


महाराष्ट्र MAHARASHTRA

2023

CF 288344

१. कारणासाठी, ज्यांनी मुद्रांक खरेदी केला त्यांचे कारणसादर करणे आवश्यक आहे. नसल्यात वापरले वेंचनकर्ताक जाई

अनु.क्र. L2E39 दि. 9/1/2023 मु.शु.रकम. ५००  
दस्तावेजा प्रकार cbdl/नाम  
दस्त नोंदणी करणार आहेत का? होय/नाही.  
भिडफरतीचे दर्शन  
मुद्रांक विकत घेणाऱ्याचे नांव पायरेक इंडस्ट्रीज लि.  
पत्ता पिंपरी ५०१  
मुद्रांक विकत घेणाऱ्याचे नांव Beeline Capital Advisors Pvt Ltd.  
हरले व्यक्तीचे नांव Lch2 chens  
  
मुद्रांक विकत घेणाऱ्याची सही

सौ. व्ही. बी. शिंदे  
परवाना क्र. २२०११५२  
दि. १९/१२/२०२३

प्रथम मुद्रांक लिपीक कोषागार पुणे करिता  
05 JAN 2024  


MARKET MAKING AGREEMENT  
DATED JANUARY 19, 2024  
FOR INITIAL PUBLIC ISSUE OF 15,39,600 EQUITY SHARES OF FACE VALUE OF RS.10.00 EACH ON THE SME PLATFORM OF BSE

AMONGST  
PIOTEX INDUSTRIES LIMITED  
(ISSUER COMPANY)

AND

SPREAD X SECURITIES PRIVATE LIMITED  
(MARKET MAKER)

AND

BEELINE CAPITAL ADVISORS PRIVATE LIMITED  
(LEAD MANAGER & UNDERWRITER)









This MARKET MAKING AGREEMENT ("MMA" or "Agreement") is entered into on January 19, 2024

**PIOTEX INDUSTRIES LIMITED**, a Company incorporated under the Companies Act, 2013 and having its Registered Office at F/II Block, Plot No. 16/2, M.I.D.C., Pimpri, Pune Maharashtra- 411018, India. (hereinafter referred to as "**The Company**"/ "**The Issuer**"/ "**PIL**"), 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 **FIRST PART**)

AND

**SPREAD X SECURITIES PRIVATE LIMITED**, a Company incorporated under the Companies Act, 2013 and having its Registered Office at Shilp Corporate Park, B Block, 13th Floor, B-1309, Near Rajpath Club, Rajpath Rangoli Road, S.G.Highway, Bodakdev, Ahmedabad-380054 Gujarat, India (hereinafter referred to as "**SSPL**" or "**Market Maker**" 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

**BEELINE CAPITAL ADVISORS PRIVATE LIMITED**, a company incorporated under the Companies Act, 2013 and having its registered office at B 1311-1314, Thirteenth Floor, Shilp Corporate Park, Rajpath Rangoli Road, Thaltej, Ahmedabad- 380054, Gujarat, India, (hereinafter referred to as "**BEELINE**" or "**Lead Manager**" 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 **THIRD PART**)

In this Agreement, the Company, the Lead Manager and the Market Maker are collectively referred to as "**Parties**" and individually as "**Party**".

