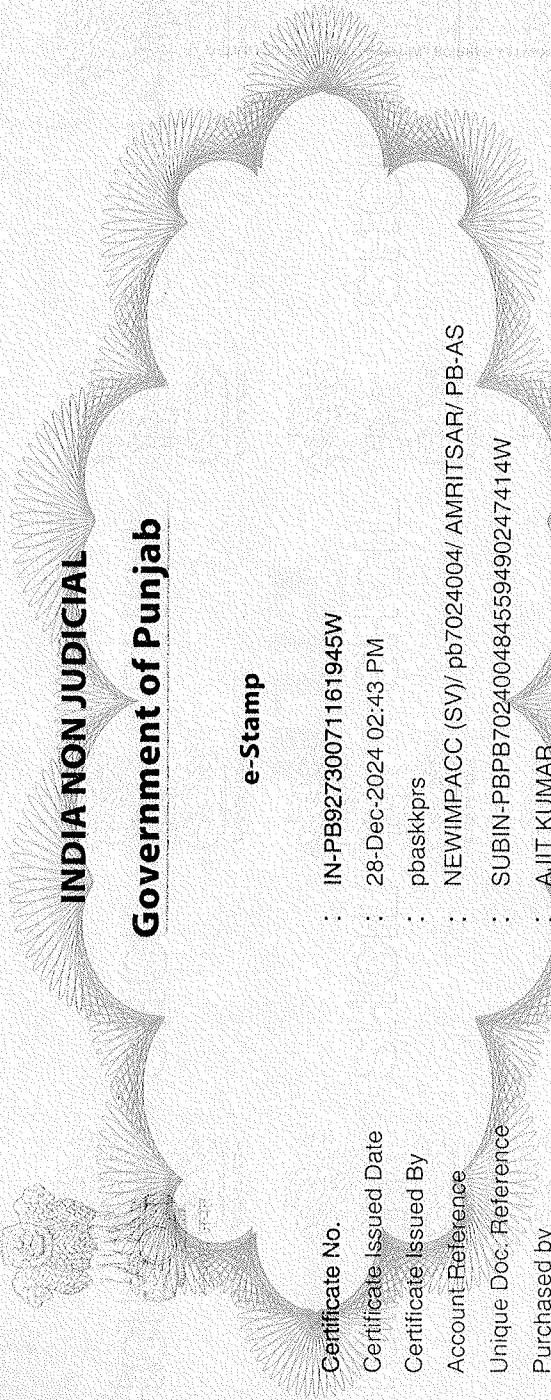
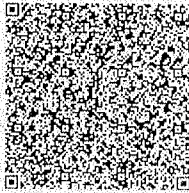
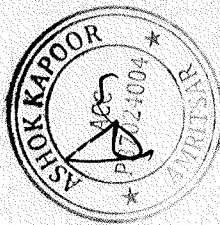




INDIA NON JUDICIAL
Government of Punjab

e-Stamp

Certificate No.	: IN-PB92730071161945W
Certificate Issued Date	: 28-Dec-2024 02:43 PM
Certificate Issued By	: pbaskkprsr
Account Reference	: NEWIMPACC (SV)/ pb7024004/ AMRITSAR/ PB-AS
Unique Doc. Reference	: SUBIN-PB702400484559490247414W
Purchased by	: AJIT KUMAR
Description of Document	: Article 5(d) Agreement - if not otherwise provided for
Property Description	: Not Applicable
Area of Property	: Not Applicable
Consideration Price (Rs.)	: 0 (Zero)
First Party	: KAYTEX FABRICS LIMITED
Second Party	: SANJEEV KANDHARI
Stamp Duty Paid By	: KAYTEX FABRICS LIMITED
Stamp Duty Amount(Rs.)	: 600 (Six Hundred only)
Social Infrastructure Cess(Rs.)	: 0 (Zero)
Total Stamp Duty Amount(Rs.)	: 600 (Six Hundred only)



