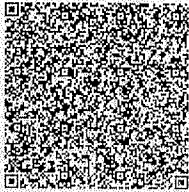


सत्यमेव जयते

INDIA NON JUDICIAL
Government of Punjab

e-Stamp

Certificate No. : IN-PB52427412514484X
Certificate Issued Date : 09-Jul-2025 01:20 PM
Certificate Issued By : pbsnjvds
Account Reference : NEWIMPACC (SV)/ pb7060004/ AMRITSAR/ PB-AS
Unique Doc. Reference : SUBIN-PB706000402742496326817X
Purchased by : ARVIND 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 LTD
Second Party : Not Applicable
Stamp Duty Paid By : KAYTEX FABRICS LTD
Stamp Duty Amount(Rs.) : 600
(Six Hundred only)
Social Infrastructure Cess(Rs.) : 0
(Zero)
Total Stamp Duty Amount(Rs.) : 600
(Six Hundred only)



SANJEEV DAVESAR
ACC PB7060004
AMRITSAR

Please write or type below this line

see below
UR

Statutory Alert:

1. The authenticity of this Stamp certificate should be verified at www.shrestamp.com or using a Stamp Mobile App or Stock Holding
2. Any discrepancy in the details on this Certificate and as available on the website / Mobile App renders it invalid.
3. The onus of checking the legitimacy is on the users of the certificate
3. In case of any discrepancy please inform the Competent Authority

IPIT 0009943274

THIS MARKET MAKING AGREEMENT MADE AND ENTERED AT MUMBAI, MAHARASHTRA ON JULY 19, 2025 BY AND AMONGST:

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, a company incorporated under the Companies Act, 2013 (hereinafter referred to as “Book Running Lead Manager” or “BRLM” and “Underwriter”) 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

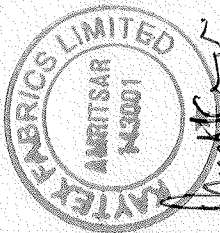
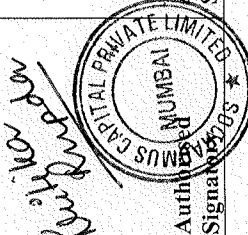
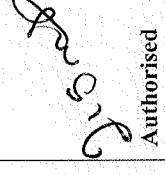
MR. AMIT KANDHARI, residing at H.No.293A, Police Line, Lawrence Road, Amritsar -143001, Punjab (Hereinafter referred to as the “Selling Shareholder 2”), which expression shall, unless it be repugnant to the context or meaning thereof, be deemed to mean and include its successors and permitted assigns)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

AND

GRETEX SHARE BROKING LIMITED, a company incorporated under the Companies Act, 1956 and having its office at Naman Midtown, A Wing, Unit 401, Senapati Bapat Marg, Near Indiabulls, Dadar West, Delisle Road Mumbai, Maharashtra, India, 400013 (hereinafter referred to as “Market Maker and Syndicate Member”) 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 **FIFTH PART**;

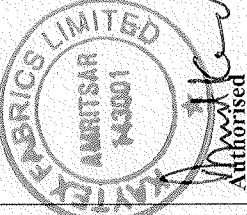
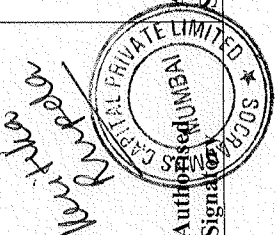
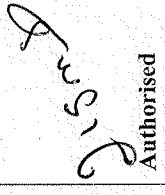
Collectively, Company referred to as the Third Part and Fourth Part hereinafter referred to as the “Selling Shareholders”.

In this Agreement, the Company, the Selling Shareholders and the Book Running Lead Manager are collectively

For Kaytex Fabrics Limited	For Socradamus Capital Private Limited	For Sanjeev Kandhari	For Amit Kandhari	For Gretex Share Broking Limited
				
Authorised Signatory	Authorised Signatory	Authorised Signatory	Authorised Signatory	Authorised Signatory

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 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 Offer of specified securities by Small and Medium Enterprises ("SMEs").
- C. The Issuer Company has obtained approval for the Offer pursuant to a resolution of our Board dated December 23, 2024. The Issuer Company passed a special resolution pursuant to Section 62(1)(c) of the Companies Act, 2013 at the Extra Ordinary General Meeting held on December 27, 2024, which collectively authorised the Company's Directors, or any other authorised representatives, for the purpose of the Offer, to offer and sign the Draft Red Herring Prospectus ("DRHP"), the Prospectus, this Agreement, the Offer Agreement, any amendments or supplements thereto, and any and all other writings as may be legally and customarily required in pursuance of the Issuing and to do all acts, deeds or things as may be required.
- D. Each of the Selling Shareholders have, severally and not jointly, authorized and consented to participate in the Offer for Sale to the extent of their respective Offered Shares, pursuant to the Board Resolution dated December 23, 2024.
- E. The Company has filed the Draft Red Herring Prospectus with SME Platform of NSE for listing of its equity shares on the NSE Emerge and have received in principle approval on May 28, 2025.
- F. The Company, the Selling Shareholders, the Book Running Lead Manager and the Underwriters have entered into an Underwriting Agreement dated July 18, 2025, pursuant to which the Underwriter has agreed to ensure full subscription to the in case of under subscription, the entire unsubscribed portion of the Net Offer as mention in prospectus the equity shares shall be arranged for subscription from its resources as per the specified timeline in that agreement and in line with the requirements of the SEBI ICDR Regulations and other applicable laws, regulations and guidelines.
- G. One of the requirements of issuing shares to the Public in accordance with the Chapter IX of the SEBI ICDR Regulations, as specified in Regulation 261(1) of the said Regulations is that the BRLM to the Offer have to ensure compulsory Market Making through the Stock Brokers of the SME Exchange in this case being the NSE Emerge) for the compulsory market making period (as defined herein).

For Kaytex Fabrics Limited	For Socradamus Capital Private Limited	For Sanjeev Kandhari	For Kandhari	For Amit Broking Limited
 Authorised Signatory	 Authorised Signatory	 Authorised Signatory	 Authorised Signatory	 Authorised Signatory

H. Gretex Share Broking Limited is a registered stock broker /trading member of NSE having Clearing No. 90287 and SEBI registration number INZ000166934 is also registered as a Market Maker (Registration Number SME NSE/MEM/1086/09098) of the NSE SME Segment.