**WHEREAS:**

1. The Issuer Company proposes to issue 15,39,600 Equity Shares of the Company of face value Rs. 10/- each in accordance with the Chapter IX of SEBI (ICDR) Regulations and applicable Indian securities laws at an Issue Price of Rs. 91/- per Equity Share aggregating to Rs. 1401.04 lakhs.
2. The Equity Shares to be allotted in this Public Issue comprises a net issue to the public of 14,61,600 Equity Shares ("Net Issue") of the Company of face value Rs. 10/- each at an Issue Price of Rs. 91/- each per Equity Share (including securities premium) aggregating to Rs. 1330.06 lakhs and reserved portion for the Market Maker aggregating 78,000 Equity Shares of the Company of face value Rs. 10/- each at an Issue Price of Rs. 91/- each per Equity Share aggregating to Rs. 70.98 Lakhs. The net issue to public shall comprise of issue to Retail Individual Investors and other Investors.
3. The issue of shares shall be conducted through Fixed Price Issue pursuant to the SEBI (ICDR) Regulations, 2018 as amended.
4. The Issuer Company has obtained approval for the Public Issue pursuant to a resolution of our Board dated September 14, 2023 and by a special resolution passed pursuant to Section 62 (1) (C) of the Companies Act, 2013 at the Extra Ordinary General Meeting by the shareholders of our Company held on September 15, 2023
5. The Issuer Company has entered into an Underwriting agreement dated January 19, 2024 with the Underwriter and Lead Manager, where the Underwriter has underwritten 15,39,600 equity shares.
6. The Issuer Company will apply for listing approval to BSE for listing of Equity Shares on SME Platform of BSE.



*[Handwritten signatures]*



7. One of the requirements for issuing shares to the public in accordance with Chapter IX of the SEBI (ICDR) Regulations, as specified in Regulation 261 of the SEBI (ICDR) Regulations, is that a merchant banker to the public issue has to ensure compulsory Market Making through the stock brokers of the SME Exchange (in this case being the SME Platform of BSE) during the compulsory Market Making Period.
8. Spread X Securities Private Limited is a registered stock broker /trading member of BSE having Clearing No. 6827 and SEBI registration number IN2000310930 is also registered as a Market Maker of the SME Platform of BSE.
9. The Issuer Company has approached SSPL for being appointed as Market Maker for this Initial Public Issue and SSPL has accepted such proposal. PIL 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**, this Agreement, witnesses, the terms and conditions agreed upon by the Market Maker, Issuer Company and the Lead Manager for the market making of the equity shares of the Issuer Company, as specified in the SEBI Regulations and the requirements of the BSE.

**A. DEFINITIONS AND INTERPRETATIONS:**

**In this Agreement unless the context otherwise requires:**

**"Affiliates"** with respect to any person means (a) any other person that, directly or indirectly, through one or more intermediaries, Controls or is Controlled by or is under common Control with such person, (b) any other person which is a holding company or subsidiary of such person, and/or (c) any other person in which such person has a "significant influence" or which has "significant influence" over such person, where "significant influence" over a person is the power to participate in the management, financial or operating policy decisions of that person but is less than Control over those policies and that shareholders beneficially holding, directly or indirectly through one or more intermediaries, a 10% or higher interest in the voting power of that person are presumed to have a significant influence over that person. For the purposes of this definition, (i) the terms "holding company" and "subsidiary" have the meaning set forth in Section 2 of the Companies Act, 2013.

**"Allotment"** shall mean the issue and allotment of Equity Shares pursuant to the Public Issue.

**"Agreement"** shall mean this agreement or any other agreement as specifically mentioned.

**"Applicant"** shall mean any prospective investor who makes an application for Equity Shares in terms of the Prospectus.

**"Application"** shall mean an indication to make an offer during the period starting from issue opening date and issue closing date by prospective investor to subscribe to the Equity shares at the Issue Price including all revisions and modifications thereto.

**"BSE "** shall mean the Bombay Stock Exchange of India Limited, a stock exchange recognized by SEBI in terms of Securities Contracts (Regulation) Act, 1956.

**"Companies Act"** shall mean the Indian Companies Act, 1956 and/or the Companies Act, 2013, as amended from time to time.

**"Compulsory Market Making Period"** shall mean the Market Making period starting from the listing of shares till a minimum period of three years as prescribed under Regulation 261(1) of the SEBI (ICDR) Regulations, 2018, as amended. 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 Bombay Stock Exchange of India 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 reduced to that extent.



*[Handwritten signatures]*



"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.