QE 0023221256



THIS OFFER AGREEMENT MADE AND ENTERED AT MUMBAI, MAHARASHTRA ON JANUARY 10th JAN , 2025 ("AGREEMENT") BETWEEN:

KAYTEX FABRICS LIMITED, a Company incorporated under the Companies Act, 1956 and having its Registered Office at BATALA ROAD POST OFFICE KHANNA NAGAR, AMRITSAR, 143001, Punjab, India (hereinafter referred to as "the Company"/ "the Issuer Company"/ "Issuer"/ "Kaytex Fabrics") which expression shall, unless it be repugnant to the context or meaning thereof, be deemed to mean and include its successors and permitted assigns, of the **FIRST PART**;

AND

SOCRADAMUS CAPITAL PRIVATE LIMITED, a Company registered under the Companies Act, 2013, and having its registered office at Gala No. 303, Cama Industrial Estate, Sun Mill Compound, Lower Parel, Delisle Road, Mumbai-400 013, Maharashtra, India (hereinafter referred to as the "Book Running Lead Manager" / "BRLM") which expression shall, unless it be repugnant to the context or meaning thereof, be deemed to mean and include its successors and permitted assigns of the **SECOND PART**;

AND

MR. SANJEEV KANDHARI, residing at H. No 292A, Police Line, Lawrence Road, Amritsar – 143001, Punjab (Hereinafter referred to as the "Selling Shareholder 1"), which expression shall, unless it be repugnant to the context or meaning thereof, be deemed to mean and include its successors and permitted assigns) of the **THIRD PART**;

AND

MR. AMIT KANDHARI, residing at H.No.293A, Police Line, Lawrence Road, Amritsar -143001, Punjab (Hereinafter referred to as the "Selling Shareholder 2"), which expression shall, unless it be repugnant to the context or meaning thereof, be deemed to mean and include its successors and permitted assigns) of the **FOURTH PART**;

In this Agreement, Selling Shareholder 1 and Selling Shareholder 2 are collectively referred to as "Selling Shareholders" and individually as "Selling Shareholder"

In this Agreement, the Company, the Selling Shareholders and the Book Running Lead Manager are collectively referred to as "Parties" and individually as "Party".

WHEREAS:

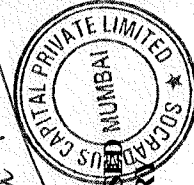
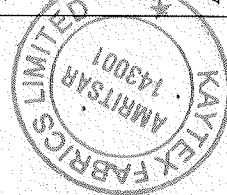
A. The Company is proposing to an initial public offer of equity shares of Rs. 10 each (the "Equity Shares") of the Company comprising a fresh issue of up to 31,99,200 Equity Shares by the Company (the "Fresh Issue") and an Offer of Sale of up to 6,79,200 Equity Shares by the Selling Shareholders (the "Offer for Sale" and together with the Fresh Issue, the "Offer") in accordance with the Companies Act (as defined herein below), SEBI ICDR Regulations (as defined herein below) and other applicable laws at such price as may be determined by the Company in consultation with the Book Running Lead Manager in accordance with the Book Building Process under the SEBI ICDR Regulations (as defined herein below), as amended from time to time at a price as may be disclosed in Prospectus filed with ROC being (the "Offer Price"). The Offer will be made (i) within India to Indian institutional investors, including QIBs, Anchor Investors, non-institutional and retail investors in reliance on Regulation S under the United States Securities Act of 1933, and (ii) outside the United States and India, in offshore transactions in reliance on Regulation S, and in each case, in compliance with applicable Indian law.

B. The Offer is being made in accordance with Chapter IX of the SEBI ICDR Regulations as amended, applicable for the issue of specified securities by Small and Medium Enterprises ("SMEs").