I. The Issuer Company has approached Gretex Share Broking Limited for being appointed as Market Maker for this Initial Public Offer and Gretex Share Broking Limited has accepted such proposal. The company has understood the preliminary arrangements in place and has agreed to such appointment and these parties have now therefore agreed to enter into this agreement for the relevant business.

NOW THEREFORE IT IS HEREBY AGREED BY AND AMONG THE PARTIES HERETO US FOLLOWS:

1. DEFINITIONS AND INTERPRETATIONS

1.1. In addition to the defined terms contained elsewhere in this Agreement, the following expressions, as used in this Agreement, shall have the respective meanings set forth below:

“**Affiliate**” with respect to a specified person, shall mean any other person that directly, or indirectly through one or more intermediaries, controls or is controlled by, or is under common control with, the specified person.

“**Allotment**” shall mean the Offer and allotment of Equity Shares pursuant to the Offer. “Agreement” shall mean this agreement or any other agreement as specifically mentioned.

“**Applicant**” shall mean any prospective purchaser who has made an Application in accordance with the 'Draft Red Herring Prospectus and/or the Red Herring Prospectus.

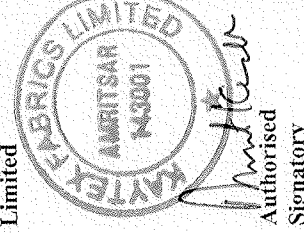
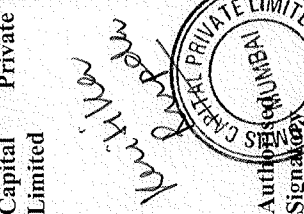
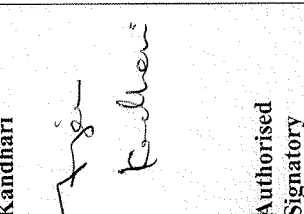
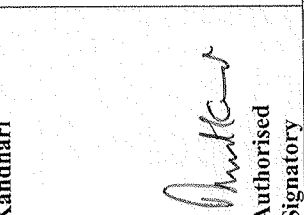
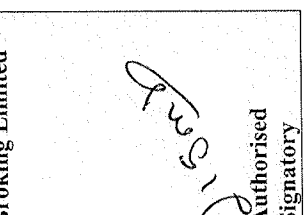
“**Application**” shall mean an indication to make an offer during the Application Period by a prospective investor to subscribe to the Offer Shares at the Offer Price, including all revisions and modifications thereto.

“**BRLM**” shall have the meaning given to such term in the preamble to this Agreement and “BRLM” shall mean the Book Running Lead Manager to the Offer, or Socradamus Capital Private Limited.

“**Companies Act**” shall mean the Indian Companies Act, 1956 and Companies Act, 2013, as amended from time to time

“**Compulsory Market Making Period**” shall mean the Market Making period as prescribed by Regulation 261 of the SEBI ICDR Regulations. However, it has been provided that in terms of Regulation 277 of the SEBI ICDR Regulations, that a company may migrate to the Main Board (in this case being the Main Board of NSE limited) and hence for the purpose of this agreement, when a company migrates to the main board, there is no requirement of “Market Making” and hence the compulsory Market Making period would be cut short to that extent.

“**Controlling**”, “**Controlled by**” or “**Control**” shall have the same meaning ascribed to the term “control” under the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011. or as amended.

For Kaytex Fabrics Limited	For Socradamus Capital Private Limited	For Sanjeev Kandhari	For Amit Kandhari	For Gretex Share Broking Limited
 Amit Kandhari Authorised Signatory	 Sanjeev Kandhari Authorised Signatory	 Amit Kandhari Authorised Signatory	 Amit Kandhari Authorised Signatory	 Amit Kandhari Authorised Signatory

“**Controlling Person(s)**” with respect to a specified person, shall mean any other person who Controls such specified person.

“**Draft Red Herring Prospectus**” shall mean the Draft Red Herring Prospectus of the Company which is filed With NSE in accordance with Section 26 and 28 of the Companies Act, 2013 for getting approval.

“**Fresh Issue**” shall mean offer of upto 31,99,200 equity shares having face value of Rs.10 each (the “**Equity Shares**”) in accordance to SEBI ICDR Regulations, (as defined herein) and applicable Indian Securities Laws at an Offer Price as disclosed in prospectus.

“**Indemnified Party**” shall have the meaning given to such term in this Agreement.

“**Indemnifying Party**” shall have the meaning given to such term in this Agreement.

“**Individual Bidders**” shall mean individual applicants who have applied for the Equity Shares for a minimum bid size of two lots wherein the amount exceeds more than ₹2.00 lakhs in any of the Bidding options in the Offer (including HUFs applying through their *Karta* and Eligible NRIs and does not include NRIs other than Eligible NRIs).

“**Listing Date**” shall mean the date with effect from which the shares issued through this Offer being made by Kaytex Fabrics Limited are permitted for trading by the NSE Emerge.

“**Marker Maker**” shall mean any person who is registered as a Market Maker with the NSE Emerge.

“**Market Maker Reservation Portion**” shall mean the reserved portion for the Designated Market Maker as disclosed in Prospectus.

“**Material Adverse Effect**” shall mean, individually or in the aggregate, a material adverse effect on the condition, financial or otherwise, or in the earnings, business, management, operations or prospects of the Company and its subsidiaries, taken as a whole,

“**Net Offer**” shall mean the Offer of equity shares, shares to be offered in this Offer comprise a Net Offer to the public as mention in Prospectus.

“**Non-Institutional Bidders**” shall mean all applicants that are not QIBs or Individual Applicants and who have applied for Equity Shares for an amount more than two lots (but not including NRIs other than Eligible NRIs).

“**NSE Emerge**” shall mean SME Platform of NSE.

“**Offer Agreement**” shall mean the agreement entered between the Company, the Selling Shareholders and Lead Manager.

“**Offer Price**” means the price at which Equity Shares will be offered and allotted by the Issuer, as may be decided by the Company in consultation with Book Running Lead Manager.

For Kaytex Fabrics Limited  Authorised Signatory	For Socradamus Capital Private Limited  Authorised Signatory	For Sanjeev Kandhari  Authorised Signatory	For Amit Kandhari  Authorised Signatory	For Gretex Share Broking Limited  Authorised Signatory
---	---	--	--	---

“Offer for Sale” shall mean an offer for sale by the Selling Shareholders of up to 6,79,200 Equity Shares of Rs. 10/- each by the Selling Shareholder.