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

"Draft Prospectus" shall mean the Draft Prospectus of the Company which will file with BSE (BSE SME) in accordance with Section 26 & 32 of the Companies Act;

"Equity Shares" means the equity shares in the share capital of the Issuer Company.

"Force Majeure Event" shall mean:

- a) a complete break down or dislocation of business in the major financial markets affecting any or all of the cities of New Delhi, Mumbai, Kolkata, Chennai, Ahmedabad as a result of which the success of the Issue is likely to be prejudicially affected;
- b) declaration of war or occurrence of insurrection, civil commotion or any other serious or sustained financial, political or industrial emergency or disturbance affecting the financial markets in any or all of the cities of New Delhi, Mumbai, Kolkata and Chennai, Ahmedabad as a result of which the success of the Issue is likely to be materially and adversely affected; or
- c) any material adverse change in the international financial or political conditions as a result of which trading generally on the BSE is suspended for a continuous period of more than 2 (two) Business Days or future trading on the BSE is likely to be materially limited or restricted as a result of which the success of the Issue is likely to be materially and adversely affected.

"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.

"Issue Agreement" shall mean the agreement dated September 21, 2023 entered between the Issuer Company and Lead Manager.

"Issue Price" means Rs 91/-per Equity Share.

"Listing Date" shall mean the date with effect from which the Equity Shares issued through this Public Issue being made are listed for trading by the SME Platform of BSE.

"Market Maker Reservation Portion", shall mean the reserved portion for the Market Maker aggregating 78,000 Equity Shares of Rs. 10/- each at for cash at a price of Rs. 91/-per share (THE "ISSUE PRICE") aggregating to Rs. 70.98 Lakhs.

"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 Issue" shall mean fresh issue of equity shares, shares to be Allotted in this Public Issue comprising of 14,61,600 Equity Shares of Rs. 10/- each at for cash at a price of Rs. 91/-per share (THE "ISSUE PRICE") aggregating to 1330.06 lakhs.

"Public Issue" shall mean issue of 15,39,600 Equity Shares having face value of Rs. 10/- each in accordance with the Chapter IX SEBI (ICDR) Regulations, 2018 and applicable Indian securities laws at an Issue Price of Rs. 91/- per Equity Share aggregating to Rs. 1401.04 lakhs.

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



*[Handwritten signatures]*



**"Prospectus"** shall mean the Prospectus filed in terms of the applicable provisions of the Companies Act with the Registrar of the Companies (ROC) and the BSE (i.e., Designated Stock Exchange) containing inter-alia, basis of allotment and certain other information;

**"Qualified Institutional Buyers" or "QIBs"** shall include Public Financial Institutions as specified in 2(72) of the Companies Act, 2013, Scheduled Commercial Banks, Mutual Funds, Foreign Institutional Investors registered with SEBI, Multilateral and Bilateral Development Financial Institutions, Venture Capital funds registered with SEBI, Alternative Investment Funds (AIF) registered with SEBI, State Industrial Development Corporations, Insurance Companies registered with the Insurance Regulatory and Development Authority (IRDA), Provident Funds with a minimum corpus of Rs. 25 Crores and Pension Funds with a minimum corpus of Rs. 25 Crores, National Investment Fund set up by resolution no. F. No. 2/3/2005-DDII dated November 23, 2005 of the Government of India published in the Gazette of India, Insurance funds set up and managed by army, navy or air force of the Union of India, Insurance funds set up and managed by the Department of Posts, India and systemically important non-banking financial companies.

**"Retail Applicants"** shall mean individual Applicants (including Hindu Undivided Family and Non- Resident Indians) who have applied for Equity Shares for an amount not more than Rs. 2,00,000 in any of the application options in the Issue.

**"SEBI"** shall mean Securities and Exchange Board of India constituted under the Securities and Exchange Board of India Act, 1992; and

**"SEBI Regulations" or "SEBI (ICDR) Regulations" or "ICDR Regulations"** shall mean the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations 2018, as amended from time to time and the circulars and directions issued by SEBI in relation to the issue or market marking, as applicable.