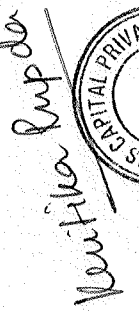
C. The Company and Selling Shareholders have approached the BRLM to manage the Offer on an exclusive basis. The BRLM has accepted the mandate in terms and conditions of its mandate letter dated June 19, 2024 with the Company (the "Mandate Letter"), subject to the terms and conditions set out therein subject to the Company entering into a Memorandum of Understanding for the purpose being these present: -

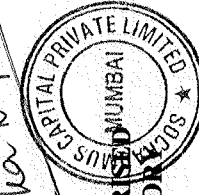
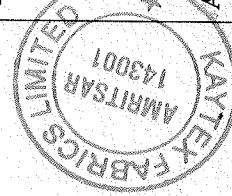
NOW, THEREFORE, the Company, the Selling Shareholders and the BRLM do hereby agree as follows: -

FOR KAYTEX FABRICS LIMITED	FOR SOCRADAMUS CAPITAL PRIVATE LIMITED	MR SANJEEV KANDHARI	MR AMIT KANDHARI
 AUTHORISED SIGNATORY	 AUTHORISED SIGNATORY	 AUTHORISED SIGNATORY	 AUTHORISED SIGNATORY



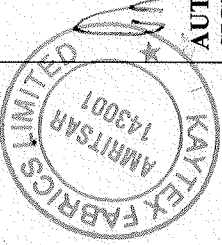
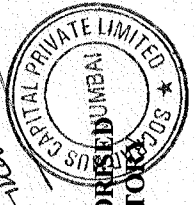
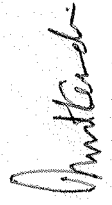
1. The Offer would be managed by the Book Running Lead Manager.
2. The Company hereby declares that it has complied with or agrees to comply with all the statutory formalities under the Companies Act, 2013, Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (“SEBI ICDR Regulations”) and other conditions, instructions and advices issued by Securities and Exchange Board of India (hereinafter referred to as “the Board”) and other relevant statutes to enable it to make the Offer. The Company also undertakes to comply with the following requirements as and where applicable before opening of the Offer:
 - a. Approval of lenders if required under the relevant documentation with such lenders, to carry out the Offer.
 - b. Necessary clearances from Government / statutory bodies / municipal authorities in relation to the Offer.
3. The present Offer has been authorized pursuant to a resolution of our Board dated December 23, 2024 and by Special Resolution passed under Section 62(1)(c) of the Companies Act, 2013 at an Extra-Ordinary General Meeting of our shareholders held as on December 27, 2024.
4. The Offer for Sale has been authorized by the Selling Shareholders by their consent letters each dated December 23, 2024.
5. The Company and the Selling Shareholders undertakes and declare that any information made available to the BRLM or any statement made in the Draft Red Herring Prospectus /Red Herring Prospectus/ Prospectus (collectively referred to as “Offer Documents”) shall be in all respects and shall be true and correct and that under no circumstances it shall give or withhold any information or statement which is likely to mislead the investors.
6. The Company also undertakes to furnish complete audited report(s) (in case of a corporate body), other relevant documents, papers, information relating to pending litigations, etc., to enable the BRLM to corroborate the information and statements given in the Offer Documents.
7. The Company accepts full responsibilities to update the information provided earlier and duly communicate to the BRLM in cases of all changes in materiality of the same subsequent to submission of the offer document to the stock exchange but prior to opening date of Offer.
8. The Company accepts full responsibility for consequences if any, for making false misleading information or withholding, concealing material facts which have a bearing on the Offer.
9. The Company shall, if so required, extend such facilities as may be called for by the BRLM to enable it to visit the plant site, office of the Company or such other place(s) to ascertain for itself the true state of affairs of the Company including the progress made in respect of the project implementation, status and other facts relevant to the Offer.
10. The Company shall extend all necessary facilities to the BRLM to interact on any matter relevant to the Offer with the solicitors/legal advisors, auditors, co-managers, consultants, advisors to the Offer, the financial institutions, banks or any other organisation, and also with any other intermediaries who may be associated with the Offer in any capacity whatsoever.
11. The Company shall ensure that all advertisements prepared and released by the Advertising Agency or otherwise in connection with the Offer, which shall also be reviewed by the Book Running Lead Manager, conform to the SEBI ICDR Regulations and the instructions given by the BRLM from time to time and that they shall not make any misleading or incorrect statements in any public communication or publicity material including corporate, product and Offer advertisements of the Company, interviews by its Promoters, Directors, duly authorised employees, representatives of the Company, documentaries about the Company or its Promoters, periodical reports and press releases issued by the Company or research report made by the Company, any intermediary concerned with the Offer or their associates or at any press, brokers' or investors' conferences.
12. The Company shall not, without prior approval of the BRLM, appoint other intermediaries (except Self Certified Syndicate Banks) or other persons associated with the Offer such as Advertising Agencies, printers, etc. for printing the application forms, allotment advises, allotment letter, share certificates / debenture certificates, refund