“Party” or “Parties” shall have the meaning given to such terms in the preamble to this Agreement.

“Qualified Institutional Buyers” or “QIBs” shall have the meaning given to such term under the SEBI ICDR Regulations, and includes public financial institutions as specified in Section 4A of the Companies Act, 1956, scheduled commercial banks, mutual funds registered with SEBI, state industrial development corporations, insurance companies registered with the Insurance Regulatory and Development Authority, provident funds with minimum corpus of Rs.250 million and pension funds with minimum corpus of Rs.250 million;

“Red Herring Prospectus” shall mean the Red Herring Prospectus of the Company which will be filed with NSE / SEBI/ ROC and others in accordance with Section 26 and 28 of the Companies Act, 2013 after getting approval letter but before opening the Offer.

“SEBI” shall mean the Securities and Exchange Board of India.

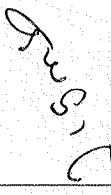
“SEBI ICDR Regulations” shall mean the SEBI (Issue of Capital and Disclosure Requirements) Regulations 2018, as amended and as applicable to the Offer.

“Stock Exchange” shall mean NSE Emerge.

“Underwriters” shall mean Socradamus Capital Private Limited.

1.2. In this Agreement, unless the context otherwise requires:

- a) words denoting the singular shall include the plural and vice versa;
- b) words denoting a person shall include an individual, corporation, company, partnership, trust or other entity;
- c) headings and bold typeface are only for convenience and shall be ignored for the purposes of interpretation;
- d) references to the word “include” or “including” shall be construed without limitation;
- e) references to this Agreement or to any other agreement, deed or other instrument shall be construed as a reference to such agreement, deed, or other instrument as the same may from time to time be amended, varied, supplemented or noted;
- f) reference to any party to this Agreement or any other agreement or deed or other instrument shall, in the case of an individual, include his or her legal heirs, executors or administrators and, in any other case, include its successors or permitted assigns;

For Kaytex Fabrics Limited	For Socradamus Capital Private Limited	For Sanjeev Kandhari	For Amit Kandhari	For Gretex Share Broking Limited
 Authorized Signatory	 Authorized Signatory	 Authorized Signatory	 Authorized Signatory	 Authorized Signatory

- g) a reference to an article, section, paragraph or schedule is, unless indicated to the contrary, a reference to an article, section, paragraph or schedule of this Agreement;
- h) reference to a document includes an amendment or supplement to, or replacement or notation of, that document; and
- i) terms used in this Agreement and not specifically defined herein shall have the meanings given to such terms in the Underwriting Agreement, Draft Red Herring Prospectus and the Red Herring Prospectus as the context requires.

1.3. The Parties acknowledge and agree that the Schedules attached hereto form an integral part of this Agreement.

2. MARKET MAKING

2.1. On the basis of the representations and warranties contained in this Agreement and subject to the terms and conditions herein, the Market Maker hereby agrees to subscribe to 1,94,400 equity shares being the market maker reservation portion as specified in the Draft Red Herring Prospectus and Red Herring Prospectus, on a firm basis and pay the amounts as are specified in the Draft Red Herring Prospectus and Prospectus. The Market Maker agrees not to withdraw its application.

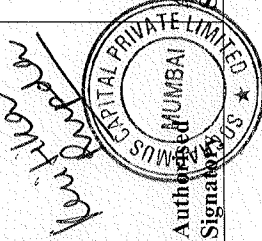
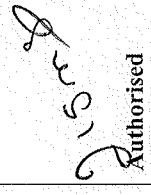
2.2. The Market Maker shall be required to provide a 2-way quote for 75% of the time in a day. The same shall be monitored by the Stock Exchange. The spread (difference between the sell and buy quote) shall not be more than 10% or as specified by the Stock Exchange from time to time. Further, the Market Maker shall inform the exchange in advance for each and every black out period when the quotes are not being issued by the Market Maker.

2.3. The prices quoted by the Market Maker shall be in compliance with the Market Maker Spread requirements and other particulars as specified or as per the requirements of NSE and SEBI from time to time.

2.4. The minimum depth of the quote shall be ₹1,00,000. However, the investors with holdings of value less than ₹1.00 Lakh shall be allowed to Offer their holding to the Market Maker in that scrip provided that he sells his entire holding in that scrip in one lot along with a declaration to the effect to the selling broker. Based on the IPO price per share as disclosed in the Prospectus, the minimum application lot size shall be as disclosed in the Prospectus thus minimum depth of the quote shall be such, until the same would be revised by NSE.

2.5. After a period of three (3) months from the market making period, the market maker would be exempted to provide quote if the Equity Shares of market maker in our Company reaches to 15%. Or upper limit (Including the 5% of Equity Shares ought to be allotted under this Offer). Any Equity Shares allotted to Market Maker under this Offer over and above 15% equity shares would not be taken into consideration of computing the threshold of 15%. As soon as the Shares of market maker in our Company reduce to 14%, the market maker will resume providing 2-way quotes.

2.6. There shall be no exemption/threshold on downside. However, in the event the market maker exhausts his

For Kaytex Fabrics Limited	For Socradamus Capital Private Limited	For Sanjeev Kandhari	For Amit Kandhari	For Gretex Share Broking Limited
				
Authorised Signatory	Authorised Signatory	Authorised Signatory	Authorised Signatory	Authorised Signatory

inventory through market making process, the concerned stock exchange may intimate the same to SEBI after due verification.

2.7. On the first day of the listing, there will be pre-opening session (call auction) and there after the trading will happen as per the equity market hours. The circuits will apply from the first day of the listing on the discovered price during the pre-open call auction. The securities of the company will be placed in Special Pre-Open Session (SPOS) and would remain in Trade for Trade settlement for 10 days from the date of listing of Equity shares on the Stock Exchange.

2.8. There will be special circumstances under which the Market Maker may be allowed to withdraw temporarily/fully from the market for instance due to system problems, any other problems. All controllable reasons require prior approval from the Exchange, while force-majeure will be applicable for non-controllable reasons. The decision of the Exchange for deciding controllable and non-controllable reasons would be final.

