association and the Articles of Association of our Company, the provisions of the Companies Act, 2013, the FEMA, the FEMA Rules, the SEBI ICDR Regulations, the SEBI LODR Regulations and the guidelines, notifications, circulars and regulations issued by SEBI, the Government of India and other statutory and regulatory authorities from time to time, approvals, if any, from RBI or other regulatory authorities, the terms of the Listing Agreements entered into by our Company with Stock Exchanges and the terms and conditions as stipulated in the Allotment Advice.

I. DISPATCH AND AVAILABILITY OF ISSUE MATERIALS

Pursuant to the requirements of the SEBI ICDR Regulations and other applicable laws, the Rights Entitlements will be credited to the demat account of the Eligible Equity Shareholders who are Equity Shareholders as on the Record Date, however, the Issue Materials will be sent/ dispatched only to such Eligible Equity Shareholders who have provided an Indian address to our Company and only such Eligible Equity Shareholders are permitted to participate in the Issue. The credit of Rights Entitlement does not constitute an offer, invitation to offer or solicitation for participation in the Issue, whether directly or indirectly, and only dispatch of the Issue Material shall constitute an offer, invitation or solicitation for participation in the Issue in accordance with the terms of the Issue Material. Further, receipt of the Issue Materials (including by way of electronic means) will not constitute an offer, invitation to or solicitation by anyone in (i) the United States or (ii) any jurisdiction or in any circumstances in which such an offer, invitation or solicitation is unlawful or not authorized or to any person to whom it is unlawful to make such an offer, invitation or solicitation. In those circumstances, this Letter of Offer and any other Issue Materials must be treated as sent for information only and should not be acted upon for subscription to Rights Equity Shares and should not be copied or re-distributed, in part or full. Accordingly, persons receiving a copy of the Issue Materials should not distribute or send the Issue Materials in or into any jurisdiction where to do so, would or might contravene local securities laws or regulations, or would subject our Company or its affiliates to any filing or registration requirement (other than in India). If Issue Material is received by any such jurisdiction on or United State, they must not seek to subscribe to the Rights Equity Shares. For more details, see ***“Restrictions on Purchases and Resales”*** beginning on page 136.

The Application Form, the Rights Entitlement Letter and the Issue material will be sent/ dispatched only to the Eligible Equity Shareholders who have provided an Indian address to our Company. In case such Eligible Equity Shareholders have provided their valid e-mail address, this Application Form, the Rights Entitlement Letter and the Issue material will be sent only to their valid e-mail address and in case such Eligible Equity Shareholders have not provided their valid e-mail address, Application Form, the Rights Entitlement Letter and the Issue material will be physically dispatched, on a reasonable effort basis, to the Indian addresses provided by them.

Further, this Letter of Offer will be sent/ dispatched to the Eligible Equity Shareholders who have provided their Indian address and who have made a request in this regard.

Investors can access the Letter of Offer, the Letter of Offer and the Application Form (provided that the Eligible Equity Shareholder is eligible to subscribe for the Equity Shares under applicable laws) on the websites of:

- (i) our Company at www.tunitextiles.com
- (ii) the Registrar at [https:// www.purvashare.com](https://www.purvashare.com)
- (iii) the Stock Exchanges at www.bseindia.com

To update the respective Indian addresses/e-mail addresses/phone or mobile numbers in the records maintained by the Registrar or by our Company, Eligible Equity Shareholders, should visit <https://www.purvashare.com>.

Eligible Equity Shareholders can also obtain the details of their respective Rights Entitlements from the website of the Registrar (i.e., [https:// www.purvashare.com](https://www.purvashare.com) by entering their DP ID and client ID or Folio Number (for Eligible Equity Shareholders who hold Equity Shares in physical form as on Record Date) and PAN. The link for the same shall also be available on the website of our Company (i.e., www.tunitextiles.com).

Further, our Company will undertake all adequate steps to reach out the Eligible Equity Shareholders who have provided their Indian address through other means, as may be feasible.

Please note that neither our Company nor the Registrar shall be responsible for non- dispatch of physical copies of Issue materials, including the Letter of Offer , the Rights Entitlement Letter and the Application Form or delay in the receipt of the Letter of Offer, the Rights Entitlement Letter or the Application Form attributable to non-availability of the e-mail addresses of Eligible Equity Shareholders or electronic transmission delays or failures, or if the Application Forms or the Rights Entitlement Letters are delayed or misplaced in the transit.

The distribution of the Letter of Offer, the Rights Entitlement Letter and the issue of Rights Equity Shares on a rights basis to persons in certain jurisdictions outside India is restricted by legal requirements prevailing in those jurisdictions. No action has been, or will be, taken to permit this Issue in any jurisdiction where action would be required for that purpose, except that the Letter of Offer is being filed with the Stock Exchanges. Accordingly, the Rights Entitlements and Equity Shares may not be offered or sold, directly or indirectly, and the Letter of Offer, the Rights Entitlement Letter, the Application Form or any Issue related materials or advertisements in connection with this Issue may not be distributed, in any jurisdiction, except in accordance with and as permitted under the legal requirements applicable in such jurisdiction. Receipt of the Letter of Offer, the Rights Entitlement Letter or the Application Form (including by way of electronic means) will not constitute an offer, invitation to or solicitation by anyone in any jurisdiction or in any circumstances in which such an offer, invitation or solicitation is unlawful or not authorised or to any person to whom it is unlawful to make such an offer, invitation or solicitation. In those circumstances, the Letter of Offer, the Rights Entitlement Letter or the Application Form must be treated as sent for information only and should not be acted upon for making an Application and should not be copied or re-distributed.

Accordingly, persons receiving a copy of the Letter of Offer, the Rights Entitlement Letter or the Application Form should not, in connection with the issue of the Equity Shares or the Rights Entitlements, distribute or send the Letter of Offer, the Rights Entitlement Letter or the Application Form in or into any jurisdiction where to do so, would, or might, contravene local securities laws or regulations or would subject our Company or its affiliate or their respective affiliates to any filing or registration requirement (other than in India). If the Letter of Offer, the Rights Entitlement Letter or the Application Form is received by any person in any such jurisdiction, or by their agent or nominee, they must not seek to make an Application or acquire the Rights Entitlements referred to in the Letter of Offer, the Rights Entitlement Letter or the Application Form. Any person who makes an application to acquire Rights Entitlements and the Equity Shares offered in the Issue, will be deemed to have declared, represented and warranted that such person is authorized to acquire the Rights Entitlements and the Equity Shares in compliance with all applicable laws and regulations prevailing in such person's jurisdiction and India, without requirement for our Company or our affiliates or their respective affiliates to make any filing or registration (other than in India).

The Letter of Offer will be provided, primarily through e-mail, by the Registrar on behalf of our Company to the Eligible Equity Shareholders, and in case such Eligible Equity Shareholders have not provided their valid e-mail address, then the Application Form, the Rights Entitlement Letter and other Issue material will be physically dispatched, on a reasonable effort basis, to the Eligible Equity Shareholders who have provided their Indian addresses to our Company and who make a request in this regard.

II. PROCESS OF MAKING AN APPLICATION IN THE ISSUE

In accordance with Regulation 76 of the SEBI ICDR Regulations, the SEBI ICDR Master Circular and the ASBA Circulars, all Shareholders desiring to make an Application in this Issue are mandatorily required to use the ASBA process. Shareholders should carefully read the provisions applicable to such

Applications before making their Application through ASBA.

The Application Form can be used by the Eligible Equity Shareholders as well as the Renouncees, to make Applications in this Issue basis the Rights Entitlement credited in their respective demat accounts or demat suspense escrow account, as applicable.

Please note that one single Application Form shall be used by Shareholders to make Applications for all Rights Entitlements available in a particular demat account or entire respective portion of the Rights Entitlements in the demat suspense escrow account in case of resident Eligible Equity Shareholders holding shares in physical form as on Record Date and applying in this Issue, as applicable. In case of Investors who have provided details of demat account in accordance with the SEBI ICDR Regulations, such Shareholders will have to apply for the Equity Shares from the same demat account in which they are holding the Rights Entitlements and in case of multiple demat accounts, the Shareholders are required to submit a separate Application Form for each demat account.

Eligible Equity Shareholders may apply for Rights Equity Shares by submitting the Application Form to the Designated Branch of the SCSB or online/electronic Application through the website of the SCSBs (if made available by such SCSB) for authorising such SCSB to block Application Money payable on the Application in their respective ASBA Accounts.

Eligible Equity Shareholders are also advised to ensure that the Application Form is correctly filled up stating therein the ASBA Account in which an amount equivalent to the amount payable on Application as stated in the Application Form will be blocked by the SCSB.

Applicants should carefully fill-in their depository account details and PAN in the Application Form or while submitting application through online/electronic Application through the website of the SCSBs (if made available by such SCSB). Please note that incorrect depository account details or PAN or Application Forms without depository account details shall be treated as incomplete and shall be rejected. For details see “Grounds for Technical Rejection” on page 117. Our Company, the Registrar and the SCSBs shall not be liable for any incomplete or incorrect demat details provided by the Applicants.

Additionally, in terms of Regulation 78 of the SEBI ICDR Regulations, the Eligible Equity Shareholders may choose to accept the offer to participate in this Issue by making plain paper Applications. Please note that SCSBs shall accept such applications only if all details required for making the application as per the SEBI ICDR Regulations are specified in the plain paper application and that Eligible Equity Shareholders making an application in this Issue by way of plain paper applications shall not be permitted to renounce any portion of their Rights Entitlements. For details, see “*Terms of Issue- Making of an Application by Eligible Equity Shareholders on Plain Paper under ASBA process*” on page 113.

➤ Options available to the Eligible Equity Shareholders

The Rights Entitlement Letter will clearly indicate the number of Equity Shares that the Eligible Equity Shareholder is entitled to.

If the Eligible Equity Shareholder applies in this Issue, then such an Eligible Equity Shareholder can:

- (i) apply for its Equity Shares to the full extent of its Rights Entitlements; or
- (ii) apply for its Equity Shares to the extent of part of its Rights Entitlements (without renouncing the other part); or
- (iii) apply for Equity Shares to the extent of part of its Rights Entitlements and renounce the other part of its Rights Entitlements; or
- (iv) apply for its Equity Shares to the full extent of its Rights Entitlements and apply for additional Rights Equity Shares; or
- (v) renounce its Rights Entitlements in full.

➤ Making of an Application through the ASBA process

An Investor, wishing to participate in this Issue through the ASBA facility, is required to have an ASBA enabled

bank account with an SCSB, prior to making the Application. Shareholders desiring to make an Application in this Issue through ASBA process, may submit the Application Form in physical mode to the Designated Branches of the SCSB or online/ electronic Application through the website of the SCSBs (if made available by such SCSB) for authorizing such SCSB to block Application Money payable on the Application in their respective ASBA Accounts.

Investors should ensure that they have correctly submitted the Application Form and have provided an authorisation to the SCSB, via the electronic mode, for blocking funds in the ASBA Account equivalent to the Application Money mentioned in the Application Form, as the case may be, at the time of submission of the Application.

For the list of banks which have been notified by SEBI to act as SCSBs for the ASBA process, please refer to <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34>.

Investors should ensure that they have correctly submitted the Application Form and have provided an authorisation to the SCSB, via the electronic mode, for blocking funds in the ASBA Account equivalent to the Application Money mentioned in the Application Form, as the case may be, at the time of submission of the Application.

Please note that subject to SCSBs complying with the requirements of the SEBI circular bearing reference number CIR/CFD/DIL/13/2012 dated September 25, 2012, within the periods stipulated therein, Applications may be submitted at the Designated Branches of the SCSBs. Further, in terms of the SEBI circular bearing reference number CIR/CFD/DIL/1/2013 dated January 2, 2013, it is clarified that for making Applications by SCSBs on their own account using ASBA facility, each such SCSB should have a separate account in its own name with any other SEBI registered SCSB(s). Such an account shall be used solely for the purpose of making an Application in this Issue and clear demarcated funds should be available in such account for such an Application.

Our Company, its directors, its employees, affiliates, associates and their respective directors and officers and the Registrar shall not take any responsibility for acts, mistakes, errors, omissions and commissions etc., in relation to Applications accepted by SCSBs, Applications uploaded by SCSBs, Applications accepted but not uploaded by SCSBs or Applications accepted and uploaded without blocking funds in the ASBA Accounts.

Investors applying through the ASBA facility should carefully read the provisions applicable to such Applications before making their Application through the ASBA process.

Do's for Shareholders applying through ASBA:

- a) Ensure that the details about your Depository Participant, PAN and beneficiary account are correct and the beneficiary account is activated as the Equity Shares will be allotted in the dematerialized form only.
- b) Ensure that the necessary details are filled in the Application Form including the details of the ASBA Account.
- c) Ensure that the Applications are submitted with the Designated Branch of the SCSBs and details of the correct bank account have been provided in the Application.
- d) Ensure that there are sufficient funds (equal to {number of Equity Shares (including additional Equity Shares) applied for} X {Application Money of Equity Shares}) available in ASBA Account mentioned in the Application Form before submitting the Application to the respective Designated Branch of the SCSB.
- e) Ensure that you have authorised the SCSB for blocking funds equivalent to the total amount payable on application mentioned in the Application Form, in the ASBA Account, of which details are provided in the Application Form and have signed the same.
- f) Ensure that you have a bank account with an SCSB providing ASBA facility in your location and the Application is made through that SCSB provide ASBA facility in such location.
- g) Ensure that you receive an acknowledgement from the Designated Branch of the SCSB for your submission of the Application Form in physical form or plain paper Application.
- h) Ensure that the name(s) given in the Application Form is exactly the same as the name(s) in which the beneficiary account is held with the Depository Participant. In case the Application Form is submitted in joint names, ensure that the beneficiary account is also held in same joint names and such names are in the same sequence in which they appear in the Application Form and the Rights Entitlement Letter.
- i) Ensure that your PAN is linked with Aadhaar and you are in compliance with CBDT notification dated Feb 13, 2020 read with press release dated June 25, 2021 and September 17, 2021.