FOR KAYTEX FABRICS LIMITED	FOR SOCRADAMUS CAPITAL PRIVATE LIMITED	MR SANJEEV KANDHARI	MR AMIT KANDHARI
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orders/ unblocking of funds or other instruments, circulars or advices.

13. The Company and the Selling Shareholders shall, whenever required and wherever applicable, in consultation with the BRLM, enter into an agreement with the concerned intermediary associated with the Offer, clearly setting forth their mutual rights, responsibilities and obligations. A certified true copy of such agreements shall be furnished to the BRLM.
14. The Company shall take such steps as are necessary to ensure the completion of allotment and dispatch of letters of allotment and refund orders/ unblocking of funds to the applicants including non-residents Indians soon after the basis of allotment is approved by the Designated Stock Exchanges but not later than the specified time limit and in the event of failure to do so, pay interest to the applicants as provided under the Companies Act, 2013 as disclosed in the Offer Documents.
15. The Company shall take steps to pay the underwriting commission and brokerage to the underwriters and stock brokers, etc., within the time specified in any agreement with such underwriters, stock brokers, etc. or within a reasonable time.
16. The Company and the Selling Shareholders undertakes to furnish such information and particulars regarding the Offer as may be reasonably required by the BRLM to enable them to file a report with SEBI in respect of the Offer.
17. The Company shall keep the BRLM informed if it encounters any problem due to dislocation of communication system or any other material adverse circumstance which is likely to prevent or which has prevented the Company from complying with its obligations, whether statutory or contractual, in respect of the matters pertaining to allotment, dispatch of refund orders/ unblocking of funds, share certificates, debenture certificates, demat credit, etc
18. The Selling Shareholders confirm that they have, until Allotment, a good, valid and marketable title to its respective portion of the offered Equity Shares proposed to be transferred by them, and such Equity Shares shall be transferred in the Offer, free and clear from any encumbrances.
19. The Selling Shareholders have the requisite authority or capacity to enter into this Agreement and perform their obligations hereunder to transfer its respective portion of the Equity Shares held by them pursuant to the Offer, in accordance with the terms and conditions of the Offer for Sale as specified in the Offer Documents, as required under applicable law.
20. The Company shall not resort to any legal proceedings in respect of any matter having a bearing on the Offer except in consultation with the BRLM.
21. The Company shall, in consultation with the BRLM, file the Offer Document(s) with Registrar of Companies / Stock Exchanges and declare, determine the Offer Opening Date.
22. The BRLM shall have the right but not the obligation:
 - To call for details as covered under the certifications provided by the Promoters and Directors of the Company.
 - To call for any reports, documents, papers, information etc., necessary from the Company to enable it to certify that the statements made in the Offer are true and correct.
 - To withhold submission of the Draft Offer Document / Offer Document to the Stock Exchanges in case any of the particulars, information, etc., called for is not made available by the company.
23. The services rendered by the BRLM are on best efforts basis and in an advisory capacity. The BRLM shall not be held responsible for any acts or omissions by the Company.
24. The Company and the Selling Shareholders hereby indemnify and keep indemnified the BRLM, at all times from any claim or demand arising out of or in connection with or in relation to the Offer and holds the BRLM harmless, against all actions, losses, damages, claims, penalties, expenses, suits or proceedings of whatsoever nature made, suffered or incurred arising out of or based upon: (i) any untrue statement or untrue statement of a material fact contained in any of the Offer Documents (or any amendment or supplement thereto) or the omission or alleged omission to state therein a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading; or (ii) any breach of the