2.9. The Inventory Management and Buying/Selling Quotations and its mechanism shall be as per the relevant circulars issued by SEBI and NSE from time to time. Execution of the order at the quoted price and quantity must be guaranteed by the Market Maker, for the quotes given by them.

2.10. There would not be more than five Market Makers for the Company's Equity Shares at any point of time and the Market Makers may compete with other Market Makers for better quotes to the investors.

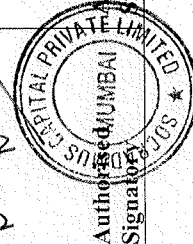
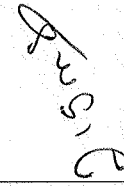
2.11. The shares of the company will be traded in continuous trading session from the time and day the company gets listed on NSE Emerge and market maker will remain present as per the guidelines mentioned under NSE and SEBI circulars.

2.12. There will be special circumstances under which the Market Maker may be allowed to withdraw temporarily / fully from the market – for instance due to system problems, any other problems. All controllable reasons require prior approval from the Exchange, while force-majeure will be applicable for non-controllable reasons. The decision of the Exchange for deciding controllable and non-controllable reasons would be final.

2.13. The price band shall be 20% and the Market Maker Spread (difference between the sell and the buy quote) shall be within 10% or as intimated by Exchange from time to time.

2.14. The Market Maker shall have the right to terminate said arrangement by giving one month notice or on mutually acceptable terms to the Company, who shall then be responsible to appoint a replacement Market Maker.

2.15. In case of termination of the abovementioned Market Making Agreement prior to the completion of the compulsory Market Making period, it shall be the responsibility of the Company to arrange for another Market Maker(s) in replacement during the term of the notice period being served by the Market Maker but prior to the date of releasing the existing Market Maker from its duties in order to ensure compliance with the requirements of Regulation 261 of the SEBI ICDR Regulations. Further, the Company reserve the right to appoint other Market Maker(s) either as a replacement of the current Market Maker or as an additional Market Maker subject to the total number of Designated Market Makers does not exceed 5 (five) or as specified by the relevant laws and regulations applicable at that particular point of time.

For Kaytex Fabrics Limited	For Socradamus Capital Private Limited	For Sanjeev Kandhari	For Amit Kandhari	For Gretex Share Broking Limited
 Authorised Signatory	 Authorised Signatory	 Authorised Signatory	 Authorised Signatory	 Authorised Signatory

2.16. Risk containment measures and monitoring for Market Maker: NSE will have all margins which are applicable on the Main Board viz., Mark-to-Market, Value-At-Risk (VAR) Margin, Extreme Loss Margin, Special Margins and Base Minimum Capital etc. NSE can impose any other margins as deemed necessary from time-to-time.

2.17. Punitive Action in case of default by Market Maker: NSE will monitor the obligations on a real time basis and punitive action will be initiated for any exceptions and / or non-compliances. Penalties / fines may be imposed by the Exchange on the Market Maker; in case he is not able to provide the desired liquidity in a particular security as per the specified guidelines. These penalties / fines will be set by the Exchange from time to time. The Exchange will impose a penalty on the Market Maker in case he is not present in the market (issuing two-way quotes) for at least 75% of the time. The nature of the penalty will be monetary as well as suspension in market making activities / trading membership. The Department of Surveillance and Supervision of the Exchange would decide and publish the penalties / fines / suspension for any type of misconduct / manipulation / other irregularities by the Market Maker from time to time.

2.18. Price Band and Spreads: SEBI Circular bearing reference no: CIR/MRD/DP/ 02/2012 dated January 20, 2012, has laid down that for Offer size up to ₹ 250 crores, the applicable price bands for the first day shall be:

1. In case equilibrium price is discovered in the Call Auction, the price band in the normal trading session shall be 5% of the equilibrium price.

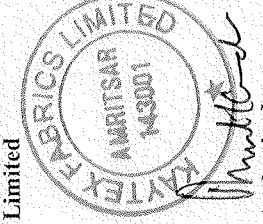
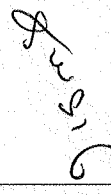
2. In case equilibrium price is not discovered in the Call Auction, the price band in the normal trading session shall be 5% of the Offer price.

Additionally, the trading shall take place in TFT segment for first 10 days from commencement of trading. The price band shall be 20% and the Market Maker Spread (difference between the sell and the buy quote) shall be within 10% or as intimated by Exchange from time to time.

The following spread will be applicable on the NSE Emerge:

Sr. No.	Market Price Slab (in ₹)	Proposed spread (in % to sale price)
1.	Up to 50	9
2.	50 to 75	8
3.	75 to 100	6
4.	Above 100	5

2.19. Pursuant to SEBI Circular number CIR/MRD/DSA/31/2012 dated November 27, 2012, limits on the upper side for Market Maker during market making process has been made applicable, based on the Offer size and as follows:

For Kaytex Fabrics Limited	For Socradamus Capital Private Limited	For Sanjeev Kandhari	For Kandhari	Amit	For Gretex Share Broking Limited
 Authorised Signatory	 Authorised Signatory	 Authorised Signatory	 Authorised Signatory	 Authorised Signatory	 Authorised Signatory

Offer Size	Buy quote exemption threshold (Including mandatory inventory of 5% of the Offer Size)	Re-Entry threshold for buy quote (Including mandatory initial inventory of 5% of the Offer Size)
Up to ₹20 Crore	25%	24%
₹20 Crore to ₹50 Crore	20%	19%
₹50 Crore to ₹80 Crore	15%	14%
Above ₹80 Crore	12%	11%

2.20. The Market Making arrangement, trading and other related aspects including all those specified above shall be subject to the applicable provisions of law and / or norms issued by SEBI/ NSE from time to time.

2.21. All the above-mentioned conditions and systems regarding the Market Making Arrangement are subject to change based on changes or additional regulations and guidelines from SEBI and Stock Exchange from time to time.