Don'ts for Shareholders applying through ASBA:

- a) Do not submit the Application Form after you have submitted a plain paper Application to a Designated Branch of the SCSB or vice versa.
- b) Do not apply if you are not eligible to participate in the Issue under the securities laws applicable to your jurisdiction.
- c) Do not send your physical Application to the Registrar, the Escrow Collection Bank(s) (assuming that such Escrow Collection Bank is not an SCSB), a branch of the SCSB which is not a Designated Branch of the SCSB or our Company; instead submit the same to a Designated Branch of the SCSB only.
- d) Do not instruct the SCSBs to unblock the funds blocked under the ASBA process upon making the Application.
- e) Do not submit Application Form using third party ASBA account.
- f) Avoiding applying on the Issue Closing Date due to risk of delay/restriction in making any physical Application.
- g) Do not submit Multiple Application Forms.

➤ Making of an Application by Eligible Equity Shareholders on Plain Paper under ASBA process

An Eligible Equity Shareholder in India who is eligible to apply under the ASBA process may make an application to subscribe to this Issue on plain paper in case of non-receipt of Application Form as detailed above. In such cases of non-receipt of the Application Form through e-mail or physical delivery (where applicable) and the Eligible Equity Shareholder not being in a position to obtain it from any other source may make an Application to subscribe to this Issue on plain paper with the same details as per the Application Form that is available on the website of the Registrar, Stock Exchanges. An Eligible Equity Shareholder shall submit the plain paper Application to the Designated Branch of the SCSB for authorizing such SCSB to block Application Money in the said bank account maintained with the same SCSB. Applications on plain paper will not be accepted from any Eligible Equity Shareholder who has not provided an Indian address or is a U.S. Person or in the United States.

Please note that the Eligible Equity Shareholders who are making the Application on plain paper shall not be entitled to renounce their Rights Entitlements and should not utilize the Application Form for any purpose including renunciation even if it is received subsequently.

The Application on plain paper, duly signed by the Eligible Equity Shareholder including joint holders, in the same order and as per specimen recorded with his/her bank, must reach the office of the Designated Branch of the SCSB before the Issue Closing Date and should contain the following particulars:

- i. Name of our Company, being Tuni Textile Mills Limited;
- ii. Name and address of the Eligible Equity Shareholder including joint holders (in the same order and as per specimen recorded with our Company or the Depository);
- iii. Folio Number (in case of Eligible Equity Shareholders who hold Equity Shares in physical format on Record Date)/DP and Client ID;
- iv. Except for Applications on behalf of the Central or State Government, the residents of Sikkim and the officials appointed by the courts, PAN of the Eligible Equity Shareholder and for each Eligible Equity Shareholder in case of joint names, irrespective of the total value of the Equity Shares applied for pursuant to this Issue
- v. Number of Equity Shares held as on Record Date;
- vi. Allotment option – only dematerialized form;
- vii. Number of Equity Shares entitled to;
- viii. Number of Equity Shares applied for within the Rights Entitlements;
- ix. Number of additional Equity Shares applied for, if any (applicable only if entire Rights Entitlements have been applied for);
- x. Total number of Equity Shares applied for;
- xi. Total amount paid at the rate of ₹ 01.00/-, per Equity Share;
- xii. Details of the ASBA Account such as the SCSB account number, name, address and branch of the relevant SCSB;
- xiii. In case of non-resident Eligible Equity Shareholders making an application with an Indian address, details of the NRE/FCNR/NRO account such as the account number, name, address and branch of the SCSB

- with which the account is maintained;
- xiv. Authorization to the Designated Branch of the SCSB to block an amount equivalent to the Application Money in the ASBA Account;
- xv. Signature of the Eligible Equity Shareholder (in case of joint holders, to appear in the same sequence and order as they appear in the records of the SCSB); and
- xvi. All such Eligible Equity Shareholders are deemed to have accepted the following:

"I/ We will not offer, sell or otherwise transfer any of the Rights Equity Shares which may be acquired by us in any jurisdiction or under any circumstances in which such offer or sale is not authorized or to any person to whom it is unlawful to make such offer, sale or invitation except under circumstances that will result in compliance with any applicable laws or regulations. We satisfy, and each account for which we are acting satisfies, all suitability standards for Shareholders in investments of the type subscribed for herein imposed by the jurisdiction of our residence.

I/ We understand and agree that the Rights Entitlement and Rights Equity Shares may not be reoffered, resold, pledged or otherwise transferred except in an offshore transaction in compliance with Regulation S, or otherwise pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the US Securities Act.

I/ We (i) am/ are, and the person, if any, for whose account I/ we am/ are acquiring such Rights Entitlement and/ or the Rights Equity Shares is/ are, outside the U.S., (ii) am/ are not a "U.S. Person" as defined in ("Regulation S"), and (iii) is/ are acquiring the Rights Entitlement and/ or the Rights Equity Shares in an offshore transaction meeting the requirements of Regulation S.

I/ We acknowledge that the Company, the its affiliates and others will rely upon the truth and accuracy of the foregoing representations and agreements."

In cases where Multiple Application Forms are submitted for Applications pertaining to Rights Entitlements credited to the same demat account or in demat suspense escrow account, as applicable, including cases where a Shareholders submits Application Forms along with a plain paper Application, such Applications shall be liable to be rejected.

Investors are requested to strictly adhere to these instructions. Failure to do so could result in an application being rejected, with our Company and the Registrar not having any liability to the Shareholders. The plain paper Application format will be available on the website of the Registrar at [https:// www.purvashare.com](https://www.purvashare.com).

Our Company and the Registrar shall not be responsible if the Applications are not uploaded by the SCSB or funds are not blocked in the Shareholders' ASBA Accounts on or before the Issue Closing Date.

➤ **Making of an Application by Eligible Equity Shareholders holding Equity Shares in physical form**

Please note that in accordance with Regulation 77A of the SEBI ICDR Regulations read with the SEBI Rights Issue Circulars, the credit of Rights Entitlements and Allotment of Equity Shares shall be made in dematerialised form only. Accordingly, Eligible Equity Shareholders holding Equity Shares in physical form as on Record Date and desirous of subscribing to Equity Shares in this Issue are advised to furnish the details of their demat account to the Registrar or our Company at least 2 (two) Working Days prior to the Issue Closing Date, to enable the credit of their Rights Entitlements in their respective demat accounts at least 1 (one) day before the Issue Closing Date.

Prior to the Issue Opening Date, the Rights Entitlements of those Eligible Equity Shareholders, among others, who hold Equity Shares in physical form, and whose demat account details are not available with our Company or the Registrar, shall be credited in a demat suspense escrow account opened by our Company.

Eligible Equity Shareholders, who hold Equity Shares in physical form as on Record Date and who have opened their demat accounts after the Record Date, shall adhere to following procedure for participating in this Issue:

- a) The Eligible Equity Shareholders shall send a letter to the Registrar containing the name(s), address, e-mail address, contact details and the details of their demat account along with copy of self-attested PAN and self-attested client master sheet of their demat account either through email to the RTA at support@purvashare.com or by post, speed post, courier or hand delivery, so as to reach to the Registrar no later than 2 (two) Working

- Days prior to the Issue Closing Date;
- b) The Registrar shall, after verifying the details of such demat account, transfer the Rights Entitlements of such Eligible Equity Shareholders to their demat accounts at least 1 (one) day before the Issue Closing Date;
- c) The remaining procedure for Application shall be same as set out in “- Making of an Application by Eligible Equity Shareholders on Plain Paper under ASBA process” mentioned above.

Resident Eligible Equity Shareholders who hold Equity Shares in physical form as on the Record Date will not be allowed renounce their Rights Entitlements in the Issue. However, such Eligible Equity Shareholders, where the dematerialized Rights Entitlements are transferred from the suspense escrow demat account to the respective demat accounts within prescribed timelines, can apply for additional Equity Shares while submitting the Application through ASBA process.

PLEASE NOTE THAT ELIGIBLE EQUITY SHAREHOLDERS, WHO HOLD EQUITY SHARES IN PHYSICAL FORM AS ON RECORD DATE AND WHO HAVE NOT FURNISHED THE DETAILS OF THEIR RESPECTIVE DEMAT ACCOUNTS TO THE REGISTRAR OR OUR COMPANY AT LEAST TWO WORKING DAYS PRIOR TO THE ISSUE CLOSING DATE, SHALL NOT BE ELIGIBLE TO MAKE AN APPLICATION FOR RIGHTS EQUITY SHARES AGAINST THEIR RIGHTS ENTITLEMENTS WITH RESPECT TO THE EQUITY SHARES HELD IN PHYSICAL FORM.

Application for Additional Rights Equity Shares

Investors are eligible to apply for additional Equity Shares over and above their Rights Entitlements, provided that they are eligible to apply for Equity Shares under applicable law and they have applied for all the Equity Shares forming part of their Rights Entitlements without renouncing them in whole or in part. Where the number of additional Equity Shares applied for exceeds the number available for Allotment, the Allotment would be made as per the Basis of Allotment finalised in consultation with the Designated Stock Exchange. Applications for additional Equity Shares shall be considered and Allotment shall be made in accordance with the SEBI ICDR Regulations and in the manner as set out in “Basis of Allotment” mentioned below.

Eligible Equity Shareholders who renounce their Rights Entitlements cannot apply for additional Equity Shares. Non-resident Renouncees who are not Eligible Equity Shareholders cannot apply for additional Equity Shares unless regulatory approvals are submitted.

Allotment of the under-subscribed portion of the Issue

Our Company does not intend to allot the under-subscribed portion of the Rights Equity Shares in this Issue to any Specific Investor(s).

Additional general instructions for Shareholders in relation to making of an application

- a) Please read the Letter of Offer carefully to understand the Application process and applicable settlement process.
- b) Please read the instructions on the Application Form sent to you. Application should be complete in all respects. The Application Form found incomplete with regard to any of the particulars required to be given therein, and/or which are not completed in conformity with the terms of the Letter of Offer, the Letter of Offer, the Rights Entitlement Letter and the Application Form are liable to be rejected. The Application Form must be filled in English.
- c) In case of non-receipt of Application Form, Application can be made on plain paper mentioning all necessary details as mentioned under the section “Making of an Application by Eligible Equity Shareholders on Plain Paper under ASBA process” mentioned above.
- d) Applications should be submitted to the Designated Branch of the SCSB or made online/electronic through the website of the SCSBs (if made available by such SCSB) for authorising such SCSB to block Application Money payable on the Application in their respective ASBA Accounts. Please note that on the Issue Closing Date, (i) Applications through ASBA process will be uploaded until 5.00 p.m. (Indian Standard Time) or such extended time as permitted by the Stock Exchanges.
- e) Applications should not be submitted to the Banker(s) to the Issue or Escrow Collection Bank(s) (assuming that such Escrow Collection Bank is not an SCSB), our Company or the Registrar.
- f) All Applicants, and in the case of Application in joint names, each of the joint Applicants, should mention their PAN allotted under the Income-tax Act, irrespective of the amount of the Application. Except for

Applications on behalf of the Central or the State Government, the residents of Sikkim and the officials appointed by the courts, Applications without PAN will be considered incomplete and are liable to be rejected. With effect from August 16, 2010, the demat accounts for Shareholders for which PAN details have not been verified shall be “suspended for credit” and no Allotment and credit of Equity Shares pursuant to this Issue shall be made into the accounts of such Shareholders.