FOR KAYTEX FABRICS LIMITED  AUTHORISED SIGNATORY	FOR SOCRADAMUS CAPITAL PRIVATE LIMITED  AUTHORISED SIGNATORY	MR SANJEEV KANDHARI  AUTHORISED SIGNATORY	MR AMIT KANDHARI  AUTHORISED SIGNATORY
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representations, warranties or covenants contained in this Agreement. However, it is agreed that this indemnity clause shall not apply to any loss, liability, claim, damage or expense to the extent arising out of any untrue statement or omission or alleged untrue statement or omission made in reliance upon and in conformity with written information furnished to the Company by the BRLM expressly for use in the Offer Documents (or any amendment thereto).

25. The Company and the Selling Shareholders may, in consultation with the BRLM suitably defer / postpone the Offer on the happening of certain events which in the opinion of the BRLM would tend to paralyse or otherwise have an adverse impact on the political or social life or economic activity of India or any section of it and which is likely to affect the marketing of the Offer.

26. The BRLM shall have the right to withdraw from the Offer after giving appropriate notice to the Company, if the BRLM finds non-compliance of SEBI ICDR Regulations and any other major violations of the applicable laws to the Offer by the Company and

27. The Company and the Selling Shareholders shall not access the moneys raised in the Offer till finalisation of basis of allotment or completion of Offer formalities.

28. The Company and the Selling Shareholders shall refund/ unblocking of moneys raised in the Offer to the applicants if required to do so for any reason such as failing to get listing permission or under any direction or order of the Board. The Company and the Selling Shareholders shall pay requisite interest amount if so, required under the laws or direction of order of Stock Exchange.

29. Further, a separate agreement for syndication/underwriting shall be executed at later stage.

30. The BRLM represents and warrants to the Company the following:

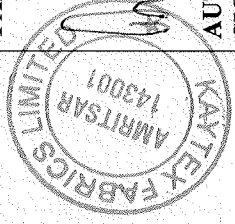
- a) this Agreement has been duly authorized, executed and delivered by it and is a valid and legally binding obligation on BRLM in accordance with the terms of this Agreement;
- b) that SEBI has granted to it a certificate of registration to act as a merchant banker in accordance with the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992 and such certificate is valid and in force;
- c) that it has not directly or indirectly, sold or will sell, made or will make offers or sales, solicited or will solicit offers to buy, or otherwise negotiated or will negotiate, in respect of any securities of the Company which is or will be "integrated" (as that term is used in Rule 502 of the Securities Act) with the sale of the Equity Shares offered in the Offer in a manner that would require registration of the Equity Shares under the Securities Act.
- d) it has not engaged or will engage in in any "directed selling efforts" (as that term is defined in Regulation S under the Securities Act) with respect to the Equity Shares offered in the Offer pursuant to Regulation S.
- e) it has neither engaged nor will engage in any form of general solicitation or general advertising (within the meaning of Rule 502(c) under the Securities Act) in connection with the offering of the Equity Shares in the United States.
- f) It acknowledges that the Equity Shares have not been and will not be registered under the 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 Securities Act and outside the United States in "offshore transactions" in reliance on Regulation S under the Securities Act and the applicable laws of the jurisdictions where such offers and sales are made.
- g) It has complied and will comply with the offering restrictions applicable in all jurisdictions in which offers of the Equity Shares offered in the Offer are made.

31. **Payment:** For Services rendered, the Company shall pay to BRLM fees as per the mandate letter dated June 19, 2024.

32. **Termination Clause:** The engagement shall be valid for a period of twenty-four months from the date of signing of the Offer Agreement and may be extended for a further period as decided between the parties.

