

Ref: NSE/LIST/237482-X

April 30, 2014

The Company Secretary,  
Pricol Limited  
CPM Towers,  
109 Race Course,  
Coimbatore- 641018

**Kind Attn: Mr. T. G. Thamizhanban**

Dear Sir,

**Sub.: Observation letter for draft Scheme of Arrangement of Xenos Automotive Limited and Pricol Limited and their respective shareholders**

This has reference to draft Scheme of Arrangement of Xenos Automotive Limited and Pricol Limited and their respective shareholders submitted to NSE vide your letter dated February 03, 2014.

Based on our letter reference no Ref: NSE/LIST/232666-K submitted to SEBI and pursuant to SEBI Circular No. CIR/CFD/DIL/5/2013 dated February 04, 2013 and SEBI Circular no. CIR/CFD/DIL/8/2013 dated May 21, 2013. SEBI has vide letter dated April 30, 2014 has given following comments on the draft Scheme of Arrangement:

- a) Pricol Limited is advised to ensure that following facts are clearly informed to the shareholders by way of prominent inclusion in explanatory statement to the notice to the shareholders for their approval:
  1. Negative net worth of transferor company and corresponding reduction in the net worth of amalgamated entity pursuant to the scheme.
  2. Inter-company transaction worth Rs. 36.1crore which was a receivable in the books of Pricol will come to an end upon amalgamation.
- b) The “fairness opinion” submitted by the Company, Pricol Limited, is displayed from the date of receipt of this letter on the website of the listed company along with various documents submitted pursuant to the Circulars.
- c) The company shall duly comply with various provisions of the Circulars.

Accordingly, we do hereby convey our ‘No-Objection’ with limited reference to those matters having a bearing on listing / delisting / continuous listing requirements within the provisions of the Listing Agreement, so as to enable the Company to file the Scheme with the Hon’ble High Court.

However, the Exchange reserves its right to withdraw this No-objection approval at any stage if the information submitted to the Exchange is found to be incomplete / incorrect / misleading / false or for any contravention of Rules, Bye-laws and Regulations of the Exchange, Listing Agreement, Guidelines / Regulations issued by statutory authorities.



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The validity of this "Observation Letter" shall be six months from April 30, 2014, within which the scheme shall be submitted to the Hon'ble High Court. Further pursuant to the above SEBI circulars upon sanction of the Scheme by the Hon'ble High Court, you shall submit to NSE the following:

- a. Copy of Scheme as approved by the High Court;
- b. Result of voting by shareholders for approving the Scheme;
- c. Statement explaining changes, if any, and reasons for such changes carried out in the Approved Scheme vis-à-vis the Draft Scheme
- d. Status of compliance with the Observation Letter/s of the stock exchanges
- e. The application seeking exemption from Rule 19(2)(b) of SCRR, 1957, wherever applicable; and
- f. Complaints Report as per Annexure II of SEBI Circular No. CIR/CFD/DIL/5/2013 dated February 04, 2013.

Yours faithfully,  
For National Stock Exchange of India Limited

Kamlesh Patel  
Manager

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