- g) Ensure that the demographic details such as address, PAN, DP ID, Client ID, bank account details and occupation (“**Demographic Details**”) are updated, true and correct, in all respects. Shareholders applying under this Issue should note that on the basis of name of the Shareholders, DP ID and Client ID provided by them in the Application Form or the plain paper Applications, as the case may be, the Registrar will obtain Demographic Details from the Depository. Therefore, shareholders applying under this Issue should carefully fill in their Depository Account details in the Application. These Demographic Details would be used for all correspondence with such Shareholders including mailing of the letters intimating unblocking of bank account of the respective Shareholders and/or refund. The Demographic Details given by the Shareholders in the Application Form would not be used for any other purposes by the Registrar. Hence, Shareholders are advised to update their Demographic Details as provided to their Depository Participants. **The Allotment Advice and the e-mail intimating unblocking of ASBA Account or refund (if any) would be e-mailed to the address of the Shareholders as per the e-mail address provided to our Company or the Registrar or Demographic Details received from the Depositories. The Registrar will give instructions to the SCSBs for unblocking funds in the ASBA Account to the extent Equity Shares are not allotted to such Shareholders. Please note that any such delay shall be at the sole risk of the Shareholders and none of our Company, the SCSBs, Registrar shall be liable to compensate the Shareholders for any losses caused due to any such delay or be liable to pay any interest for such delay. In case no corresponding record is available with the Depositories that match three parameters, (a) names of the Shareholders (including the order of names of joint holders), (b) DP ID, and (c) Client ID, then such Application Forms are liable to be rejected.**
- h) By signing the Application Forms, Shareholders would be deemed to have authorised the Depositories to provide, upon request, to the Registrar, the required Demographic Details as available on its records.
- i) For physical Applications through ASBA at Designated Branches of SCSB, signatures should be either in English or Hindi or in any other language specified in the Eighth Schedule to the Constitution of India. Signatures other than in any such language or thumb impression must be attested by a Notary Public or a Special Executive Magistrate under his/her official seal. The Shareholders must sign the Application as per the specimen signature recorded with the SCSB.
- j) Shareholders should provide correct DP ID and Client ID/ Folio number (for Eligible Equity Shareholders who hold Equity Shares in physical form as on Record Date) while submitting the Application. Such DP ID and Client ID/ Folio number should match the demat account details in the records available with Company and/or Registrar, failing which such Application is liable to be rejected. Shareholders will be solely responsible for any error or inaccurate detail provided in the Application. Our Company, SCSBs or the Registrar will not be liable for any such rejections.
- k) In case of joint holders and physical Applications through ASBA process, all joint holders must sign the relevant part of the Application Form in the same order and as per the specimen signature(s) recorded with the SCSB. In case of joint Applicants, reference, if any, will be made in the first Applicant’s name and all communication will be addressed to the first Applicant.
- l) All communication in connection with Application for the Equity Shares, including any change in contact details of the Eligible Equity Shareholders should be addressed to the Registrar prior to the date of Allotment in this Issue quoting the name of the first/sole Applicant, Folio number (for Eligible Equity Shareholders who hold Equity Shares in physical form as on Record Date)/DP ID and Client ID and Application Form number, as applicable. In case of any change in contact details of the Eligible Equity Shareholders, the Eligible Equity Shareholders should also send the intimation for such change to the respective depository participant, or to our Company or the Registrar in case of Eligible Equity Shareholders holding Equity Shares in physical form.
- m) Shareholders are required to ensure that the number of Equity Shares applied for by them do not exceed the prescribed limits under the applicable law.
- n) Do not apply if you are ineligible to participate in this Issue under the securities laws applicable to your jurisdiction.
- o) Do not submit the GIR number instead of the PAN as the application is liable to be rejected on this ground.
- p) Avoid applying on the Issue Closing Date due to risk of delay/ restrictions in making any physical Application.
- q) Do not pay the Application Money in cash, by money order, pay order or postal order.
- r) Do not submit multiple Applications.

- s) No investment under the FDI route (i.e. any investment which would result in the Shareholders holding 10% or more of the fully diluted paid-up equity share capital of the Company or any FDI investment for which an approval from the government was taken in the past) will be allowed in the Issue unless such application is accompanied with necessary approval or covered under a pre-existing approval from the government. It will be the sole responsibility of the Shareholders to ensure that the necessary approval or the pre-existing approval from the government is valid in order to make any investment in the Issue. Our Company will not be responsible for any allotments made by relying on such approvals.
- t) An Applicant being an OCB is required not to be under the adverse notice of RBI and in order to apply for this issue as an incorporated non-resident must do so in accordance with the FDI Circular 2020 and Foreign Exchange Management (Non-Debt Instrument) Rules, 2019.

➤ **Grounds for Technical Rejection**

Applications made in this Issue are liable to be rejected on the following grounds:

- a) DP ID and Client ID mentioned in Application does not match with the DP ID and Client ID records available with the Registrar.
- b) Details of PAN mentioned in the Application do not match with the PAN records available with the Registrar.
- c) Sending an Application to our Company, Registrar, Escrow Collection Bank(s) (assuming that such Escrow Collection Bank is not a SCSB), to a branch of a SCSB which is not a Designated Branch of the SCSB.
- d) Insufficient funds are available in the ASBA Account with the SCSB for blocking the Application Money.
- e) Funds in the ASBA Account whose details are mentioned in the Application Form having been frozen pursuant to regulatory orders.
- f) Account holder not signing the Application or declaration mentioned therein.
- g) Submission of more than one Application Form for Rights Entitlements available in a particular demat account.
- h) Multiple Application Forms, including cases where a Shareholders submits Application Forms along with a plain paper Application.
- i) Submitting the GIR number instead of the PAN (except for Applications on behalf of the Central or State Government, the residents of Sikkim and the officials appointed by the courts).
- j) Applications by persons not competent to contract under the Indian Contract Act, 1872, except Applications by minors having valid demat accounts as per the Demographic Details provided by the Depositories.
- k) Applications by SCSB on own account, other than through an ASBA Account in its own name with any other SCSB.
- l) Application Forms which are not submitted by the Shareholders within the time periods prescribed in the Application Form and the Letter of Offer.
- m) Physical Application Forms not duly signed by the sole or joint Shareholders, as applicable.
- n) Application Forms accompanied by stock invest, outstation cheques, post-dated cheques, money order, postal order or outstation demand.
- o) If a Shareholders is (a) debarred by SEBI; or (b) if SEBI has revoked the order or has provided any interim relief then failure to attach a copy of such SEBI order allowing the Shareholders to subscribe to their Rights Entitlements.
- p) Applications which: (i) appears to our Company or its agents to have been executed in, electronically transmitted from or dispatched from the United States (other than from persons in the United States who are U.S. QIBs and QPs) or other jurisdictions where the offer and sale of the Equity Shares is not permitted under laws of such jurisdictions; (ii) does not include the relevant certifications set out in the Application Form, including to the effect that the person submitting and/or renouncing the Application Form is (a) both a U.S. QIB and a QP, if in the United States or a U.S. Person or (b) outside the United States and is a non-U.S. Person, and in each case such person is eligible to subscribe for the Equity Shares under applicable securities laws and is complying with laws of jurisdictions applicable to such person in connection with this Issue; and our Company shall not be bound to issue or allot any Equity Shares in respect of any such Application Form.
- q) Applications which have evidence of being executed or made in contravention of applicable securities laws.
- r) Application from Shareholders that are residing in U.S. address as per the depository records (other than from persons in the United States who are U.S. QIBs and QPs).

➤ **Multiple Applications**

In case where multiple Applications are made using same demat account, such Applications shall be liable to be rejected. A separate Application can be made in respect of Rights Entitlements in each demat account of the Shareholders, and such Applications shall not be treated as multiple applications. Similarly, a separate Application can be made against Equity Shares held in dematerialized form and Equity Shares held in physical form, and such Applications shall not be treated as multiple applications. Further supplementary Applications in relation to further Equity Shares with/without using additional Rights Entitlement will not be treated as multiple application. A separate Application can be made in respect of each scheme of a mutual fund registered with SEBI and such Applications shall not be treated as multiple applications. For details, see “**Procedure for Applications by Mutual Funds**” mentioned below.

In cases where Multiple Application Forms are submitted, including cases where (a) a Shareholders submits Application Forms along with a plain paper Application or (b) multiple plain paper Applications (c) or multiple applications through ASBA, such Applications shall be treated as multiple applications and are liable to be rejected, other than multiple applications submitted by any of our Promoter or members of the Promoter Group to meet the minimum subscription requirements applicable to this Issue as described in “*Intention and extent of participation by our Promoter*” mentioned above.

➤ **Procedure for Applications by certain categories of Shareholders Procedure for Applications by FPIs**

In terms of applicable FEMA Rules and the SEBI FPI Regulations, investments by FPIs in the Equity Shares is subject to certain limits, i.e., the individual holding of an FPI (including its Shareholders group (which means multiple entities registered as foreign portfolio Shareholders and directly and indirectly having common ownership of more than 50% of common control)) shall be below 10% of our post-Issue Equity Share capital. In case the total holding of an FPI or Shareholders group increases beyond 10% of the total paid-up Equity Share capital of our Company, on a fully diluted basis or 10% or more of the paid-up value of any series of debentures or preference shares or share warrants that may be issued by our Company, the total investment made by the FPI or Shareholders group will be re-classified as FDI subject to the conditions as specified by SEBI and RBI in this regard and our Company and the Shareholders will also be required to comply with applicable reporting requirements.

FPIs are permitted to participate in this Issue subject to compliance with conditions and restrictions which may be specified by the Government from time to time. FPIs who wish to participate in the Issue are advised to use the Application Form for non-residents. Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of Regulation 21 of the SEBI FPI Regulations, an FPI may issue, subscribe to or otherwise deal in offshore derivative instruments (as defined under the SEBI FPI Regulations as any instrument, by whatever name called, which is issued overseas by an FPI against securities held by it that are listed or proposed to be listed on any recognised stock exchange in India, as its underlying) directly or indirectly, only in the event (i) such offshore derivative instruments are issued only to persons registered as Category I FPI under the SEBI FPI Regulations; (ii) such offshore derivative instruments are issued only to persons who are eligible for registration as Category I FPIs (where an entity has an investment manager who is from the Financial Action Task Force member country, the investment manager shall not be required to be registered as a Category I FPI); (iii) such offshore derivative instruments are issued after compliance with ‘know your client’ norms; and (iii) compliance with other conditions as may be prescribed by SEBI.

An FPI issuing offshore derivative instruments is also required to ensure that any transfer of offshore derivative instruments issued by or on its behalf, is carried out subject to inter alia the following conditions:

1. such offshore derivative instruments are transferred only to persons in accordance with the SEBI FPI Regulations; and
2. prior consent of the FPI is obtained for such transfer, except when the persons to whom the offshore derivative instruments are to be transferred to are pre – approved by the FPI. No investment under the FDI route will be allowed in the Issue unless such application is accompanied with necessary approval or covered under a pre-existing approval.

Procedure for Applications by AIFs, FVCIs, VCFs and FDI route

The SEBI VCF Regulations and the SEBI FVCI Regulations prescribe, among other things, the investment

restrictions on VCFs and FVCIs registered with SEBI. Further, the SEBI AIF Regulations prescribe, among other things, the investment restrictions on AIFs.

As per the SEBI VCF Regulations and SEBI FVCI Regulations, VCFs and FVCIs are not permitted to invest in listed companies pursuant to rights issues. Accordingly, applications by VCFs or FVCIs will not be accepted in this Issue. Further, venture capital funds registered as Category I AIFs, as defined in the SEBI AIF Regulations, are not permitted to invest in listed companies pursuant to rights issues. Accordingly, applications by venture capital funds registered as category I AIFs, as defined in the SEBI AIF Regulations, will not be accepted in this Issue. Other categories of AIFs are permitted to apply in this Issue subject to compliance with the SEBI AIF Regulations. Such AIFs having bank accounts with SCSBs that are providing ASBA in cities / centres where such AIFs are located are mandatorily required to make use of the ASBA facility. Otherwise, applications of such AIFs are liable for rejection.

No investment under the FDI route (i.e. any investment which would result in the Shareholders holding 10% or more of the fully diluted paid-up equity share capital of the Company or any FDI investment for which an approval from the government was taken in the past) will be allowed in the Issue unless such application is accompanied with necessary approval or covered under a pre-existing approval from the government. It will be the sole responsibility of the Shareholders to ensure that the necessary approval or the pre-existing approval from the government is valid in order to make any investment in the Issue. Our Company will not be responsible for any allotments made by relying on such approvals.

Procedure for Applications by NRIs

Investments by NRIs are governed by the FEMA Rules. Applications will not be accepted from NRIs that are ineligible to participate in this Issue under applicable securities laws.

As per the FEMA Rules, an NRI or Overseas Citizen of India (“OCI”) may purchase or sell capital instruments of a listed Indian company on repatriation basis, on a recognised stock exchange in India, subject to the conditions, inter alia, that the total holding by any individual NRI or OCI will not exceed 5% of the total paid-up equity capital on a fully diluted basis or should not exceed 5% of the paid-up value of each series of debentures or preference shares or share warrants issued by an Indian company and the total holdings of all NRIs and OCIs put together will not exceed 10% of the total paid-up equity capital on a fully diluted basis or shall not exceed 10% of the paid-up value of each series of debentures or preference shares or share warrants. The aggregate ceiling of 10% may be raised to 24%, if a special resolution to that effect is passed by the general body of the Indian company.

Further, in accordance with press note 3 of 2020, the FDI Policy has been recently amended to state that all investments by entities incorporate in a country which shares land border with India or where beneficial owner of an investment into India is situated in or is a citizen of any such country (“Restricted Shareholders”), will require prior approval of the Government of India. It is not clear from the press note whether or not an issue of the Rights Equity Shares to Restricted Shareholders will also require prior approval of the Government of India and each Shareholders should seek independent legal advice about its ability to participate in the Issue. In the event such prior approval has been obtained, the Shareholders shall intimate our Company and the Registrar about such approval within the Issue Period.

Procedure for Applications by Mutual Funds

A separate application can be made in respect of each scheme of an Indian mutual fund registered with SEBI and such applications shall not be treated as multiple applications. The applications made by asset management companies or custodians of a mutual fund should clearly indicate the name of the concerned scheme for which the application is being made.

No Mutual Fund scheme shall invest more than 10% of its net asset value in equity shares or equity related instruments of any single company provided that the limit of 10% shall not be applicable for investments in case of index funds or exchange traded funds or sector or industry specific schemes. No Mutual Fund under all its schemes should own more than 10% of any company's paid-up share capital carrying voting rights.

Procedure for Applications by Systemically Important Non-Banking Financial Companies (“NBFC-SI”)

In case of an application made by NBFC-SI registered with RBI, (a) the certificate of registration issued by RBI under Section 45IA of RBI Act, 1934 and (b) net worth certificates from its statutory auditors or any independent chartered accountant based on the last audited financial statements is required to be attached to the application.

Last date for Application

The last date for submission of the duly filled in the Application Form or a plain paper Application is, December 08, 2025, i.e., Issue Closing Date. Our Board may extend the said date for such period as it may determine from time to time, subject to the Issue Period not exceeding 30 days from the Issue Opening Date (inclusive of the Issue Opening Date).