**"SME Platform of BSE (BSE SME)"** shall mean the separate platform on the BSE, for listing companies in terms of Chapter IX of the SEBI (ICDR) Regulations.

**"Stock Exchange"** shall mean the BSE.

**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;
- 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 Prospectus and the 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;

A) subscribe to 78,000 equity shares being the market maker reservation portion as specified in the Draft Prospectus and Prospectus, on a firm basis and pay the amounts as are specified in the Draft Prospectus and Prospectus. The Market Maker agrees not to withdraw its application. Also, the Market Maker will underwrite 78,000 Shares in terms of Prospectus.

B) ensure Market Making in the Equity Shares of PIOTEX INDUSTRIES LIMITED in the manner and on the terms and conditions contained this Agreement, and as specified by SEBI and BSE Limited from time to time.

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. Further, the Market Maker(s) shall inform the exchange in advance for each and every black out period when the quotes are not being offered by the Market Maker

2.3 The prices quoted by the Market Maker shall be in compliance with the requirements and other particulars as specified by the SME Platform of BSE and SEBI from time to time.

2.4 The minimum depth of the quote shall be Rs. 1,00,000/- However, the investors with holdings of value less than Rs. 1,00,000/- 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.

2.5 The Market Maker shall not sell in lots less than the minimum contract size allowed for trading on the SME Platform of BSE (in this case currently the minimum trading lot size is 1200 Equity Shares; however, the same may be changed by the SME Platform of BSE from time to time).

2.6 After a period of three (3) months from the market making period, the Market Maker would be exempted to provide quote if the Shares of Market Maker in our company reaches to 25% of Issue Size. Any Equity Shares allotted to Market Maker under this Issue over and above 25% of Issue Size would not be taken in to consideration of computing the threshold of 25% of Issue Size. As soon as the Shares of Market Maker in our Company reduces to 24% of Issue Size, the Market Maker will resume providing 2 way quotes.

2.7 There shall be no exemption/threshold on downside. However, in the event the Market Maker exhausts his inventory through market making process, BSE Limited may intimate the same to SEBI after due verification

2.8 Execution of the order at the quoted price and quantity must be guaranteed by the Market Maker for the quotes given by him.

2.9 The Market Maker shall start providing quotes from the day of the listing / the day when designated as the Market Maker for the respective scrip and shall be subject to the guidelines laid down for market making by the exchange.

2.10 The Promoters' holding of PIL shall not be eligible for offering to the Market Maker during the Compulsory Market Making Period. However, the promoters' holding of PIL which is not locked-in as per the SEBI (ICDR) Regulations as amended, can be traded with prior permission of the SME Platform of BSE Limited, in the manner specified by SEBI from time to time.

2.11 There will not be more than five Market Makers for the Equity Shares and the Market Makers may compete with other Market Makers for better quotes to the investors.



*[Handwritten signatures]*



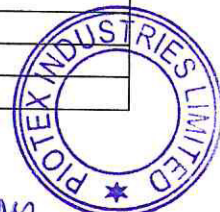
- 2.12 The Market Maker shall not be responsible to maintain the price of the Equity Shares of the Issuer Company at any particular level and is purely supposed to facilitate liquidity by offering its 2-way quotes. The price of the shares shall be determined and be subject to market forces.
- 2.13 On 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.
- 2.14 The Marker maker may also be present in the opening call auction, but there is no obligation on him to do so.
- 2.15 In terms of SEBI Circular No. CIR/MRD/DSA/31/2012 dated November 27, 2012; the Market Maker shall be exempt from providing buy quote on attaining the prescribed threshold limits (including the mandatory allotment of 5% of Equity Shares of the Offer). Further, the Market Maker can offer buy quotes only after the Market Maker complies with prescribed re-entry threshold limits. Only those Equity Shares which have been acquired by the Market Maker on the platform of the SME Exchange during market making process shall be counted towards the Market Maker's threshold.
- 2.16 The Market Maker shall not sell in lots less than the minimum contract size allowed for trading on the BSE Limited and the same may be changed by BSE Limited from time to time.
- 2.17 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.
- 2.18 Risk containment measures and monitoring for Market Makers: BSE Limited SME Exchange will have all margins which are applicable on the BSE Limited Main Board viz., Mark-to-Market, Value-At-Risk (VAR) Margin, Extreme Loss Margin, Special Margins and Base Minimum Capital etc. BSE Limited can impose any other margins as deemed necessary from time-to-time.
- 2.19 Punitive Action in case of default by Market Makers: BSE Limited SME Exchange 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 (offering 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.