33. Notwithstanding the above, the Offer Agreement shall terminate on the occurrence of any of the following (whichever is earlier):

a) On such a date that may be agreed among the Company & BRLM; or

 FOR KAYTEX FABRICS LIMITED	 FOR SOCRADAMUS CAPITAL PRIVATE LIMITED	 MR SANJEEV KANDHARI	 MR AMIT KANDHARI
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- b) By giving 2 months written notice by any Party thereof to the other Parties; or
- c) Withdrawal of the Offer;
- c) On the commencement of trading of the Equity Shares;
- d) Completion of a period of 12 months from the date of final observations of Stock Exchange on the Draft Red Herring Prospectus.

In case of expiry of Offer Agreement or in case the Company terminates this Offer Agreement, the amount incurred by BRLM up to the date of termination of Offer Agreement will only be considered valid.

34. Fees

GST & other taxes shall be payable extra in addition to above fees as applicable at the time of payment.

The fees shall become due and payable as soon as the above event is completed. At no stage would any of the fees be refunded or become refundable, even if the assignment is not completed for any reason whatsoever. Payments (be it fees, out-of-pocket expenses or any other amount whatsoever) after 15 days from the date of bill / due date shall attract penal charges @ 15% p.a. till the date of settlement.

In the event of any inconsistency or dispute between the terms of this Agreement and the Mandate Letter, the terms of this Agreement shall prevail.

- 35. In the event of breach of any of the conditions mentioned above, the BRLM shall have the absolute right to take such action as it may in its opinion determine including but not limited to withdrawing from the Offer. In such an event the Company will be required to reimburse all costs and expenses incurred till such date and shall be subject to clause 35.

36. Dispute Resolution

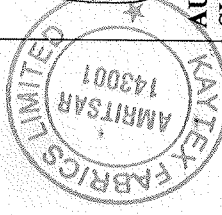
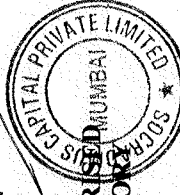
- a) In the event a dispute, controversy or claim arises out of or in relation to or in connection with the existence, validity, interpretation, implementation, termination, enforceability, breach or alleged breach of this Agreement or the Mandate Letter, including any non-contractual disputes or claims ("**Dispute**"), the parties to the Dispute ("**Disputing Parties**") shall attempt in the first instance to resolve such Dispute through amicable discussions among the Disputing Parties.

- b) If the Dispute is not resolved through amicable discussions within 7 (seven) days of commencement of discussion on the Dispute (or such longer period as the Disputing Parties may agree to in writing) then either of the Disputing Parties shall by notice in writing to each of the other Disputing Parties, refer the Dispute for resolution by binding arbitration to be conducted at Mumbai Centre for International Arbitration, in accordance with the provisions of the Arbitration and Conciliation Act, 1996, as amended ("**Arbitration Act**") and Clause 36 d) below.

- c) Any reference of the Dispute to arbitration under this Agreement shall not affect the performance of terms, other than the terms related to the matter under arbitration, by the Parties under this Agreement and the Mandate Letter.

- d) The arbitration shall be conducted as follows:

- (i) the arbitration shall be conducted under and in accordance with the Arbitration Rules of the Mumbai Centre for International Arbitration Rules ("**MCIA Rules**");
- (ii) all arbitration proceedings shall be conducted, and the arbitral award shall be rendered in the English language;
- (iii) the seat and place of the arbitration shall be Mumbai, India;
- (iv) the arbitral tribunal shall comprise of three arbitrators. Each Disputing Party shall, appoint one arbitrator and the two arbitrators shall appoint the third arbitrator. In the event that the Disputing Parties fail to appoint an arbitrator, or the arbitrators fail to appoint the third arbitrator as provided herein, such arbitrator(s) shall be appointed in accordance with the MCIA Rules; and each of the arbitrators so appointed shall have at least five years of relevant experience in the area of securities and/or commercial laws;
- (v) arbitrators shall use their best efforts to produce a final, conclusive and binding award within 12 months from the date the arbitrators enter upon reference, as prescribed under the Arbitration Act.