If the Application Form is not submitted with an SCSB, uploaded with the Stock Exchanges and the Application Money is not blocked with the SCSB, on or before the Issue Closing Date or such date as may be extended by our Board, the invitation to offer contained in the Letter of Offer shall be deemed to have been declined and our Board shall be at liberty to dispose of the Equity Shares hereby offered, as set out in “Basis of Allotment” mentioned below.

Please note that on the Issue Closing Date, applications through ASBA process will be uploaded until 5.00 p.m. (Indian Standard Time) or such extended time as permitted by the Stock Exchanges.

Please ensure that the Application Form and necessary details are filled in. In place of Application number, Shareholders can mention the reference number of the e-mail received from Registrar informing about their Rights Entitlement or last eight digits of the demat account. Alternatively, SCSBs may mention their internal reference number in place of application number.

Withdrawal of Application

An Investor who have applied in this Issue may withdraw their Application at any time during Issue Period by approaching the SCSB where application is submitted. However, no Shareholders applying through ASBA facility, may withdraw their Application post the Issue Closing Date.

Disposal of Application and Application Money

No acknowledgment will be issued for the Application Money received by our Company. However, the Designated Branches of the SCSBs receiving the Application Form will acknowledge its receipt by stamping and returning the acknowledgment slip at the bottom of each Application Form.

Our Board reserves its full, unqualified and absolute right to accept or reject any Application, in whole or in part, and in either case without assigning any reason thereto.

In case an Application is rejected in full, the whole of the Application Money will be unblocked in the respective ASBA Accounts, in case of Applications through ASBA. Wherever an Application is rejected in part, the balance of Application Money, if any, after adjusting any money due on Equity Shares Allotted, will be refunded / unblocked in the respective bank accounts from which Application Money was received/ASBA Accounts of the Shareholders within a period of 4 (four) days from the Issue Closing Date. In case of failure to do so, our Company shall pay interest at such rate and within such time as specified under applicable law.

For further instructions, please read the Application Form carefully.

III. CREDIT OF RIGHTS ENTITLEMENTS IN DEMAT ACCOUNTS OF ELIGIBLE EQUITY SHAREHOLDERS

➤ Rights Entitlements

As your name appears as a beneficial owner in respect of the issued and paid-up Equity Shares held in dematerialised form or appears in the register of members of our Company as an Eligible Equity Shareholder in respect of our Equity Shares held in physical form, as on the Record Date, you may be entitled to subscribe to the number of Equity Shares as set out in the Rights Entitlement Letter.

Eligible Equity Shareholders can also obtain the details of their respective Rights Entitlements from the website of the Registrar (i.e., [https:// www.purvashare.com](https://www.purvashare.com)) by entering their DP ID and Client ID or Folio Number (for Eligible Equity Shareholders who hold Equity Shares in physical form as on Record Date) and PAN. The link for the same shall also be available on the website of our Company (i.e., www.tunitextiles.com).

In this regard, our Company has made necessary arrangements with NSDL and CDSL for crediting of the Rights Entitlements to the demat accounts of the Eligible Equity Shareholders in a dematerialized form. A separate ISIN for the Rights Entitlements has also been generated which is INE560D20019. The said ISIN shall remain frozen (for debit) until the Issue Opening Date. The said ISIN shall be suspended for transfer by the Depositories post the Issue Closing Date.

Additionally, our Company will submit the details of the total Rights Entitlements credited to the demat accounts of the Eligible Equity Shareholders and the demat suspense escrow account to the Stock Exchanges after completing the corporate action. The details of the Rights Entitlements with respect to each Eligible Equity Shareholders can be accessed by such respective Eligible Equity Shareholders on the website of the Registrar after keying in their respective details along with other security control measures implemented thereat.

Rights Entitlements shall be credited to the respective demat accounts of Eligible Equity Shareholders before the Issue Opening Date only in dematerialised form. Further, if no Application is made by the Eligible Equity Shareholders of Rights Entitlements on or before Issue Closing Date, such Rights Entitlements shall get lapsed and shall be extinguished after the Issue Closing Date. No Equity Shares for such lapsed Rights Entitlements will be credited, even if such Rights Entitlements were purchased from market and purchaser will lose the premium paid to acquire the Rights Entitlements. Persons who are credited the Rights Entitlements are required to make an Application to apply for Equity Shares offered under Rights Issue for subscribing to the Equity Shares offered under Issue.

If Eligible Equity Shareholders holding Equity Shares in physical form as on Record Date, have not provided the details of their demat accounts to our Company or to the Registrar, they are required to provide their demat account details to our Company or the Registrar not later than 2 (two) Working Days prior to the Issue Closing Date, to enable the credit of the Rights Entitlements by way of transfer from the demat suspense escrow account to their respective demat accounts, at least 1 (one) day before the Issue Closing Date. Such Eligible Equity Shareholders holding shares in physical form can update the details of their respective demat accounts on the website of the Registrar (i.e. [https:// www.purvashare.com](https://www.purvashare.com)) Such Eligible Equity Shareholders can make an Application only after the Rights Entitlements is credited to their respective demat accounts.

In accordance with Regulation 77A of the SEBI ICDR Regulations read with the SEBI Rights Issue Circulars, the credit of Rights Entitlements and Allotment of Equity Shares shall be made in dematerialized form only. Prior to the Issue Opening Date, our Company shall credit the Rights Entitlements to:

- (i) the demat accounts of the Eligible Equity Shareholders holding the Equity Shares in dematerialised form; and
- (ii) a demat suspense escrow account opened by our Company, for the Eligible Equity Shareholders which would comprise Rights Entitlements relating to
 - (a) Equity Shares held in the account of the IEPF authority; or
 - (b) the demat accounts of the Eligible Equity Shareholder which are frozen or the Equity Shares which are lying in the unclaimed suspense account (including those pursuant to Regulation 39 of the SEBI LODR Regulations) or details of which are unavailable with our Company or with the Registrar on the Record

- Date; or
- (c) Equity Shares held by Eligible Equity Shareholders holding Equity Shares in physical form as on Record Date where details of demat accounts are not provided by Eligible Equity Shareholders to our Company or Registrar; or
- (d) credit of the Rights Entitlements returned/reversed/failed; or
- (e) the ownership of the Equity Shares currently under dispute, including any court proceedings, if any; or
- (f) non-institutional equity shareholders in the United States.

Eligible Equity Shareholders are requested to provide relevant details (such as copies of self- attested PAN and client master sheet of demat account etc., details/ records confirming the legal and beneficial ownership of their respective Equity Shares) to our Company or the Registrar not later than 2 (two) Working Days prior to the Issue Closing Date, i.e., by December 08, 2025, to enable the credit of their Rights Entitlements by way of transfer from the demat suspense escrow account to their demat account at least 1 (one) day before the Issue Closing Date, to enable such Eligible Equity Shareholders to make an application in this Issue, and this communication shall serve as an intimation to such Eligible Equity Shareholders in this regard. Such Eligible Equity Shareholders are also requested to ensure that their demat account, details of which have been provided to our Company or the Registrar account is active to facilitate the aforementioned transfer.

IV. RENUNCIATION AND TRADING OF RIGHTS ENTITLEMENT

➤ Renouncee(s)

All rights and obligations of the Eligible Equity Shareholders in relation to Applications and refunds pertaining to this Issue shall apply to the Renouncee(s) as well

➤ Renunciation of Rights Entitlements

This Issue includes a right exercisable by Eligible Equity Shareholders to renounce the Rights Entitlements credited to their respective demat account either in full or in part.

The renunciation from non-resident Eligible Equity Shareholder(s) to resident Indian(s) and vice versa shall be subject to provisions of FEMA Rules and other circular, directions, or guidelines issued by RBI or the Ministry of Finance from time to time. However, the facility of renunciation shall not be available to or operate in favor of an Eligible Equity Shareholders being an erstwhile OCB unless the same is in compliance with the FEMA Rules and other circular, directions, or guidelines issued by RBI or the Ministry of Finance from time to time.

The renunciation of Rights Entitlements credited in your demat account can be made either by sale of such Rights Entitlements, using the secondary market platform of the Stock Exchanges or through an off-market transfer.

➤ Procedure for Renunciation of Rights Entitlements

The Eligible Equity Shareholders may renounce the Rights Entitlements, credited to their respective demat accounts, either in full or in part (a) by using the secondary market platform of the Stock Exchanges (**the “On Market Renunciation”**); or (b) through an off-market transfer (**the “Off Market Renunciation”**), during the Renunciation Period. The Shareholders should have the demat Rights Entitlements credited/lying in his/her own demat account prior to the renunciation. The trades through On Market Renunciation and OffMarket Renunciation will be settled by transferring the Rights Entitlements through the depository mechanism.

Investors may be subject to adverse foreign, state or local tax or legal consequences as a result of trading in the Rights Entitlements. Shareholders who intend to trade in the Rights Entitlements should consult their tax advisor or stock-broker regarding any cost, applicable taxes, charges and expenses (including brokerage) that may be levied for trading in Rights Entitlements.

Please note that the Rights Entitlements which are neither renounced nor subscribed by the Shareholders on or before the Issue Closing Date shall lapse and shall be extinguished after the Issue Closing Date.

Payment Schedule of Rights Equity Shares

₹ 01.00/- per Rights Equity Share at Par, shall be payable on Application.

Our Company accepts no responsibility to bear or pay any cost, applicable taxes, charges and expenses (including brokerage), and such costs will be incurred solely by the Shareholders.

(a) On Market Renunciation

The Eligible Equity Shareholders may renounce the Rights Entitlements, credited to their respective demataccounts by trading/selling them on the secondary market platform of the Stock Exchanges through a registered stock-broker in the same manner as the existing Equity Shares of our Company.

In this regard, in terms of provisions of the SEBI ICDR Regulations and the SEBI Rights Issue Circulars, the Rights Entitlements credited to the respective demat accounts of the Eligible Equity Shareholders shall be admitted for trading on the Stock Exchanges under ISIN: INE560D20019 subject to requisite approvals. Prior to the Issue Opening Date, our Company will obtain the approval from the Stock Exchanges for trading of Rights Entitlements. No assurance can be given regarding the active or sustained On Market Renunciation or the price at which the Rights Entitlements will trade. The details for trading in Rights Entitlements will be as specified by the Stock Exchanges from time to time.

The Rights Entitlements are tradable in dematerialized form only. The market lot for trading of Rights Entitlements is one Rights Entitlements.

The On Market Renunciation shall take place only during the Renunciation Period for On Market Renunciation, i.e., from Monday, November 24, 2025 to Wednesday, December 03, 2025 (both days inclusive).

The Investors holding the Rights Entitlements who desire to sell their Rights Entitlements will have to do so through their registered stock-brokers by quoting the ISIN: INE560D20019 and indicating the details of the Rights Entitlements they intend to trade.

The Investors can place order for sale of Rights Entitlements only to the extent of Rights Entitlements available in their demat account.

The On Market Renunciation shall take place electronically on secondary market platform of BSE and NSE under automatic order matching mechanism and on 'T+2 rolling settlement basis', where 'T' refers to the date of trading. The transactions will be settled on trade-for-trade basis. Upon execution of the order, the stock-broker will issue a contract note in accordance with the requirements of the Stock Exchanges and the SEBI.

(b) Off Market Renunciation

The Eligible Equity Shareholders may renounce the Rights Entitlements, credited to their respective demat accounts by way of an off-market transfer through a depository participant. The Rights Entitlements can be transferred in dematerialised form only.

Eligible Equity Shareholders are requested to ensure that renunciation through off-market transfer is completed in such a manner that the Rights Entitlements are credited to the demat account of the Renouncees on or prior to the Issue Closing Date to enable Renouncees to subscribe to the Equity Shares in the Issue.

The Investors holding the Rights Entitlements who desire to transfer their Rights Entitlements will have to do so through their depository participant by issuing a delivery instruction slip quoting the ISIN: INE560D20019, the details of the buyer and the details of the Rights Entitlements they intend to transfer. The buyer of the Rights Entitlements (unless already having given a standing receipt instruction) has to issue a receipt instruction slip to their depository participant. The Shareholders can transfer Rights Entitlements only to the extent of Rights Entitlements available in their demat account.

The instructions for transfer of Rights Entitlements can be issued during the working hours of the depository participants.

The detailed rules for transfer of Rights Entitlements through off-market transfer shall be as specified by the NSDL and CDSL from time to time.

V. MODE OF PAYMENT

All payments against the Application Forms shall be made only through ASBA facility. The Registrar will not accept any payments against the Application Forms, if such payments are not made through ASBA facility.

In case of Application through the ASBA facility, the Shareholders agree to block the entire amount payable on Application with the submission of the Application Form, by authorizing the SCSB to block an amount, equivalent to the amount payable on Application, in the Shareholders' ASBA Account. The SCSB may reject the application at the time of acceptance of Application Form if the ASBA Account, details of which have been provided by the Shareholders in the Application Form does not have sufficient funds equivalent to the amount payable on Application mentioned in the Application Form. Subsequent to the acceptance of the Application by the SCSB, our Company would have a right to reject the Application on technical grounds as set forth in the Letter of Offer.