3. REPRESENTATIONS AND WARRANTIES BY THE MARKET MAKER

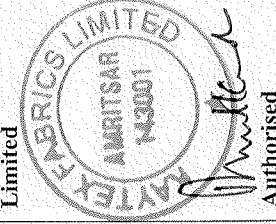
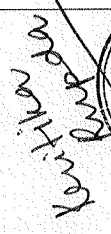
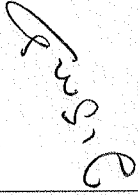
3.1. In addition to any representations of the Market Maker under the Market Making Agreement or the documents filed with the NSE Emerge, the Market Maker hereby represents and warrants that:

- it has taken all necessary actions to authorize the signing and delivery of this Agreement;
- the signing and delivery of this Agreement and the compliance with this Agreement does not violate any law, rule, regulation or agreement, document or instrument binding on or applicable to the Market Maker;
- it will comply with all of its respective obligations set forth in this Agreement;
- it shall ensure compliance with the applicable laws and rules laid down by SEBI and the NSE Emerge with respect to Market Making in general and Market Making in the Equity Shares of the Issuer Company in specific;
- it shall follow fair trade practices and abide by the code of conducts and ethics standards specified by SEBI, Stock Exchanges and other related associations from time to time;

3.2. The Market Maker acknowledges that, it is under a duty to notify the Book Running Lead Manager and the NSE Emerge, immediately in case it becomes aware of any breach of a representation or a warranty.

4. REPRESENTATIONS AND WARRANTIES BY THE BOOK RUNNING LEAD MANAGER

4.1. In addition to any representations of the Book Running Lead Manager under the Due Diligence Certificate and Underwriting Agreement, the Book Running Lead Manager hereby represents and warrants that:

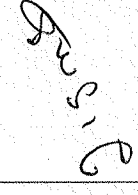
For Kaytex Fabrics Limited	For Socradamus Capital Private Limited	For Sanjeev Kandhari	For Amit Kandhari	For Gretex Share Broking Limited
 AMRITSAR 143001 KAYTEX FABRICS LIMITED	 Socradamus Capital Private Limited	 Sanjeev Kandhari	 Amit Kandhari	 Gretex Share Broking Limited
Authorised Signatory	Authorised Signatory	Authorised Signatory	Authorised Signatory	Authorised Signatory

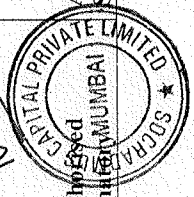
- a) it has taken all necessary actions to authorize the signing and delivery of this Agreement;
 - b) the signing and delivery of this Agreement and the compliance with this agreement does not violate any law, rule, regulation or agreement, document or instrument binding on or applicable to the Book Running Lead Manager;
 - c) it will comply with all of its respective obligations set forth in this Agreement;
 - d) it shall ensure compliance with the applicable laws and rules laid down by SEBI and the NSE EmERGE with respect to its role of the Book Running Lead Manager in the Market Making process in general and Market Making process in the Equity Shares of the Issuer Company in specific;
 - e) it shall follow fair trade practices and abide by the code of conduct and ethics standards specified by SEBI, Stock Exchange and related associations from time to time.
- 4.2. The Book Running Lead Manager acknowledges that it is under a duty to notify the Market Maker and the NSE EmERGE immediately in case it becomes aware of any breach of a representation or a warranty.

5. REPRESENTATIONS AND WARRANTIES BY THE ISSUER COMPANY AND SELLING SHAREHOLDERS

In addition to any representations of the Issuer Company and Selling Shareholders under the Draft Red Herring Prospectus, Red Herring Prospectus and Underwriting Agreement, the Issuer Company and Selling Shareholder hereby represents and warrants that:

- a) The issuer company and Selling Shareholders has taken all necessary actions to authorize the signing and delivery of this Agreement;
- b) The signing and delivery of this Agreement and the compliance with this agreement does not violate any law, rule, regulation or agreement, document or instrument binding on or applicable to the Issuer Company and Selling Shareholders;
- c) The Issuer company and the Selling Shareholders shall comply with all of its respective obligations set forth in this Agreement;
- d) The issuer company shall ensure compliance with the applicable laws and rules laid down by SEBI and NSE EmERGE with respect to its role of the Issuer Company in the Market Making process in general and Market Making process in the Equity Shares of the Issuer Company in specific;
- e) The Selling Shareholders shall ensure compliance with the applicable laws and rules laid down by SEBI and NSE EmERGE with respect to Market Making process in the Equity Shares offered for offer for sale by Selling shareholders;

For Kaytex Fabrics Limited	For Socradamus Capital Private Limited	For Sanjeev Kandhari	For Amit Kandhari	For Gretex Share Broking Limited
 Amit Kandhari	 Sanjeev Kandhari	 Amit Kandhari	 Amit Kandhari	 Amit Kandhari
Authorised Signatory	Authorised Signatory	Authorised Signatory	Authorised Signatory	Authorised Signatory

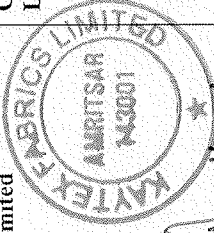
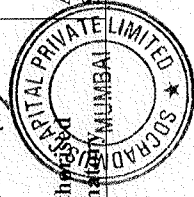
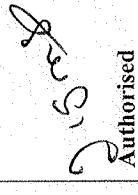


- f) The Issuer company shall follow fair trade practices and abide by the code of Conducts and ethics standards specified by SEBI, Stock Exchange and related associations from time to time;
- g) The Issuer company shall comply with the listing agreement and the provisions of the SEBI Act and the Regulations made there under as applicable.

6. CONDITIONS TO THE MARKET MAKER OBLIGATIONS

The obligations of the Market Maker under this Agreement are subject to the following conditions:

- a) Subsequent to the execution and delivery of this Agreement and prior to the Listing Date there shall not have occurred any regulatory change, or any development involving a prospective regulatory change or any order or directive from SEBI, the NSE Emerge or any other governmental, regulatory) or judicial authority that, in the judgment of the Market Maker, is material and adverse and that makes it, in the judgment of the Market Maker, impracticable to carry out market making.
- b) The representations and warranties of the Book Running Lead Manager, Issuer Company and Selling Shareholders contained in this Agreement shall be true and correct on and as of the Listing Date and both these parties shall have complied with all the conditions and obligations under this Agreement and the Underwriting Agreement on its part to be performed or satisfied on or before the Listing Date.
- c) The Market Maker shall have received evidence satisfactory to them that the Equity Shares have been granted final listing approval by the NSE Emerge and that such approvals are in full force and effect as of the Listing Date.
- d) Prior to the Listing Date, the Issuer Company shall have furnished to the Market Maker such further information, certificates, documents and materials as the Market Maker shall reasonably request in writing.
- e) Subsequent to the Listing Date and without having served the notice period required to terminate this agreement, the Market Maker shall not be released from its obligations in any situation, except for technical failure or Force Majeure Event. In case of technical failure or force majeure event occurring due to the Market Maker's own system, the Market Maker shall inform the Book Running Lead Manager, Selling Shareholder, Issuer Company and the SME Platform of NSE Emerge immediately and take necessary actions to correct this failure upon discovery.
- f) If any condition specified in Section 6.1 shall not have been fulfilled when and as required to be fulfilled, this Agreement may be terminated by the Market Maker by written notice of 3 months or on mutually agreed terms with the Issuer Company at any time on or prior to the Listing Date; provided, however, that this Section 6.2, Sections 4, 5, 6.3, 7, 9, 10 11, 12, 13, 14, 15, 16, 17, 18, 19 and 20 shall survive the termination of this Agreement.
- g) In case of termination of the agreement prior to the completion of the compulsory Market Making period, it shall be the responsibility of the Book Running Lead Manager to arrange for another Market Maker in replacement during the term of the notice period being served by the Market Maker but prior to the date of