 FOR KAYTEX FABRICS LIMITED <i>[Signature]</i> AUTHORISED SIGNATORY	FOR SOCRADAMUS CAPITAL PRIVATE LIMITED <i>[Signature]</i>  AUTHORISED SIGNATORY	MR SANJEEV KANDHARI <i>[Signature]</i> AUTHORISED SIGNATORY	MR AMIT KANDHARI <i>[Signature]</i> AUTHORISED SIGNATORY
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The Disputing Parties shall use their best efforts to assist the arbitrators to achieve this objective. Further, in the event that despite best efforts by the Disputing Parties, the arbitration award is not passed within such initial period, the Parties agree that such period will automatically stand extended for a further period of six months, without requiring any further consent of any of the Parties in accordance with MCIA Rules;

- (vi) a person who is not a party to this Agreement shall have no right to enforce any of its terms;
- (vii) unless the arbitral tribunal directs otherwise, the Disputing Party(ies) shall bear their respective costs incurred in arbitration, including the arbitration proceedings;
- (viii) the arbitrators shall have the power to award interest on any sums awarded;
- (ix) the arbitration award shall be issued as a written statement and shall detail the facts and reasons on which it was based and shall be final, conclusive and binding on the Disputing Parties and shall be subject to enforcement in any court of competent jurisdiction;
- (x) the arbitrators may award to a Disputing Party that substantially prevails on the merits, its costs and actual expenses (including actual fees and expenses of its counsel);
- (xi) the Disputing Parties shall co-operate in good faith to expedite, the conduct of any arbitral proceedings commenced pursuant to this Agreement; and
- (xii) subject to the foregoing provisions, the courts in Mumbai shall have sole and exclusive jurisdiction in relation to proceedings, including with respect to grant of interim and/or appellate reliefs, brought under the Arbitration Act.

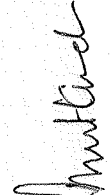
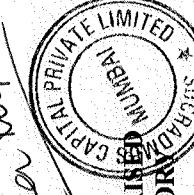
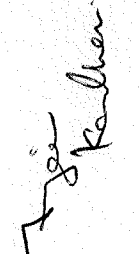
- e) In accordance with paragraph 3(b) of the SEBI master circular dated December 28, 2023 bearing reference number SEBI/HO/OIAE/OIAE_IAD-3/P/CIR/2023/195, as may be amended from time to time ("SEBI ODR Circular"), the Parties have elected to follow the dispute resolution mechanism described in clauses 36 a) and 36 d) above. In the event any Dispute involving any Party is mandatorily required to be resolved by harnessing any other form as may be prescribed under Applicable Law, the Disputing Parties agree to adhere to such mandatory procedures for resolution of the Dispute notwithstanding the option exercised by such respective Disputing Party in clause 36 a) above.

37. **Confidentiality:** All information provided by the Company and the Selling Shareholders would be kept confidential and would be used for the purpose of Due Diligence and with a view to decide on whether the same has to be disclosed in the Offer Document to conform to SEBI ICDR Regulations.

Information provided shall be used exclusively for the purpose of the transaction only.

IN WITNESS WHEREOF the parties hereto have set their hands on the day and the year hereinabove written.

WITNESS 1	WITNESS 2	WITNESS 3	WITNESS 4
Darisha Wahi 357, Gali Sattar Wadi, Katra Karam Singh, Amritsar, Punjab 143001	Laaghari Sawant 203, Rama Industrial Estate, Sun Mill Compound, Lower Parel, Delisle Road, Mumbai - 400013	Amritsar - Nos 11-12 Gali Vishal Road B.A. Road Amritsar 143001	Deben Patra Gali Sarice Binnel Baroda Road Amritsar 143001

FOR KAYTEX FABRICS LIMITED	FOR SOCRADAMUS CAPITAL PRIVATE LIMITED	MR SANJEEV KANDHARI	MR AMIT KANDHARI
 AUTHORISED SIGNATORY	 AUTHORISED SIGNATORY 	 AUTHORISED SIGNATORY	 AUTHORISED SIGNATORY