After verifying that sufficient funds are available in the ASBA Account details of which are provided in the Application Form, the SCSB shall block an amount equivalent to the Application Money mentioned in the Application Form until the Transfer Date. On the Transfer Date, upon receipt of intimation from the Registrar, of the receipt of minimum subscription and pursuant to the finalization of the Basis of Allotments approved by the Designated Stock Exchange, the SCSBs shall transfer such amount as per the Registrar's instruction from the ASBA Account into the Allotment Account(s) which shall be a separate bank account maintained by our Company, other than the bank account referred to in sub-section (3) of Section 40 of the Companies Act, 2013. The balance amount remaining after the finalization of the Basis of Allotment on the Transfer Date shall be unblocked by the SCSBs on the basis of the instructions issued in this regard by the Registrar to the respective SCSB.

In terms of RBI Circular DBOD No. FSC BC 42/24.47.00/2003- 04 dated November 5, 2003, the stock invest scheme has been withdrawn. Hence, payment through stock invest would not be accepted in this Issue.

Mode of payment for Resident Shareholders

All payments on the Application Forms shall be made only through ASBA facility. Applicants are requested to strictly adhere to these instructions.

Mode of payment for Non-Resident Shareholders

As regards the Application by non-resident Shareholders, payment must be made only through ASBA facility and using permissible accounts in accordance with FEMA, FEMA Rules and requirements prescribed by RBI and subject to the following:

1. In case where repatriation benefit is available, interest, dividend, sales proceeds derived from the investment in Equity Shares can be remitted outside India, subject to tax, as applicable according to the Income-tax Act. However, please note that conditions applicable at the time of original investment in our Company by the Eligible Equity Shareholder including repatriation shall not change and remain the same for subscription in the Issue or subscription pursuant to renunciation in the Issue.
2. Subject to the above, in case Equity Shares are allotted on a non-repatriation basis, the dividend and sale proceeds of the Equity Shares cannot be remitted outside India.
3. In case of an Application Form received from non-residents, Allotment, refunds and other distribution, if any, will be made in accordance with the guidelines and rules prescribed by RBI as applicable at the time of making such Allotment, remittance and subject to necessary approvals.
4. Application Forms received from non-residents/ NRIs, or persons of Indian origin residing abroad for Allotment of Equity Shares shall, amongst other things, be subject to conditions, as may be imposed from time to time by RBI under FEMA, in respect of matters including Refund of Application Money and Allotment.
5. In the case of NRIs who remit their Application Money from funds held in FCNR/NRE Accounts, refunds

- and other disbursements, if any shall be credited to such account.
6. Non-resident Renouncees who are not Eligible Equity Shareholders must submit regulatory approval for applying for additional Equity Shares.

VI. BASIS FOR THIS ISSUE AND TERMS OF THIS ISSUE

The Equity Shares are being offered for subscription to the Eligible Equity Shareholders whose names appear as beneficial owners as per the list to be furnished by the Depositories in respect of our Equity Shares held in dematerialised form and on the register of members of our Company in respect of our Equity Shares held in physical form at the close of business hours on the Record Date.

For principal terms of Issue such as face value, Issue Price, Rights Entitlement ratio, see “**The Issue**” beginning on mentioned above.

➤ Fractional Entitlements

The Rights Shares are being offered on a rights basis to existing Eligible Shareholders in the ratio of 81 Rights Share for every 25 fully paid up Equity Shares held as on the Record Date. As per SEBI Rights Issue Circulars, the fractional entitlements are to be ignored. Accordingly, if the shareholding of any of the Eligible Shareholders is less than 25 Equity Shares or is not in the multiple of 25 Equity Shares, the fractional entitlements of such Eligible Shareholders shall be ignored by rounding down of their Rights Entitlements. However, the Eligible Shareholders whose fractional entitlements are being ignored, will be given preferential consideration for the Allotment of one additional Rights Security if they apply for additional Rights Shares over and above their Rights Entitlements, if any, subject to availability of Rights Shares in this Issue post allocation towards Rights Entitlements applied for.

Further, the Eligible Equity Shareholders holding less than 25 Equity Shares as on Record Date shall have ‘zero’ entitlement in the Issue. Such Eligible Equity Shareholders are entitled to apply for additional Equity Shares and will be given preference in the allotment of one additional Equity Share if, such Eligible Equity Shareholders apply for the additional Equity Shares. However, they cannot renounce the same in favour of third parties and the application forms shall be non-negotiable.

➤ Ranking

The Rights Equity Shares to be issued and Allotted pursuant to this Issue shall be subject to the provisions of the Letter of Offer, the Letter of Offer, the Rights Entitlement Letter, the Application Form, and the Memorandum of Association and the Articles of Association, the provisions of the Companies Act, 2013, FEMA, the SEBI ICDR Regulations, the SEBI LODR Regulations, and the guidelines, notifications and regulations issued by SEBI, the Government of India and other statutory and regulatory authorities from time to time, the terms of the Listing Agreements entered into by our Company with the Stock Exchanges and the terms and conditions as stipulated in the Allotment advice. The Equity Shares to be issued and allotted under this Issue shall rank *pari passu* with the existing Equity Shares, in all respects including dividends.

➤ Listing and trading of the Equity Shares to be issued pursuant to this Issue

Subject to receipt of the listing and trading approvals, the Equity Shares proposed to be issued on a rights basis shall be listed and admitted for trading on BSE. Unless otherwise permitted by the SEBI ICDR Regulations, the Equity Shares Allotted pursuant to this Issue will be listed as soon as practicable and all steps for completion of necessary formalities for listing and commencement of trading in the Equity Shares will be taken within such period prescribed under the SEBI ICDR Regulations. Our Company has received in-principle approval from the BSE through letter bearing reference number LOD/RIGHT/VD/FIP/1127/2025-26 dated November 04, 2025. Our Company will apply to BSE for final approvals for the listing and trading of the Equity Shares subsequent to their Allotment. No assurance can be given regarding the active or sustained trading in the Equity Shares or the price at which the Equity Shares offered under this Issue will trade after the listing thereof.

The existing Equity Shares are listed and traded on BSE (Scrip Code: 531411) under the ISIN: INE560D01027. The Equity Shares shall be credited to a temporary ISIN which will be frozen until the receipt of the final listing/

trading approvals from the Stock Exchanges. Upon receipt of such listing and trading approvals, the Equity Shares shall be debited from such temporary ISIN and credited to the regular ISIN for the Equity Shares and thereafter be available for trading and the temporary ISIN shall be permanently deactivated in the depository system of CDSL and NSDL.

The listing and trading of the Equity Shares issued pursuant to this Issue shall be based on the current regulatory framework then applicable. Accordingly, any change in the regulatory regime would affect the listing and trading schedule.

In case our Company fails to obtain listing or trading permission from the Stock Exchanges, our Company shall refund through verifiable means/unblock the respective ASBA Accounts, the entire monies received/blocked within 15 (fifteen) days of receipt of intimation from the Stock Exchanges, rejecting the application for listing of the Equity Shares, and if any such money is not refunded/ unblocked within 15 (fifteen) days after our Company becomes liable to repay it, our Company and every director of our Company who is an officer-in-default shall, on and from the expiry of the fourth day, be jointly and severally liable to repay that money with interest at rates prescribed under applicable law.

➤ **Subscription to this Issue by our Promoter and members of the Promoter Group**

For details of the intent and extent of subscription by our Promoter and members of the Promoter Group, see *“Capital Structure - Intention and extent of participation by our Promoter”* mentioned above.

➤ **Rights of Holders of Equity Shares of our Company**

Subject to applicable laws, Shareholders who have been Allotted Equity Shares pursuant to the Issue shall have the following rights:

- a. The right to receive dividend, if declared;
- b. The right to receive surplus on liquidation;
- c. The right to receive offers for rights shares and be allotted bonus shares, if announced;
- d. The right to free transferability of Equity Shares;
- e. The right to attend general meetings of our Company and exercise voting powers in accordance with law, unless prohibited / restricted by law and as disclosed in the Letter of Offer ; and
- f. Such other rights as may be available to a shareholder of a listed public company under the Companies Act, 2013, the Memorandum of Association and the Articles of Association.

VII. GENERAL TERMS OF THE ISSUE

➤ **Market Lot**

The Equity Shares of our Company shall be tradable only in dematerialized form. The market lot for Equity Shares in dematerialized mode is 1 Equity Share.

➤ **Joint Holders**

Where two or more persons are registered as the holders of any Equity Shares, they shall be deemed to hold the same as the joint holders with the benefit of survivorship subject to the provisions contained in our Articles of Association. In case of Equity Shares held by joint holders, the Application submitted in physical mode to the Designated Branch of the SCSBs would be required to be signed by all the joint holders (in the same order as appearing in the records of the Depository) to be considered as valid for allotment of Equity Shares offered in this Issue.

➤ **Nomination**

Nomination facility is available in respect of the Equity Shares in accordance with the provisions of the Section 72 of the Companies Act, 2013 read with Rule 19 of the Companies (Share Capital and Debenture) Rules, 2014.

Since the Allotment is in dematerialised form, there is no need to make a separate nomination for the Equity Shares to be allotted in this Issue. Nominations registered with the respective DPs of the Shareholders would prevail. Any Shareholders holding Equity Shares in dematerialised form and desirous of changing the existing nomination is requested to inform its Depository Participant.

➤ **Arrangements for Disposal of Odd Lots**

The Equity Shares shall be traded in dematerialised form only and, therefore, the marketable lot shall be one Equity Share and hence, no arrangements for disposal of odd lots are required.

➤ **Notices**

In accordance with the SEBI ICDR Regulations and the SEBI Relaxation Circulars, the Letter of Offer, the Application Form, the Rights Entitlement Letter and other Issue material will be sent/ dispatched only to the Eligible Equity Shareholders who have provided Indian address. In case such Eligible Equity Shareholders have provided their valid e-mail address, the Letter of Offer, the Application Form, the Rights Entitlement Letter and other Issue material will be sent only to their valid e-mail address and in case such Eligible Equity Shareholders have not provided their e-mail address, then the Letter of Offer, the Application Form, the Rights Entitlement Letter and other Issue material will be dispatched, on a reasonable effort basis, to the Indian addresses provided by them.

Further, the Letter of Offer will be sent/ dispatched to the Eligible Equity Shareholders who have provided Indian address and who have made a request in this regard. In case such Eligible Equity Shareholders have provided their valid e-mail address, the Letter of Offer will be sent only to their valid e-mail address and in case such Eligible Equity Shareholders have not provided their e-mail address, then the Letter of Offer will be dispatched, on a reasonable effort basis, to the Indian addresses provided by them.

All notices to the Eligible Equity Shareholders required to be given by our Company shall be published in one English language national daily newspaper with wide circulation and one Hindi language national daily newspaper with wide circulation being the regional language of Mumbai, where our Registered Office is situated.

The Letter of Offer, the Letter of Offer and the Application Form shall also be submitted with the Stock Exchanges for making the same available on their websites.

➤ **Offer to Non-Resident Eligible Equity Shareholders/Shareholders**

As per Rule 7 of the FEMA Rules, RBI has given general permission to Indian companies to issue Equity Shares to non-resident Equity Shareholders including additional Equity Shares. Further, as per the Master Direction on Foreign Investment in India dated January 4, 2018 issued by RBI, non-residents may, amongst other things, (i) subscribe for additional shares over and above their Rights Entitlements; (ii) renounce the shares offered to them either in full or part thereof in favour of a person named by them; or (iii) apply for the shares renounced in their favour. Applications received from NRIs and non-residents for allotment of Equity Shares shall be, amongst other things, subject to the conditions imposed from time to time by RBI under FEMA in the matter of Application, refund of Application Money, Allotment of Equity Shares and issue of Rights Entitlement Letters/ letters of Allotment/Allotment advice. If a non- resident or NRI Shareholders has specific approval from RBI or any other governmental authority, in connection with his shareholding in our Company, such person should enclose a copy of such approval with the Application details and send it to the Registrar at [https:// www.purvashare.com](https://www.purvashare.com). It will be the sole responsibility of the Shareholders to ensure that the necessary approval from the RBI or the governmental authority is valid in order to make any investment in the Issue and our Company will not be responsible for any such allotments made by relying on such approvals.

The Letter of Offer, the Rights Entitlement Letter and Application Form shall be sent only to the Indian addresses of the non-resident Eligible Equity Shareholders on a reasonable efforts basis, who have provided an Indian address to our Company and located in jurisdictions where the offer and sale of the Equity Shares may be permitted under laws of such jurisdictions, Eligible Equity Shareholders can access the Letter Offer, the Letter of Offer and the Application Form (provided that the Eligible Equity Shareholder is eligible to subscribe for the Equity Shares under applicable securities laws) from the websites of the Registrar, our Company, and the Stock

Exchanges. Further, Application Forms will be made available at Registered and Corporate Office of our Company for the non-resident Indian Applicants. Our Board may at its absolute discretion, agree to such terms and conditions as may be stipulated by RBI while approving the Allotment. The Equity Shares purchased by non-residents shall be subject to the same conditions including restrictions in regard to the repatriation as are applicable to the original Equity Shares against which Equity Shares are issued on rights basis.

In case of change of status of holders, i.e., from resident to non-resident, a new demat account must be opened. Any Application from a demat account which does not reflect the accurate status of the Applicant is liable to be rejected at the sole discretion of our Company.

Please also note that pursuant to Circular No. 14 dated September 16, 2003 issued by RBI, Overseas Corporate Bodies (“OCBs”) have been derecognized as an eligible class of Shareholders and RBI has subsequently issued the Foreign Exchange Management (Withdrawal of General Permission to Overseas Corporate Bodies (OCBs)) Regulations, 2003. Any Shareholders being an OCB is required not to be under the adverse notice of RBI and in order to apply for this issue as an incorporated non-resident must do so in accordance with the FDI Circular 2020 and Foreign Exchange Management (Non-Debt Instrument) Rules, 2019.