For Kaytex Fabrics Limited	For Socradamus Capital Private Limited	For Sanjeev Kandhari	For Amit Kandhari	For Gretex Share Broking Limited
  Authorised Signatory	  Authorised Signatory	 Authorised Signatory	 Authorised Signatory	 Authorised Signatory

releasing the existing Market Maker from its duties in order to encincture compliance with the requirements of regulation 261 of the SEBI ICDR Regulations. In such a case, revised agreement like this one shall have to be entered into and this too shall be the responsibility of the Book Running Lead Manager. However, certain terms and conditions may be modified on mutual consent of the Company and the Book Running Lead Manager, subject to such modifications being legal and allowed under the then applicable laws, rules and regulations.

7. MARKET MAKING FEES AND OTHER RELATED ARRANGEMENTS

7.1. The Issuer Company shall pay to Market Maker the fees and commissions as per Schedule A in respect of the obligations undertaken by the Market Maker to ensure that there is an active Market Making in the Equity Shares of the Issuer Company as required under the SEBI ICDR Regulations. Such aggregate fees shall be divided in the manner set forth in Schedule A and will be paid to the Market Maker or such other persons, as may be applicable as directed by the Book Running Lead Manager from time to time.

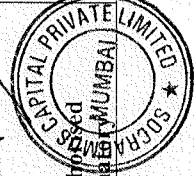
7.2. The Issuer Company shall not bear any other expenses or losses, if any, incurred by the Book Running Lead Manager or the Market Maker in order to fulfill their respective Obligations, except for the fees/commissions etc. mentioned in Schedule A of this Agreement.

7.3. Provided further that together with annual Market Making fees, the Market Maker may demand for an interest free good faith deposit from the Company up-to Rs. 50 lakhs. The Company hereby agrees to provide the same. Provided further that, such an interest free good faith deposit shall remain refundable and shall have to be refunded, upon returning the said Market Maker from its duties.

8. INDEMNITY

a) The Book Running Lead Manager & Market Maker shall indemnify and keep indemnified the Issuer Company and Selling Shareholders (each, an "**Indemnified Party**") from and against any and all losses, liabilities, costs, claims, charges, actions, proceedings, damages, expenses or demands which they (or any of them) incur or which is made against them (or any of them) as a result of or arising out of, or in relation to the Offer subscription, trading, liquidity and failure to make minimum market requirement from time to time. Provided however that the Book Running Lead Manager & Market Maker will not be liable to the Issuer Company and Selling Shareholders to the extent that any loss, claim, damage or liability is found in a judgment by a court to have resulted solely and directly from the Issuer Company and Selling Shareholders, as the case may be, bad faith or gross negligence or willful Misconduct, illegal or fraudulent acts, in performing the services under this Agreement. Such indemnity will extend to include all reasonable costs, charges and expenses that such Indemnified Party may pay or incur in disputing or defending any such loss, liability, cost, claim, charge, demand or action or other proceedings.

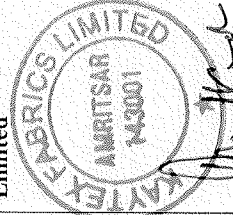
b) The Issuer Company and Selling Shareholders shall indemnify and keep indemnified, the Book Running Lead Manager, Underwriters and Market Makers for its own account and their respective Affiliates and all the respective directors, officers, employees, professionals, duly authorized agents and Controlling Persons (each, an "**Indemnified Party**") from and against any and all losses, liabilities, costs, claims, charges,

For Kaytex Fabrics Limited	For Socradamus Capital Private Limited	For Sanjeev Kandhari	For Kandhari	Amit	For Gretex Share Broking Limited
  Authorized Signatory	  Authorized Signatory	  Authorized Signatory	 Authorized Signatory		 Authorized Signatory

actions, proceedings, damages, expenses or demands which they (or any of them) incur or which is made against them (or any of them) as a result of or arising out of, or in relation to, any misrepresentation or alleged misrepresentation of a material fact contained in the Draft Red Herring Prospectus and Red Herring Prospectus or omission or alleged omission there from of a material fact necessary in order to make the statements therein in light of the circumstances under which they were made not misleading, or which are determined by a court or arbitral tribunal of competent jurisdiction to have resulted from any bad faith, dishonesty, illegal or fraudulent acts or the willful default or gross negligence on the part of the Company. Such indemnity will extend to include all reasonable costs, charges and expenses that such Indemnified Party may pay or incur in disputing or defending any such loss, liability, cost, claim, charge, demand or action or other proceedings. Provided however that the Issuer Company will not be liable to the Book Running lead manager, underwriters & market maker to the extent that any loss, claim, damage or liability is found in a judgment by a court to have resulted solely and directly from the Underwriters, as the case may be, bad faith or gross negligence or willful Misconduct, illegal or fraudulent acts, in performing the services under this Agreement.