- 2.20 Price Band and Spreads: 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

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

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





### 3. REPRESENTATIONS AND WARRANTIES BY THE MARKET MAKER

3.1 In addition to any representations of the Market Maker under the Underwriting Agreement or the documents filed with the SME Platform of BSE Limited, the Market Maker hereby represents and warrants that:

- 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 Market Maker;
- 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 SME Platform of BSE Limited with respect to Market Making in general and Market Making in the Equity Shares of the Issuer Company in specific;
- e) 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 Lead Manager and the SME Platform of BSE, immediately in case it becomes aware of any breach of a representation or a warranty.

### 4. REPRESENTATIONS AND WARRANTIES BY THE LEAD MANAGER

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

- 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 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 SME Platform of BSE with respect to its role of the 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 Lead Manager acknowledges that it is under a duty to notify the Market Maker and the SME Platform of BSE immediately in case it becomes aware of any breach of a representation or a warranty.

### 5. REPRESENTATIONS AND WARRANTIES BY THE ISSUER COMPANY

5.1 In addition to any representations of the Issuer Company under the Draft Prospectus, Prospectus and Underwriting Agreement, the Issuer Company hereby represents and warrants that:

- 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 Issuer Company;
- c) it will comply with all of its respective obligations set forth in this Agreement;



Handwritten signatures in blue ink, including one that appears to be "Rajendra" and another that is partially legible as "S. S. S. S. S."



- d) it shall ensure compliance with the applicable laws and rules laid down by SEBI and SME Platform of BSE with respect to its role of the Issue Company 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 Conducts and ethics standards specified by SEBI, Stock Exchange and related associations from time to time.
- f) It 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

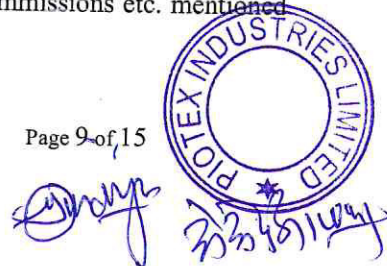
6.1 The obligations of the Market Maker under this Agreement are subject to the following conditions:

- 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 SME Platform of BSE 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 Lead Manager and Issuer Company 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 SME Platform of BSE 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 Lead Manager, Issuer Company and the SME Platform of the BSE 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.

## 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 Lead Manager from time to time.

7.2 The Issuer Company shall not bear any other expenses or losses, if any, incurred by the 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 the Market Maker may, if so required, demand for an interest free good faith deposit from the Issuer Company and if the Issuer Company deems fit, it may agree to provide the same. The Lead Manager shall facilitate such transaction and ensure fair dealing in this matter. Provided further that, such an interest free good faith deposit shall remain refundable and shall have to be refunded, upon retiring the said Market Maker from its duties. Also, it is hereby confirmed by all parties that such Interest free good faith deposit shall be upto 10% of total Issue Size

## 8. INDEMNITY

- a) The Lead Manager & Market Maker shall indemnify and keep indemnified the Issuer (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 Issue subscription, trading, liquidity and failure to make minimum market requirement from time to time. Provided however that the Lead Manager & Market Maker will not be liable to the Issuer Company 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, 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 shall indemnify and keep indemnified, the 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, 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 Prospectus and 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 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 shall be allowed to terminate this agreement by giving a written notice to the Lead Manager 3 months prior to the date from which it wishes to discontinue its services. Provided however that, if the 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 BSE, the Lead Manager and the Issuer Company from time to time.
- 9.2 Notwithstanding the indemnity concerning the Lead Manager in Section 8 above, the 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 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 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 Lead Manager.