The non-resident Eligible Equity Shareholders can update their Indian address in the records maintained by the Registrar and our Company by submitting their respective copies of self- attested proof of address, passport, etc. at email id.

ALLOTMENT OF THE EQUITY SHARES IN DEMATERIALIZED FORM

PLEASE NOTE THAT THE EQUITY SHARES APPLIED FOR IN THIS ISSUE CAN BE ALLOTTED ONLY IN DEMATERIALIZED FORM AND TO THE SAME DEPOSITORY ACCOUNT IN WHICH OUR EQUITY SHARES ARE HELD BY SUCH SHAREHOLDERS ON THE RECORD DATE. FOR DETAILS, SEE “ALLOTMENT ADVICE OR REFUND/ UNBLOCKING OF ASBA ACCOUNTS” AS MENTIONED ABOVE.

VIII. ISSUE SCHEDULE

Last Date for Credit of Rights Entitlements	Tuesday, 18-11-2025
Issue Opening Date	Monday, 24-11-2025
Last date for On Market Renunciation of Rights Entitlements #	Wednesday, 03-12-2025
Last date for Closure of Off-Market transfer of Rights Entitlements	Friday, 05-12-2025
Issue Closing Date*	Monday, 08-12-2025
Finalization of Basis of Allotment (on or about)	Tuesday, 09-12-2025
Date of Allotment (on or about)	Tuesday, 09-12-2025
Date of Credit (on or about)	Wednesday, 10-12-2025
Date of Listing or Commencement of trading (on or about)	Thursday, 11-12-2025

Eligible Equity Shareholders are requested to ensure that renunciation through off-market transfer is completed in such a manner that the Rights Entitlements are credited to the demat account of the Renouncees on or prior to the Issue Closing Date.

** Our Board will have the right to extend the Issue Period as it may determine from time to time but not exceeding 30 (Thirty) days from the Issue Opening Date (inclusive of the Issue Opening Date). Further, no withdrawal of Application shall be permitted by any Applicant after the Issue Closing Date.*

Please note that if Eligible Equity Shareholders holding Equity Shares in physical form as on Record Date, have not provided the details of their demat accounts to our Company or to the Registrar, they are required to provide their demat account details to our Company or the Registrar not later than 2 (two) Working Days prior to the Issue Closing Date, i.e., Monday, December 08, 2025 to enable the credit of the Rights Entitlements by way of transfer from the demat suspense escrow account to their respective demat accounts, at least 1 (one) day before the Issue Closing Date, i.e., Monday, December 08, 2025.

IX. BASIS OF ALLOTMENT

Subject to the provisions contained in the Letter of Offer, the Rights Entitlement Letter, the Application Form, the Articles of Association and the approval of the Designated Stock Exchange, our Board will proceed to allot the Equity Shares in the following order of priority:

- a) Full Allotment to those Eligible Equity Shareholders who have applied for their Rights Entitlements of

- Equity Shares either in full or in part and also to the Renouncee(s) who has or have applied for Equity Shares renounced in their favour, in full or in part.
- b) Eligible Equity Shareholders whose fractional entitlements are being ignored and Eligible Equity Shareholders with zero entitlement, would be given preference in allotment of one additional Equity Share each if they apply for additional Equity Shares. Allotment under this head shall be considered if there are any unsubscribed Equity Shares after allotment under (a) above. If number of Equity Shares required for Allotment under this head are more than the number of Equity Shares available after Allotment under (a) above, the Allotment would be made on a fair and equitable basis in consultation with the Designated Stock Exchange and will not be a preferential allotment.
 - c) Allotment to the Eligible Equity Shareholders who having applied for all the Equity Shares offered to them as part of this Issue, have also applied for additional Equity Shares. The Allotment of such additional Equity Shares will be made as far as possible on an equitable basis having due regard to the number of Equity Shares held by them on the Record Date, provided there are any unsubscribed Equity Shares after making full Allotment in (a) and (b) above. The Allotment of such Equity Shares will be at the sole discretion of our Board in consultation with the Designated Stock Exchange, as a part of this Issue and will not be a preferential allotment.
 - d) Allotment to Renouncees who having applied for all the Equity Shares renounced in their favour, have applied for additional Equity Shares provided there is surplus available after making full Allotment under (a), (b) and (c) above. The Allotment of such Equity Shares will be made on a proportionate basis in consultation with the Designated Stock Exchange, as a part of this Issue and will not be a preferential allotment.
 - e) Allotment to any other person, subject to applicable laws, that our Board may deem fit, provided there is surplus available after making Allotment under (a), (b), (c) and (d) above, and the decision of our Board in this regard shall be final and binding.

After taking into account Allotment to be made under (a) to (d) above, if there is any unsubscribed portion, the same shall be deemed to be 'unsubscribed'.

Upon approval of the Basis of Allotment by the Designated Stock Exchange, the Registrar shall send to the Controlling Branches, a list of the Shareholders who have been allocated Equity Shares in this Issue, along with:

- i. The amount to be transferred from the ASBA Account to the separate bank account opened by our Company for this Issue, for each successful Application;
- ii. The date by which the funds referred to above, shall be transferred to the aforesaid bank account; and
- iii. The details of rejected ASBA applications, if any, to enable the SCSBs to unblock the respective ASBA Accounts.

X. ALLOTMENT ADVICE OR REFUND/ UNBLOCKING OF ASBA ACCOUNTS

Our Company will send/ dispatch Allotment advice, refund intimations or demat credit of securities and/or letters of regret, only to the Eligible Equity Shareholders who have provided Indian address. In case such Eligible Equity Shareholders have provided their valid e-mail address, Allotment advice, refund intimations or demat credit of securities and/or letters of regret will be sent only to their valid e-mail address and in case such Eligible Equity Shareholders have not provided their e-mail address, then the Allotment advice, refund intimations or demat credit of securities and/or letters of regret will be dispatched, on a reasonable effort basis, to the Indian addresses provided by them; along with crediting the Allotted Equity Shares to the respective beneficiary accounts (only in dematerialized mode) or in a demat suspense account (in respect of Eligible Equity Shareholders holding Equity Shares in physical form on the Allotment Date) or issue instructions for unblocking the funds in the respective ASBA Accounts, if any, within a period of 4 (four) days from the Issue Closing Date. In case of failure to do so, our Company and our Directors who are "officers in default" shall pay interest at 15% p.a. and such other rate as specified under applicable law from the expiry of such 4 (four) days' period.

The Rights Entitlements will be credited in the dematerialized form using electronic credit under the depository system and the Allotment advice shall be sent, through an e-mail, to the e-mail address provided to our Company or at the address recorded with the Depository.

In the case of non-resident Shareholders who remit their Application Money from funds held in the NRE or the FCNR Accounts, unblocking and/or payment of interest or dividend and other disbursements, if any, shall be credited to such accounts.

Where an Applicant has applied for additional Equity Shares in the Issue and is allotted a lesser number of Equity Shares than applied for, the excess Application Money paid/blocked shall be refunded/unblocked. The unblocking of ASBA funds / refund of monies shall be completed within such period as prescribed under the SEBI ICDR Regulations. In the event that there is a delay in making refunds beyond such period as prescribed under applicable law, our Company shall pay the requisite interest at such rate as prescribed under applicable law.

XI. PAYMENT OF REFUND

➤ Mode of making refunds

The payment of refund, if any, including in the event of oversubscription or failure to list or otherwise would be done through any of the following modes.

- a) Unblocking amounts blocked using ASBA facility.
- b) **NACH** – National Automated Clearing House is a consolidated system of electronic clearing service. Payment of refund would be done through NACH for Applicants having an account at one of the centres specified by RBI, where such facility has been made available. This would be subject to availability of complete bank account details including a Magnetic Ink Character Recognition (“**MICR**”) code wherever applicable from the depository. The payment of refund through NACH is mandatory for Applicants having a bank account at any of the centres where NACH facility has been made available by RBI (subject to availability of all information for crediting the refund through NACH including the MICR code as appearing on a cheque leaf, from the depositories), except where Applicant is otherwise disclosed as eligible to get refunds through NEFT or Direct Credit or RTGS.
- c) **National Electronic Fund Transfer (“NEFT”)** – Payment of refund shall be undertaken through NEFT wherever the Investors’ bank has been assigned the Indian Financial System Code (“**IFSC Code**”), which can be linked to a MICR, allotted to that particular bank branch. IFSC Code will be obtained from the website of RBI as on a date immediately prior to the date of payment of refund, duly mapped with MICR numbers. Wherever the Investors have registered their nine digit MICR number and their bank account number with the Registrar to our Company or with the Depository Participant while opening and operating the demat account, the same will be duly mapped with the IFSC Code of that particular bank branch and the payment of refund will be made to the Investors through this method.
- d) **Direct Credit** – Investors having bank accounts with the Bankers to the Issue shall be eligible to receive refunds through direct credit. Charges, if any, levied by the relevant bank(s) for the same would be borne by our Company.
- e) **RTGS** – If the refund amount exceeds ₹2,00,000, the Investors have the option to receive refund through RTGS. Such eligible Investors who indicate their preference to receive refund through RTGS are required to provide the IFSC Code in the Application Form. In the event the same is not provided, refund shall be made through NACH or any other eligible mode. Charges, if any, levied by the Investor’s bank receiving the credit would be borne by the Investor.
- f) For all other Investors, the refund orders will be dispatched through speed post or registered post subject to applicable laws. Such refunds will be made by cheques, pay orders or demand drafts drawn in favour of the sole/first Investor and payable at par.
- g) Credit of refunds to Investors in any other electronic manner, permissible by SEBI from time to time

➤ Refund payment to non-residents

The Application Money will be unblocked in the ASBA Account of the non-resident Applicants, details of which were provided in the Application Form.

XII. ALLOTMENT ADVICE OR DEMAT CREDIT OF SECURITIES

➤ Receipt of the Equity Shares in Dematerialized Form

The demat credit of securities to the respective beneficiary accounts will be credited within 15 (fifteen) days from the Issue Closing Date or such other timeline in accordance with applicable laws.

Note – This is subject to necessary approvals from NSDL, CDSL, RTA and such other Authorities as may be required.

PLEASE NOTE THAT THE EQUITY SHARES APPLIED FOR UNDER THIS ISSUE CAN BE ALLOTTED ONLY IN DEMATERIALIZED FORM AND TO (A) THE SAME DEPOSITORY ACCOUNT/ CORRESPONDING PAN IN WHICH THE EQUITY SHARES ARE HELD BY SUCH SHAREHOLDERS ON THE RECORD DATE, OR (B) THE DEPOSITORY ACCOUNT, DETAILS OF WHICH HAVE BEEN PROVIDED TO OUR COMPANY OR THE REGISTRAR AT LEAST (2) TWO WORKING DAYS PRIOR TO THE ISSUE CLOSING DATE BY THE ELIGIBLE EQUITY SHAREHOLDER HOLDING EQUITY SHARES IN PHYSICAL FORM AS ON THE RECORD DATE.

Investors shall be allotted Equity Shares in dematerialized (electronic) form. Our Company has signed an agreement dated January 29, 2010 with NSDL and an agreement dated January 12, 2010 with CDSL which enables the Shareholders to hold and trade in the securities issued by our Company in a dematerialized form, instead of holding the Equity Shares in the form of physical certificates.

INVESTORS MAY PLEASE NOTE THAT THE EQUITY SHARES CAN BE TRADED ON THE STOCK EXCHANGES ONLY IN DEMATERIALIZED FORM.

The procedure for availing of the facility for Allotment of Equity Shares in this Issue in the dematerialized form is as under:

1. Open a beneficiary account with any depository participant (care should be taken that the beneficiary account should carry the name of the holder in the same manner as is registered in the records of our Company. In the case of joint holding, the beneficiary account should be opened carrying the names of the holders in the same order as registered in the records of our Company). In case of Shareholders having various folios in our Company with different joint holders, the Shareholders will have to open separate accounts for such holdings. Those Shareholders who have already opened such beneficiary account(s) need not adhere to this step.
2. It should be ensured that the depository account is in the name(s) of the Investors and the names are in the same order as in the records of our Company or the Depositories.
3. The responsibility for correctness of information filled in the Application Form vis-a- vis such information with the Shareholders depository participant, would rest with the Shareholders. Shareholders' should ensure that the names of the Shareholders and the order in which they appear in Application Form should be the same as registered with the Shareholders' depository participant.
4. If incomplete or incorrect beneficiary account details are given in the Application Form, the Shareholders will not get any Equity Shares and the Application Form will be rejected.
5. The Equity Shares will be allotted to Applicants only in dematerialized form and would be directly credited to the beneficiary account as given in the Application Form after verification or demat suspense account (pending receipt of demat account details for resident Eligible Equity Shareholders holding Equity Shares in physical form/ with IEPF authority/ in suspense, etc.). Allotment advice, refund order (if any) would be sent directly to the Applicant by e-mail and if the printing is feasible, through physical dispatch, by the Registrar but the Applicant's depository participant will provide to him the confirmation of the credit of such Equity Shares to the Applicant's depository account.
6. Non-transferable Allotment advice/ refund intimation will be directly sent to the Shareholders by the Registrar, by e-mail and, if the printing is feasible, through physical dispatch.
7. Renouncees will also have to provide the necessary details about their beneficiary account for Allotment of Equity Shares in this Issue. In case these details are incomplete or incorrect, the Application is liable to be rejected.
8. Dividend or other benefits with respect to the Equity Shares held in dematerialized form would be paid to those Equity Shareholders whose names appear in the list of beneficial owners given by the Depository

- Participant to our Company as on the date of the book closure.
9. Eligible Equity Shareholders holding Equity Shares in physical form as on Record Date, and who have not provided the details of their demat accounts to our Company or to the Registrar at least 2 (two) Working Days prior to the Issue Closing Date, shall not be able to apply in this Issue.