9. TERMINATION

- 9.1 The Market Maker or company shall be allowed to terminate this agreement by giving a written notice to the Book Running Lead Manager one month prior to the date from which it wishes to discontinue its services. Provided however that, if the Book Running Lead Manager agrees to the same, the notice period may be reduced in order to provide mutual comfort. Provided further that, the Market Maker may be replaced with a successor Market Maker, which is acceptable to National Stock Exchange of India Limited, the Book Running Lead Manager and the Issuer Company from time to time.
- 9.2 Notwithstanding the indemnity concerning the Book Running Lead Manager in Section 8 above, the Book Running Lead Manager may terminate this agreement with immediate effect in case of a material event pertaining to the Market Maker, which in view of the Book Running Lead Manager, affects the ability of the Market Maker to carry out his obligations or negatively affects the goodwill of the Issuer Company.
- 9.3 The Book Running Lead Manager agrees to consult with the Market Maker, to the extent practicable, prior to exercising its right to terminate this Agreement on the occurrence of a Material event as specified above, it being acknowledged by the Market Maker that the exercise of the right to terminate this Agreement on such an occurrence is at the absolute discretion of the Book Running Lead Manager.
- 9.4 The provisions of Sections 4, 5, 7, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22 and 23 shall survive the termination of this Agreement.
- 9.5 In case of termination of the agreement prior to the completion of the compulsory Market Making period, it shall be the responsibility of the Book Running Lead Manager to arrange for another Market Maker in replacement during the term of the notice period being served by the Current Market Maker but prior to the date of releasing the existing Market Maker from its duties in order to ensure compliance with the requirements of regulation 261 (1) of the SEBI ICDR Regulations, as amended. In such a case, revised agreement like this one shall have to be entered into and this too shall be the responsibility of the Book

For Kaytex Fabrics Limited	For Socradamus Capital Private Limited	For Sanjeev Kandhari	For Kandhari	For Amit	For Gretex Share Broking Limited
  Authorised Signatory	  Authorised Signatory	  Authorised Signatory	 Authorised Signatory	 Authorised Signatory	

Running Lead Manager. However, certain terms and conditions may be modified on mutual consent of the Issuer Company and the Book Running Lead Manager, subject to such modifications being legal and allowed under the then applicable laws, rules and regulations.

10. NOTICES

Any notice or other communication given pursuant to this Agreement must be in writing and (a) delivered personally, (b) sent by facsimile or other similar' facsimile transmission, (c) or sent by registered mail, postage prepaid, address of the party specified in the recitals to this Agreement, or to such fax number as may be designated in writing by such Party. All notices and other communications required or permitted under this Agreement that are addressed as provided in this Section 10 will (i) if delivered personally or by overnight courier, be deemed given upon delivery; (ii) if delivered by facsimile or similar facsimile transmission, be deemed given when electronically confirmed; and (iii) if sent by registered mail, be deemed given when received.

If to the Company:

Kaytex Fabrics Limited

Name: Amit Kandhari

Batala Road, Post Office Khanna Nagar,

Amritsar – 143 001, Punjab, India

Tel. No.: 0183 – 400 9025

Designation: Whole Time Director & CFO

E-mail: info@kaytexfabrics.com

If to the Book Running Lead Manager and Underwriter:

Socradamus Capital Private Limited

Name: Kritika Rupda

Gala No. 303, Cama Industrial Estate,

Sun Mill Compound, Delisle Road, Lower Parel (West),

Mumbai – 400 013, Maharashtra, India

Designation: Director

Tel No.: 022 – 4961 4235

E-mail: info@socradamus.in

If notices to the Selling Shareholders:

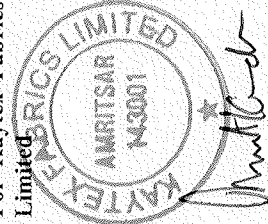
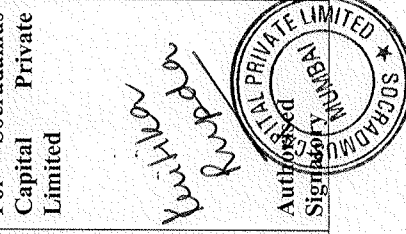
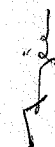
Name: Sanjeev Kandhari

Batala Road, Post Office Khanna Nagar,

Amritsar – 143 001, Punjab, India

Tel. No.: 0183 – 400 9025

E-mail: info@kaytexfabrics.com

For Kaytex Fabrics Limited	For Socradamus Capital Private Limited	For Sanjeev Kandhari	For Amit Kandhari	For Gretex Share Broking Limited
				
Authorised Signatory	Authorised Signatory	Authorised Signatory	Authorised Signatory	Authorised Signatory

If to the Market Maker:

Gretex Share Broking Limited

Name: Jignesh Lathigra
Naman Midtown, A Wing, Unit 401,
Senapati Bapat Marg, Near Indiabulls, Dadar West,
Delisle Road Mumbai, Maharashtra, India, 400013
Tel No.: 022 – 6930 8500
Email: compliance@gretexbroking.com

11. TIME IS THE ESSENCE OF AGREEMENT

All obligations of the Company, the Market Maker and the Underwriters, are subject to the condition that time wherever stipulated, shall be of the essence of the Agreement. Consequently, any failure on the part of the Company or the Underwriters to adhere to the time limits shall unless otherwise agreed between the Company and the Underwriters, discharge the Underwriters or Company of his / their obligations under the Underwriting Agreement. This agreement shall be in force from the date of execution.

12. SEVERAL OBLIGATIONS

The Company, the Selling Shareholders, the Market Maker and the Book Running Lead Manager acknowledges and agrees that they are all liable on a several basis to each other in respect of the representations, warranties, indemnities, undertakings and other obligations given, entered into or made by each of them in this Agreement.

13. MISCELLANEOUS

The Agreement shall be binding on and inure to the benefit of the Parties hereto and their respective successors. The Market Maker shall not assign or transfer any of its respective rights or obligations under this Agreement or purport to do so without the consent of the Book Running Lead manager and Company. The Book Running Lead Manager shall not assign or transfer any of their respective rights or obligations under this Agreement or purport to do so without the consent of the Market Maker and Company.

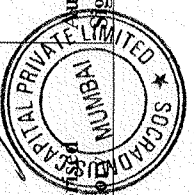
14. GOVERNING LAW AND JURISDICTION

This Agreement shall be governed by and construed in accordance with the laws of the Republic of India.