- 9.4 It is agreed to between the Parties hereto that in the event of the Issuer Company migrating to the Main Board of BSE, during the Compulsory Market Making Period, this Agreement shall stand terminated and the Market Maker shall no longer be obliged to provide the Issuer Company any market making services.
- 9.5 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.
- 9.6 In case of termination of the agreement prior to the completion of the compulsory Market Making period, it shall be the responsibility of the 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, 2018 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 Lead Manager. However, certain terms and conditions may be modified on mutual consent of the Issuer Company and the Lead Manager, subject to such modifications being legal and allowed under the then applicable laws, rules and regulations.

## 9. 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:

**Name: Mr. Abhay Shriram Asalkar**  
F/II Block, Plot No. 16/2, M.I.D.C., Pimpri,  
Pune Maharashtra- 411018, India.  
**Designation:** Chairman cum Managing Director  
**DIN:** - 06851614

### If to the Market Maker:

**Name: Spread X Securities Private Limited**  
Shilp Corporate Park, B Block, 13th Floor,  
B-1309, Near Rajpath Club, Rajpath Rangoli Road,  
S.G.Highway, Bodakdev, Ahmedabad City, Gujarat-380054, India,  
**Tel. No.:** +91-79-48405357, 48406357  
**Contact Person.:** Mrs. Khushbu Shah

### If to the Lead Manager and Underwriter:

**Name: Beeline Capital Advisors Private Limited**  
B 1311-1314, Thirteenth Floor, Shilp Corporate Park,  
Rajpath Rangoli Road, Thaltej, Ahmedabad- 380054,  
Gujarat, India  
**Tel No.:** -+91-79-48405357, 48406357  
**E-mail:** mb@beelinemb.com  
**Contact Person:** Mr. Nikhil Shah

## 10. TIME IS THE ESSENCE OF AGREEMENT



*Handwritten signatures and initials in blue ink.*



All obligations of the Issuer Company, The Lead Manager, 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 Issuer Company, The Lead Manager or the Market maker to adhere to the time limits shall unless otherwise agreed among the Issuer Company, The Lead Manager and the Market Maker, discharge the Market Maker or Issuer Company or The Lead Manager of its/their obligations under this Agreement. This Agreement shall be in force from the date of execution and will expire on expiry of the Compulsory Market Making Period or as and when agreed between parties after serving the notice of termination.

#### 11. MAXIMUM LIABILITY

To the fullest extent permitted by law, and notwithstanding any other provision of this agreement, the total liability, in the aggregate, of BEELINE in capacity of Lead Manager & Market Maker, towards the Company and anyone claiming by or through the Company, for any and all claims, losses, costs or damages, in any way related to the transaction shall not exceed the total compensation received by the BEELINE till such date under this agreement.

#### 12. SEVERAL OBLIGATIONS

The Issuer Company, the Market Maker and the 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. CHANGE IN LEGAL ENVIRONMENT

The terms of this agreement for services by BEELINE for the Issue and for market making are based upon the prevailing legal environment in India by way of prescribed rules and regulations by regulatory bodies such as the Ministry of Finance, Ministry of Company Affairs (MCA), Registrar of Companies (ROC), SEBI, Stock Exchanges and other governing authorities. Any change or alteration by the respective bodies in the prevailing laws and regulations in future times, that may render the accomplishment of the Issue or market making unsuccessful for the reasons beyond BEELINE and the Issuer's control shall not be counted as BEELINE's failure. In case of such an event, BEELINE shall not be liable or legally bound to any proceedings or actions for refund of fees received till such date.