XIII. IMPERSONATION

As a matter of abundant caution, attention of the Shareholders is specifically drawn to the provisions of Section 38 of the Companies Act, 2013 which is reproduced below:

“Any person who makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name, shall be liable for action under Section 447.”

The liability prescribed under Section 447 of the Companies Act, 2013 for fraud involving an amount of at least ₹ 0.1 crore or 1% of the turnover of the company, whichever is lower, includes imprisonment for a term of not less than six months extending up to 10 years (provided that where the fraud involves public interest, such term shall not be less than three years) and fine of an amount not less than the amount involved in the fraud, extending up to three times of such amount. In case the fraud involves (i) an amount which is less than ₹ 0.1 crore or 1% of the turnover of the company, whichever is lower; and (ii) does not involve public interest, then such fraud is punishable with an imprisonment for a term extending up to five years or a fine of an amount extending up to ₹ 0.5 crore or with both.

XIV. UTILISATION OF ISSUE PROCEEDS

Our Board declares that:

- A. All monies received out of this Issue shall be transferred to a separate bank account;
- B. Details of all monies utilized out of this Issue referred to under (A) above shall be disclosed, and continue to be disclosed till the time any part of the Issue Proceeds remains unutilised, under an appropriate separate head in the balance sheet of our Company indicating the purpose for which such monies have been utilised; and
- C. Details of all unutilized monies out of this Issue referred to under (A) above, if any, shall be disclosed under an appropriate separate head in the balance sheet of our Company indicating the form in which such unutilized monies have been invested.
- D. Our Company may utilise the funds collected in the Issue only after final listing and trading approvals for the Rights Equity Shares Allotted in the Issue is received.

XV. UNDERTAKINGS BY OUR COMPANY

Our Company undertakes the following:

- A. The complaints received in respect of this Issue shall be attended to by our Company expeditiously and satisfactorily.
- B. All steps for completing the necessary formalities for listing and commencement of trading at all Stock Exchanges where the Equity Shares are to be listed will be taken by our Board within 7 (seven) Working Days of finalization of Basis of Allotment.
- C. The funds required for making refunds / unblocking to unsuccessful Applicants as per the mode(s) disclosed shall be made available to the Registrar by our Company.
- D. Where refunds are made through electronic transfer of funds, suitable communication shall be sent to the Shareholders within 15 (fifteen) days of the Issue Closing Date, giving details of the banks where refunds shall be credited along with amount and expected date of electronic credit of refund.
- E. In case of refund / unblocking of the Application Money for unsuccessful Applicants or part of the Application Money in case of proportionate Allotment, suitable communication shall be sent to the Applicants.
- F. Adequate arrangements shall be made to collect all ASBA Applications.

- G. Our Company shall comply with such disclosure and accounting norms specified by SEBI from time to time.

XVI. INVESTOR GRIEVANCES, COMMUNICATION AND IMPORTANT LINKS

1. Please read the Letter of Offer carefully before taking any action. The instructions contained in the Application Form, Letter of Offer and the Rights Entitlement Letter are an integral part of the conditions of the Letter of Offer and must be carefully followed; otherwise, the Application is liable to be rejected.
2. All enquiries in connection with the Letter of Offer, the Rights Entitlement Letter or Application Form must be addressed (quoting the Registered Folio Number in case of Eligible Equity Shareholders who hold Equity Shares in physical form as on Record Date or the DP ID and Client ID number, the Application Form number and the name of the first Eligible Equity Shareholder as mentioned on the Application Form and super scribed “TUNI TEXTILE MILLS LIMITED – Rights Issue” on the envelope and postmarked in India or in the e- mail) to the Registrar at the following address:

Purva Sharegistry (India) Private Limited

Address: 9, Shiv Shakti Industrial Estate,

J.R.Boricha Marg Lower Parel (East),

Mumbai-400011, Maharashtra, India,

Telephone: +91 022-3522 0056

Email: support@purvashare.com

Website: [https:// www.purvashare.com](https://www.purvashare.com)

Contact Person: Ms. Deepali Dhuri

SEBI Registration Number: INR000001112

CIN: U67120MH1993PTC074079

3. In accordance with SEBI Rights Issue Circulars, frequently asked questions and online/ electronic dedicated Shareholders helpdesk for guidance on the Application process and resolution of difficulties faced by the Shareholders will be available on the website of the Registrar: [https:// www.purvashare.com](https://www.purvashare.com). Further, helpline number provided by the Registrar for guidance on the Application process and resolution of difficulties is +91 022-3522 0056.
4. The Investors can access following links / emails for the below-mentioned purposes:
 - a) Frequently asked questions and online/ electronic dedicated Shareholders helpdesk for guidance on the Application process and resolution of difficulties faced by the Shareholders: [https:// www.purvashare.com](https://www.purvashare.com).
 - b) Updation of Indian address/ e-mail address/ phone or mobile number in the records maintained by the Registrar or our Company: [https:// www.purvashare.com](https://www.purvashare.com)
 - c) Updation of demat account details by Eligible Equity Shareholders holding shares in physical form: [https:// www.purvashare.com](https://www.purvashare.com)
 - d) Submission of self-attested PAN, client master sheet and demat account details by non- resident Eligible Equity Shareholders at email id at info@tunitextiles.com.

This Issue will remain open for a minimum fifteen days. However, our Board will have the right to extend the Issue Period as it may determine from time to time but not exceeding 30 days from the Issue Opening Date (inclusive of the Issue Opening Date). Further, no withdrawal of Application shall be permitted by any Applicant after the Issue Closing Date.

RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES

Foreign investment in Indian securities is regulated through the Industrial Policy, 1991, of the Government of India and FEMA. While the Industrial Policy, 1991, of the Government of India, prescribes the limits and the conditions subject to which foreign investment can be made in different sectors of the Indian economy, FEMA regulates the precise manner in which such investment may be made. Under the Industrial Policy, 1991, unless specifically restricted, foreign investment is freely permitted in all sectors of the Indian economy up to any extent and without any prior approvals, but the foreign investor is required to follow certain prescribed procedures for making such investment. The RBI and the concerned ministries/ departments are responsible for granting approval for foreign investment.

The Government has, from time to time, made policy pronouncements on FDI through press notes and press releases. The FDI Policy consolidated and superseded all previous press notes, press releases and clarifications on FDI issued by the DPIIT that were in force and effect as on October 15, 2020. The Government proposes to update the consolidated circular on FDI policy once every year and therefore, FDI Policy will be valid until the DPIIT issues an updated circular. Further, the sectoral cap applicable to the sector in which our Company operates is 100% which is permitted under the automatic route.

The Government has from time to time made policy pronouncements on FDI through press notes and press releases which are notified by RBI as amendments to FEMA. In case of any conflict, the relevant notification under Foreign Exchange Management (Non-Debt Instruments) Rules, 2019 will prevail. The payment of inward remittance and reporting requirements are stipulated under the Foreign Exchange Management (Mode of Payment and Reporting of Non-Debt Instruments) Regulations, 2019 issued by RBI.

The transfer of shares between an Indian resident and a non-resident does not need prior approval of the RBI, provided that (i) the activities of the investee company falls under the automatic route as provided in the FDI Policy and FEMA, and the transfer does not attract the provisions of the SEBI Takeover Regulations; (ii) the non-resident shareholding is within the sectoral limits under the FDI Policy; and (iii) the pricing is in accordance with the guidelines prescribed by SEBI and RBI.

Further, in accordance with Press Note No. 3 (2020 Series), dated April 17, 2020 issued by the DPIIT and the Foreign Exchange Management (Non-debt Instruments) Amendment Rules, 2020 which came into effect from April 22, 2020, any investment, subscription, purchase or sale of equity instruments by entities of a country which shares land border with India or where the beneficial owner of an investment into India is situated in or is a citizen of any such country ("Restricted Investors"), will require prior approval of the Government, as prescribed in the FDI Policy and the FEMA Rules. Further, in the event of transfer of ownership of any existing or future foreign direct investment in an entity in India, directly or indirectly, resulting in the beneficial ownership falling within the aforesaid restriction/ purview, such subsequent change in the beneficial ownership will also require approval of the Government. Furthermore, on April 22, 2020, the Ministry of Finance, Government of India has also made a similar amendment to the FEMA Rules. Pursuant to the Foreign Exchange Management (Non-debt Instruments) (Fourth Amendment) Rules, 2020, a multilateral bank or fund, of which India is a member, shall not be treated as an entity of a particular country nor shall any country be treated as the beneficial owner of the investments of such bank of fund in India. Please also note that pursuant to Circular no. 14 dated September 16, 2003, issued by RBI, Overseas Corporate Bodies ("OCBs") have been derecognized as an eligible class of investors and RBI has subsequently issued the Foreign Exchange Management (Withdrawal of General Permission to Overseas Corporate Bodies (OCBs)) Regulations, 2003. Any Investor being an OCB is required not to be under the adverse notice of RBI and in order to apply for the issue as an incorporated non-resident must do so in accordance with the FDI Policy and Foreign Exchange Management (Non-Debt Instrument) Rules, 2019. Further, while investing in the Issue, the Investors are deemed to have obtained the necessary approvals, as required, under applicable laws and the obligation to obtain such approvals shall be upon the Investors. Our Company shall not be under an obligation to obtain any approval under any of the applicable laws on behalf of the Investors and shall not be liable in case of failure on part of the Investors to obtain such approvals.

The above information is given for the benefit of the Applicants / Investors. Our Company is not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Letter of Offer. Investors are advised to make independent investigations and ensure that the number of Equity Shares applied for do not exceed the applicable limits under laws or regulations. Investors are cautioned to consider any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Letter of Offer.

RESTRICTIONS ON PURCHASES AND REALES

Eligibility and Restrictions

General

No action has been taken or will be taken to permit an offering of the Rights Entitlements or the Rights Equity Shares to occur in any jurisdiction, or the possession, circulation, or distribution of this Letter of Offer or any other Issue Material in any jurisdiction where action for such purpose is required, except that this Letter of Offer will be filed with SEBI and the Stock Exchanges.

Pursuant to the requirements of the SEBI ICDR Regulations and other applicable laws, the Rights Entitlements will be credited to the demat account of the Eligible Equity Shareholders who are Equity Shareholders as on the Record Date, however, the Issue Materials will be sent/ dispatched only to such Eligible Equity Shareholders who have provided an Indian address to our Company and only such Eligible Equity Shareholders are permitted to participate in the Issue. The credit of Rights Entitlement does not constitute an offer, invitation to offer or solicitation for participation in the Issue, whether directly or indirectly, and only dispatch of the Issue Material shall constitute an offer, invitation or solicitation for participation in the Issue in accordance with the terms of the Issue Material. Further, receipt of the Issue Materials (including by way of electronic means) will not constitute an offer, invitation to or solicitation by anyone in (i) the United States or (ii) any jurisdiction or in any circumstances in which such an offer, invitation or solicitation is unlawful or not authorized or to any person to whom it is unlawful to make such an offer, invitation or solicitation. In those circumstances, this Letter of Offer and any other Issue Materials must be treated as sent for information only and should not be acted upon for subscription to Rights Equity Shares and should not be copied or re-distributed, in part or full. Accordingly, persons receiving a copy of the Issue Materials should not distribute or send the Issue Materials in or into any jurisdiction where to do so, would or might contravene local securities laws or regulations, or would subject our Company or its affiliates to any filing or registration requirement (other than in India). If Issue Material is received by any person in any such jurisdiction or the United States, they must not seek to subscribe to the Rights Equity Shares.

The Rights Entitlement and the Rights Equity Shares may not be offered or sold, directly or indirectly, and this Letter of Offer and any other Issue Materials may not be distributed, in whole or in part, in or into in (i) the United States or (ii) or any jurisdiction other than India except in accordance with legal requirements applicable in such jurisdiction.

Investors are advised to consult their legal counsel prior to accepting any provisional allotment of Rights Equity Shares, applying for excess Rights Equity Shares or making any offer, renunciation, sale, resale, pledge or other transfer of the Rights Entitlements or the Rights Equity Shares.

This Letter of Offer and its accompanying documents are supplied to you solely for your information and may not be reproduced, redistributed or passed on, directly or indirectly, to any other person or published, in whole or in part, for any purpose. Each person who exercises the Rights Entitlements and subscribes for the Rights Equity Shares, or who purchases the Rights Entitlements, or the Rights Equity Shares shall do so in accordance with the restrictions set out above and below.

No offer in the United States

The Rights Entitlements and the Rights Equity Shares have not been, and will not be, registered under the U.S Securities Act and may not be offered or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities laws. Accordingly, the Rights Equity Shares are only being offered and sold outside the United States in “offshore transactions” as defined in and in reliance on Regulation S under the U.S. Securities Act to Eligible Equity Shareholders located in jurisdictions where such offer and sale is permitted under the laws of such jurisdictions. The offering to which this Letter of Offer relates is not, and under no circumstances is to be construed as, an offering of any Rights Entitlements or Rights Equity Shares for sale in the United States or as a solicitation therein of an offer to buy any of the said securities. Accordingly, you should not forward or transmit this Letter of Offer into the United States at any time.