15. ARBITRATION

If any dispute, difference or claim arises between the Parties (the “Disputing Parties”) hereto in connection with the validity, interpretation, implementation or alleged breach of the terms of this Agreement or anything done or omitted to be done pursuant to this Agreement, the Disputing Parties shall attempt in the first instance to resolve the same through negotiation. If the dispute is not resolved through negotiation within fifteen business days after a written request by any Disputing Party to commence discussions (or such longer period as the Disputing Parties may agree in

For Kaytex Fabrics Limited  Authorized Signatory	For Socradamus Capital Private Limited  Authorized Signatory	For Sanjeev Kandhari  Authorized Signatory	For Amit Kandhari  Authorized Signatory	For Gretex Share Broking Limited  Authorized Signatory
---	---	--	--	---



writing) then the dispute shall be referred for final resolution to a sole arbitrator. The arbitrator shall be appointed by agreement between the Disputing Parties within 10 business days after a written notice served by any of them proposing a named arbitrator, or, if there is no such agreement, the disputes will be referred to four arbitrators (one to be appointed by the Market Maker, one to be appointed by the Book Running Lead manager, one to be appointed by the Company and the fourth to be appointed the three arbitrators so appointed) All proceedings in any such arbitration shall be conducted under the Arbitration and Conciliation Act, 1996, as amended, and shall be conducted in English. The arbitration shall take place in Mumbai, India.

Any reference of any dispute, difference or claim to arbitration under this Agreement shall not affect the performance by the Parties of their respective obligations under this Agreement other than the obligations relating to the dispute, difference or claim referred to arbitration.

16. AMENDMENT

No amendment, supplement, modification or clarification to this Agreement shall be valid or binding unless set forth in writing and duly executed by all the Parties to this Agreement.

17. SEVERABILITY

If any provision of this Agreement is determined to be invalid or unenforceable in whole or in part, such invalidity or unenforceability shall attach only to such provision or the applicable part of such provision and the remaining part of such provision and all other provisions of this Agreement shall continue to remain in full force and effect.

18. COUNTERPARTS

This Agreement may be executed in separate counterparts, each of which when so executed and delivered shall be deemed to be an original, but all such counterparts shall constitute one and the same instrument.

19. CUMULATIVE REMEDIES

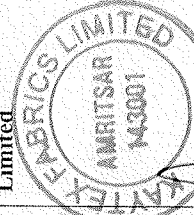
The rights and remedies of each of the parties and each indemnified person under Sections 8 and 9 pursuant to this Agreement are cumulative and are in addition to any other rights and remedies provided by general law or otherwise.

20. ILLEGALITY

If any provision in this Agreement shall be held to be illegal, invalid or unenforceable, in whole or in part, under any enactment or rule of law, such provision or part shall to that extent be deemed not to form part of this Agreement but the legality, validity and enforceability of the remainder of this Agreement shall not be affected.

21. ASSIGNMENT

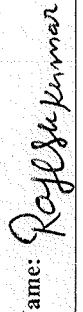
No party may assign any of its rights under this Agreement without the consent of the party against whom the right operates. No provision of this Agreement may be varied without the consent of the Book Running Lead Managers or

For Kaytex Fabrics Limited  Authorised Signatory	For Socradamus Capital Private Limited <i>Venkatapur</i> Authorised Signatory	For Sanjeev Kandhari <i>Sanjeev Kandhari</i> Authorised Signatory	For Amit Kandhari <i>Amit Kandhari</i> Authorised Signatory	For Gretex Share Broking Limited <i>Gretex</i> Authorised Signatory
---	---	---	---	---

the Company.

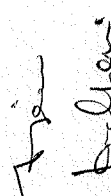
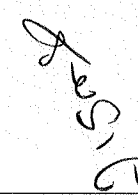
The undersigned hereby certifies and consents to act as Book Running Lead Manager or Market Maker (as the case may be) to the aforesaid Offer and to their name being inserted as Book Running Lead Manager or Market Maker (as the case may be) in the Draft Red Herring Prospectus, Red Herring Prospectus, Prospectus and Issuing Memorandum which the Company intends to Offer in respect of the proposed Offer and hereby authorize the Company to deliver this Agreement to SEBI and the NSE Emerge.

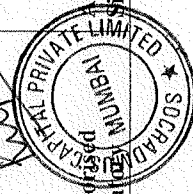
In witness whereof, the Parties have entered into this Agreement on the date mentioned above

For and on behalf of KAYTEX FABRICS LIMITED  Amit Kandhari Whole Time Director DIN: 01412828	Witness Name: Chetan Dabeer Signature 
For and on behalf of SOCRADAMUS CAPITAL PRIVATE LIMITED  Kritika Rupda Director DIN: 07920553	Witness Name: Laaghai Sawant Signature 
For and on behalf of SANJEEV KANDHARI  (Selling Shareholder)	Witness Name: ARIKID KUMAR Signature 
For and on behalf of AMIT KANDHARI 	Witness Name: Rajesh Kumar Signature 

For Kaytex Fabrics Limited   Authorised Signatory	For Socradamus Capital Private Limited  Authorised Signatory	For Sanjeev Kandhari  Authorised Signatory	For Amit Kandhari  Authorised Signatory	For Gretex Share Broking Limited  Authorised Signatory
--	---	--	--	---

 (Selling Shareholder) For and on behalf of GRETEX SHARE BROKING LIMITED	Signature
 Authorised Signatory	Witness Name: Khush. Morakhia. Signature 

 For Kaytex Fabrics Limited  Authorised Signatory	For Socradamus Capital Private Limited  Authorised Signatory	For Sanjeev Kandhari  Authorised Signatory	For Amit Kandhari  Authorised Signatory	For Gretex Share Broking Limited  Authorised Signatory
--	---	--	--	---

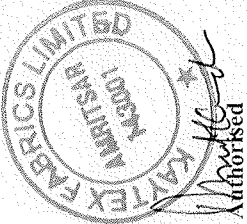
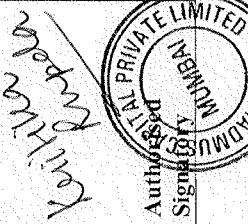
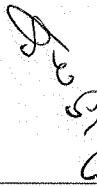


SCHEDULE A

MARKET MAKING FEES PAYABLE BY THE ISSUER COMPANY TO THE MARKET MAKER

The Company shall pay a Market Making fee of Rs.3.00 lakhs plus GST per year, payable for the entire market making period on the date of listing. All applicable taxes will be additional and would be borne by the Company.

*1 year=365 days

For Kaytex Fabrics Limited	For Socradamus Capital Private Limited	For Sanjeev Kandhari	For Amit Kandhari	For Gretex Share Broking Limited
 Authorised Signatory	 Authorised Signatory	 Authorised Signatory	 Authorised Signatory	 Authorised Signatory