#### 14. 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 Lead Manager and Issuer Company. The 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 Issuer Company.

#### 15. GOVERNING LAW AND JURISDICTION

This Agreement shall be governed by and construed in accordance with the laws of the Republic of India and the Courts and Tribunals in Gujarat, India shall have exclusive jurisdiction.

#### 16. 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 mutual negotiation. If the dispute is not resolved through mutual 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 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



*[Handwritten signatures and initials]*



by the Lead Manager, one to be appointed by the Issuer Company and the fourth to be appointed by the three arbitrators so appointed) All proceedings in any such arbitration shall be conducted under the Arbitration and Conciliation Act, 1996, as amended from time to time, and shall be conducted in English. The arbitration shall take place in Gujarat, India.

The Arbitrator shall give a reasoned decision or award, including as to the costs of the arbitration, which shall be final and binding on the Parties. The Parties agree that the Arbitrator's award may be enforced against the Parties to the proceedings or their assets, wherever they may be found. The Parties shall co-operate in good faith to expedite (to the maximum extent practicable) the conduct of any arbitral proceedings commenced under this

Agreement. Each Party shall bear and pay its own costs, expenses, fees, disbursements and other charges of its counsel, in connection with the arbitration proceedings except as may be otherwise determined by the Arbitrator.

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.

#### 17. 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.

#### 18. SEVERABILITY

If any provision of this Agreement is determined to be invalid or unenforceable in whole or in part, such invalidity or unenforceable shall attach only to such provision or the applicable part of 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.

#### 19. COUNTERPARTS

This Agreement may be executed in one or more 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.

#### 20. 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.

#### 21. 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.

#### 22. ASSIGNMENT

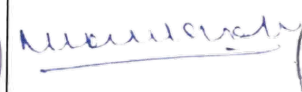
No party may assign any of its rights under this Agreement without the consent of the party against whom the right operates. No provision of this Agreement may be varied without the consent of the Lead Manager.

The undersigned also hereby certifies and consents to act as Lead Manager and Market Maker to the aforesaid Public Issue and to their name being inserted as Lead Manager and Market Maker in the Prospectus which the Issuer Company intends to issue in respect of the proposed Public Issue and hereby authorize the Issuer Company to deliver this Agreement to SEBI and the SME Platform of BSE (BSE SME)








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

SIGNED, SEALED and DELIVERED, for and on behalf of Issuer  <b>PIOTEX INDUSTRIES LIMITED</b>	For and on behalf of Market Maker <b>SPREAD X SECURITIES PRIVATE LIMITED</b>	For and on behalf of Lead Manager <b>BEELINE CAPITAL ADVISORS PRIVATE BROKING LIMITED</b>
 		
Name: Mr. Abhay Shriram Asalkar *Name: Yogesh Omprakash Nimodiya	Name: Mr. Khushbu Shah	Name: Mr. Nikhil Shah
Designation: Chairman cum Managing Director Designation: Executive Director and Chief Financial Officer	Designation: Director	Designation: Director
DIN: 06851614	DIN: 02507013	DIN: 02507020

Witnesses:

Name: <i>Rupali Hattikatti</i>	Name: Dhaval Ghetia	Name: Deepak Chaubisa
Address: <i>Akuri, Pune</i>	Address: <i>Ahmedabad</i>	Address: <i>Ahmedabad</i>
Signature: 	Signature: 	Signature: 



**SCHEDULE A**

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

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

1. The fees for compulsory market making shall be as Rs. 3,00,000/- per annum (plus applicable taxes) for Three year, payable quarterly in advance.
2. All applicable taxes will be additional and would be borne by the Issuer Company.
3. Any other claims or other documentation and miscellaneous expenses will be borne by the issuer Company alone and that the total cost of the Issuer Company and / or lead Manager for availing his market making Services shall be such amount excluding marketing making fees.

The above-mentioned fees or term may be changed and modified, subject to mutual written consent of all the parties any day from the date of signing this agreement.