Representations, Warranties and Agreements by Purchasers

The Rights Entitlements and the Rights Equity Shares offered are being offered in “offshore transactions” as

defined, and in reliance on, Regulation S under the U.S. Securities Act.

In addition to the applicable representations, warranties and agreements set forth above, each purchaser outside the United States by accepting the delivery of this Letter of Offer and its accompanying documents, submitting an Application Form for the exercise of any Rights Entitlements and subscription for any Rights Equity Shares and accepting delivery of any Rights Entitlements or any Rights Equity Shares, will be deemed to have represented, warranted and agreed as follows on behalf of itself and, if it is acquiring the Rights Entitlements or the Rights Equity Shares as a fiduciary or agent for one or more investor accounts, on behalf of each owner of such account (such person being the “purchaser”, which term shall include the owners of the investor accounts on whose behalf the person acts as fiduciary or agent):

- (1) The purchaser (i) is aware that the Rights Entitlements and the Rights Equity Shares have not been and will not be registered under the U.S. Securities Act and are being distributed and offered outside the United States in reliance on Regulation S, (ii) is, and the persons, if any, for whose account it is acquiring such Rights Entitlements and/or the Rights Equity Shares are, outside the United States and eligible to subscribe for Rights Entitlements and Rights Equity Shares in compliance with applicable securities laws, and (iii) is acquiring the Rights Entitlements and/or the Rights Equity Shares in an offshore transaction meeting the requirements of Regulation S.
- (2) No offer or sale of the Rights Entitlements or the Rights Equity Shares to the purchaser is the result of any “directed selling efforts” (as such term is defined in Regulation S under the U.S. Securities Act).
- (3) The purchaser is, and the persons, if any, for whose account it is acquiring the Rights Entitlements and the Rights Equity Shares are, entitled to subscribe for the Rights Equity Shares, and the sale of the Rights Equity Shares to it will not require any filing or registration by, or qualification of, our Company with any court or administrative, governmental or regulatory agency or body, under the laws of any jurisdiction which apply to the purchaser or such persons.
- (4) The purchaser, and each account for which it is acting, satisfies (i) all suitability standards for investors in investments in the Rights Entitlements and the Rights Equity Shares imposed by the jurisdiction of its residence, and (ii) is eligible to subscribe and is subscribing for the Rights Equity Shares and Rights Entitlements in compliance with applicable securities and other laws of our jurisdiction of residence.
- (5) The purchaser has the full power and authority to make the acknowledgements, representations, warranties and agreements contained herein and to exercise the Rights Entitlements and subscribe for the Rights Equity Shares, and, if the purchaser is exercising the Rights Entitlements and acquiring the Rights Equity Shares as a fiduciary or agent for one or more investor accounts, the purchaser has the full power and authority to make the acknowledgements, representations, warranties and agreements contained herein and to exercise the Rights Entitlements and subscribe for the Rights Equity Shares on behalf of each owner of such account.
- (6) If any Rights Entitlements were bought by the purchaser or otherwise transferred to the purchaser by a third party (other than our Company), the purchaser was in India at the time of such purchase or transfer.
- (7) The purchaser is aware and understands (and each account for which it is acting has been advised and understands) that an investment in the Rights Entitlements and the Rights Equity Shares involves a considerable degree of risk and that the Rights Entitlements and the Rights Equity Shares are a speculative investment.
- (8) The purchaser understands (and each account for which it is acting has been advised and understands) that no action has been or will be taken to permit an offering of the Rights Entitlements or the Rights Equity Shares in any jurisdiction (other than the filing of this Letter of Offer with SEBI and the Stock Exchanges); and it will not offer, resell, pledge or otherwise transfer any of the Rights Entitlements except in India or the Rights Equity Shares which it may acquire, or any beneficial interests therein, in any jurisdiction or in any circumstances in which such offer or sale is not authorized or to any person to whom it is unlawful to make such offer, sale, solicitation or invitation except under circumstances that will result in compliance with any applicable laws and/or regulations.
- (9) The purchaser (or any account for which it is acting) is an Eligible Equity Shareholder and has received an invitation from our Company, addressed to it and inviting it to participate in this Issue.

- (10) None of the purchaser, any of its affiliates or any person acting on its or their behalf has taken or will take, directly or indirectly, any action designed to, or which might be expected to, cause or result in the stabilization or manipulation of the price of any security of our Company to facilitate the sale or resale of the Rights Entitlements or the Rights Equity Shares pursuant to the Issue.
- (11) Prior to making any investment decision to exercise the Rights Entitlements and renounce and/ or subscribe for the Rights Equity Shares, the Investor (i) will have consulted with its own legal, regulatory, tax, business, investment, financial and accounting advisers in each jurisdiction in connection herewith to the extent it has deemed necessary; (ii) will have carefully read and reviewed a copy of this Letter of Offer and its accompanying documents; (iii) will have possessed and carefully read and reviewed all information relating to our Company and our Group and the Rights Entitlements and the Rights Equity Shares which it believes is necessary or appropriate for the purpose of making its investment decision, including, without limitation, the Exchange Information (as defined below); (iv) will have conducted its own due diligence on our Company and this Issue, and will have made its own investment decisions based upon its own judgement, due diligence and advice from such advisers as it has deemed necessary and will not have relied upon any recommendation, promise, representation or warranty of or view expressed by or on behalf of our Company (including any research reports) (other than, with respect to our Company and any information contained in this Letter of Offer); and (vi) will have made its own determination that any investment decision to exercise the Rights Entitlements and subscribe for the Rights Equity Shares is suitable and appropriate, both in the nature and number of Rights Equity Shares being subscribed.
- (12) Without limiting the generality of the foregoing, (i) the purchaser acknowledges that the Equity Shares are listed on BSE Limited and our Company is therefore required to publish certain business, financial and other information in accordance with the rules and practices of BSE Limited (which includes, but is not limited to, a description of the nature of our Company's business and our Company's most recent balance sheet and profit and loss account, and similar statements for preceding years together with the information on its website and its press releases, announcements, investor education presentations, annual reports, collectively constitutes "Exchange Information"), and that it has had access to such information without undue difficulty and has reviewed such Exchange Information as it has deemed necessary; and (ii) none of our Company, any of its affiliates has made any representations or recommendations to it, express or implied, with respect to our Company, the Rights Entitlements, the Rights Equity Shares or the accuracy, completeness or adequacy of the Exchange Information.
- (13) The purchaser acknowledges that (i) any information that it has received or will receive relating to or in connection with this Issue, and the Rights Entitlements or the Rights Equity Shares, including this Letter of Offer and the Exchange Information (collectively, the "Information"), has been prepared solely by our Company.
- (14) The purchaser will not hold our Company responsible for any misstatements in or omissions to the Information or in any other written or oral information provided by our Company to it.
- (15) The purchaser understands that its receipt of the Rights Entitlements and any subscription it may make for the Rights Equity Shares will be subject to and based upon all the terms, conditions, representations, warranties, acknowledgements, agreements and undertakings and other information contained in this Letter of Offer and the Application Form. The purchaser understands that none of our Company, the Registrar, or any other person acting on behalf of us will accept subscriptions from any person, or the agent of any person, who appears to be, or who we, the Registrar, or any other person acting on behalf of us have reason to believe is in the United States, or is ineligible to participate in this Issue under applicable securities laws.
- (16) The purchaser subscribed to the Rights Equity Shares for investment purposes and not with a view to the distribution or resale thereof. If in the future the purchaser decides to offer, sell, pledge or otherwise transfer any of the Rights Equity Shares, the purchaser shall only offer, sell, pledge or otherwise transfer such Rights Equity Shares (i) outside the United States in a transaction complying with Rule 903 or Rule 904 of Regulation S and in accordance with all applicable laws of any other jurisdiction, including India or (ii) in the United States pursuant to an exemption from the registration requirements of the Securities Act and applicable state securities laws.
- (17) The purchaser is, and the persons, if any, for whose account it is acquiring the Rights Entitlements and the Rights Equity Shares are, entitled to subscribe for the Rights Equity Shares.

- (18) If the purchaser is outside India, the sale of the Rights Equity Shares to it will not require any filing or registration by, or qualification of our Company with any court or administrative, governmental or regulatory agency or body, under the laws of any jurisdiction which apply to the purchaser or such persons.
- (19) If the purchaser is outside India, the purchaser, and each account for which it is acting, satisfies (i) all suitability standards for investors in investments in the Rights Entitlements and the Rights Equity Shares imposed by all jurisdictions applicable to it, and (ii) is eligible to subscribe and is subscribing for the Rights Equity Shares and Rights Entitlements in compliance with applicable securities and other laws of all jurisdictions of residence.
- (20) The purchaser is authorized to consummate the purchase of the Rights Equity Shares sold pursuant to this Issue in compliance with all applicable laws and regulations.
- (21) Except for the sale of Rights Equity Shares on one or more of the Stock Exchanges, the purchaser agrees, upon a proposed transfer of the Rights Equity Shares, to notify any purchaser of such Equity Shares or the executing broker, as applicable, of any transfer restrictions that are applicable to the Rights Equity Shares being sold.
- (22) The purchaser shall hold our Company harmless from all costs, claims, liabilities and expenses (including legal fees and expenses) arising out of or in connection with any breach of its representations, warranties or agreements set forth above and elsewhere in this Letter of Offer. The indemnity set forth in this paragraph shall survive the resale of the Rights Equity Shares.
- (23) The purchaser acknowledges that our Company, their affiliates and others will rely upon the truth and accuracy of the foregoing acknowledgements, representations and agreement

SECTION IX – STATUTORY AND OTHER INFORMATION

Please note that the Rights Equity Shares applied for under this Issue can be allotted only in dematerialized form and to (a) the same depository account/ corresponding pan in which the Equity Shares are held by such Investor on the Record Date, or (b) the depository account, details of which have been provided to our Company or the Registrar at least 2 (two) working days prior to the Issue Closing Date by the Eligible Equity Shareholder holding Equity Shares in physical form as on the Record Date.

(This remainder has intentionally been left blank)

MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The copies of the following contracts which have been entered or are to be entered into by our Company (not being contracts entered into in the ordinary course of business carried on by our Company or contracts entered into more than two years before the date of this Letter of Offer) which are or may be deemed material have been entered or are to be entered into by our Company. Copies of the documents for inspection referred to hereunder, would be available on the website of the Company at <https://www.tunitextiles.com> in from the date of this Letter of Offer until the Issue Closing Date.

1. Material Contracts for the Issue

- (i) Registrar Agreement dated July 09, 2025, between our Company and the Registrar to the Issue.
- (ii) Bankers to the Issue Agreement dated August 20, 2025, among our Company, the Registrar to the Issue and the Bankers to the Issue.
- (iii) Monitoring Agency Agreement dated July 10, 2025, between our Company and the Monitoring Agency.

2. Material Documents

- 1. Certified true copy of Certificate of Incorporation, the Memorandum of Association and Articles of Association of our Company, as amended.
- 2. Resolutions of the Board of Directors dated July 03, 2025, approving the Issue.
- 3. Resolution of our Board dated July 23, 2025 approving the Letter of Offer.
- 4. Resolution of Board dated November 11, 2025 finalizing the terms of the Issue including Issue Price, Record Date and the Rights Entitlement Ratio.
- 5. Copies of Annual Reports of our Company for the Financial Year ending March 31, 2025, March 31, 2024, March 31, 2023.
- 6. Consents of our Promoters, Directors, Company Secretary and Compliance Officer, Statutory Auditors, Bankers to the Issue, and the Registrar to the Issue for inclusion of their names in the Letter of Offer to act in their respective capacities.
- 7. Statement of Tax Benefits dated July 03, 2025 for our Company from the Statutory Auditors of our Company.
- 8. Tripartite Agreement between our Company, NSDL and the Registrar to the Company dated January 29, 2010.
- 9. Tripartite Agreement between our Company, CDSL and the Registrar to the Company dated January 08, 2010.
- 10. Audit Report for financial year ending on March 31, 2025, March 31, 2024 and March 31, 2023.
- 11. In-principle approval issued by BSE dated November 04, 2025.

Any of the contracts or documents mentioned in this Letter of Offer may be amended or modified at any time if so required in the interest of our Company or if required by the other parties, without reference to the shareholders subject to compliance of the provisions contained in the Companies Act and other relevant statutes.

DECLARATION

We hereby declare that all relevant provisions of the Companies Act 2013 and the rules, regulations and guidelines issued by the Government of India, or the rules, regulations or guidelines issued by the SEBI, established under Section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Letter of Offer is contrary to the provisions of the Companies Act 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contract (Regulation) Rules, 1957 and the Securities and Exchange Board of India Act, 1992, each as amended, or the rules, regulations or guidelines issued thereunder, as the case may be.

We further certify that all the statements and disclosures made in this Letter of Offer are true and correct.

SIGNED BY THE DIRECTORS AND KEY MANAGERIAL PERSONNEL OF OUR COMPANY

Sd/- Narendra Kumar Sureka (Managing Director & Chairperson)	Sd/- Urmiladevi Sureka (Non - Executive Director)
Sd/- Gaurishankar Ramlal Saraf (Non - Executive Independent Director)	Sd/- Gaurav Ganesh Tibe (Non - Executive Independent Director)
Sd/- Pradeep Kumar Sureka (Executive & Whole Time Director)	Sd/- Mahendra Shyambihari Agarwal (Non - Executive Independent Director)
Sd/- Archit Pradeep Sureka (Chief Financial Officer)	Sd/- Jyoti Kothari (Company Secretary and Compliance Officer)

Date: November 11, 2025

Place: Mumbai