

January 23, 2014

The Board of Directors
Pricol Limited
CPM Towers,
109, Race Course,
Coimbatore - 641 018

Re: Fairness opinion ("Fairness Opinion" or "Opinion") of the share swap ratio determined through the valuation carried out by Haribhakti & Co., Chartered Accountants for the proposed scheme of amalgamation of Xenos Automotive Limited ("Xenos") with Pricol Limited ("Pricol").

We refer to our engagement letter which has been duly accepted by Pricol, whereby Pricol has appointed us to provide fairness opinion on the valuation report issued by an Independent Chartered Accountant for the proposed scheme of amalgamation between Xenos and Pricol.

BACKGROUND

Pricol is engaged in the business of manufacturing and selling of driver information systems (instruments cluster, gauges, telematics etc.), powertrain products (oil pumps, water pumps etc), sensors, actuators and switches and asset management systems (vehicle tracking system etc) to Original Equipment Manufacturers (OEMs) and replacement markets.

Xenos is in the business of dealing with vehicle accessories in the areas of vehicle security systems, driver assistance systems, audio & video systems, auto accessories like mobile charger, power sockets etc. Xenos is now focusing more on manufacturing and contract manufacturing over and above the trading. The brand 'Xenos' is well recognized in the automotive market.

We understand that management of Pricol and Xenos (collectively referred as "Companies") are proposing a Scheme of Amalgamation between Pricol, Xenos and their respective shareholders with effect from January 1, 2014. As a part of the proposed scheme, Xenos would be amalgamated with Pricol and cease to exist.

RATIONALE OF THE PROPOSED AMALGAMATION

- Integration of administrative practices and implementation of uniform management practices.
- Leveraging the existing infrastructure through the branch offices and services centres of Xenos.
- Creating a platform to enter into OEMs for Xenos and increase the presence.

PURPOSE

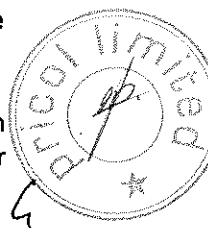
We understand from management of Pricol that the shareholders of Xenos will be issued shares of Pricol as a consideration for the proposed amalgamation of Xenos with Pricol.

For the aforesaid purpose, Haribhakti & Co., Chartered Accountants ("Valuer") has been appointed by Pricol to prepare the valuation report on the swap ratio for distribution of shares of Pricol to the shareholders of Xenos.

As per the requirement of SEBI Circular CIR/CFD/DIL/5/2013 dated February 4, 2013, we have been requested by Pricol to provide the Fairness Opinion on the swap ratio recommended by the Valuer

CERTIFIED TRUE COPY
for pricol limited

[Signature]
G. Thamizhamban
Company Secretary



in their report dated January 9, 2014. Pricol shall submit this Fairness Opinion to BSE Limited and National stock Exchange of India Limited in accordance with clause 24(f) of the listing agreement to obtain the no-objection certificate to implement the proposed scheme.

VALUER'S RECOMMENDATION

As per the Valuer's recommendation, the holders of equity shares of Xenos will receive 1 (One) fully paid-up equity share of Pricol with the face of Re. 1 (One) each for every 122 (One hundred and twenty two) fully paid-up equity shares of Xenos with face value of Rs. 10 (Ten) each ("Swap Ratio").

SOURCES OF INFORMATION

- 1) Valuation report from Valuer dated January 9, 2014.
- 2) Discussions, workings and information provided by Companies and Valuer for the purpose of this engagement.
- 3) Discussions with management of the Companies regarding rationale of the amalgamation, current operations, future plans, valuation of the business etc.
- 4) Financial statements of Xenos for the year ended March 31, 2010, March 31, 2011, March 31, 2012, March 31, 2013 and for the six months period ended on September 30, 2013.
- 5) Financial Statements of Pricol for the year ended March 31, 2010, March 31, 2011, March 31, 2012, March 31, 2013 and for the six months period ended on September 30, 2013.
- 6) Draft scheme of arrangement.
- 7) Certified true copy of the board resolution of Pricol dated December 16, 2013 for in- principle approval of the proposed amalgamation.

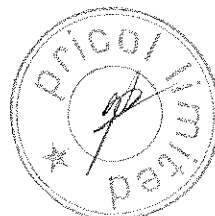
STATEMENT OF LIMITING CONDITION

i) Affecting Fairness Opinion results:

Our Fairness Opinion only aims to represent that the Swap Ratio as contained in the Opinion is fair and further that our Fairness Opinion shall be valid only for a limited period of time post our assessment of the relevant information. The Fairness Opinion may not be valid for any other purpose or as at any other date. Also, it may not be valid if done on behalf of any other entity. Fairness Opinion assessment and the Opinion are specific to the date of this report. As such, our Opinion is, to a significant extent, subject to continuance of current trends beyond the date of the report. We, however, have no obligation to update/revise this Opinion for events, trends or transactions relating to the Companies/Valuer or the market/economy in general and occurring subsequent to the date of this Opinion. We provide no assurance that the proposed amalgamation can be completed successfully based on our Opinion within a particular timeframe.

The recommendation(s) rendered in this report only represent our recommendation(s) based upon information furnished by the management of the Companies and the Valuer and the said recommendation(s) shall be considered advisory in nature. Our recommendation will however not be for advising anybody to take buy or sell decision of the securities of any of the Companies, for which specific opinion needs to be taken from expert advisors.

In the course of the Fairness Opinion, we were provided with both written and verbal information, including market, technical, financial and operating data. We have however, evaluated the information provided to us by the Companies through broad inquiry and comparative analysis vis-à-vis past information available in the public domain (but have not carried out a due diligence or audit of the Companies/Valuer for the purpose of this engagement, nor have we independently



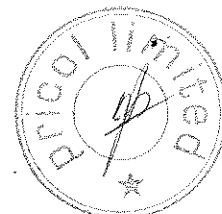
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investigated or otherwise verified the data provided). Through the above evaluation, nothing has come to our attention to indicate that the information provided was materially mis-stated/incorrect or would not afford reasonable grounds upon which to base the Opinion. We do not imply and it should not be construed that we have verified any of the information provided to us, or that our inquiries could have verified any matter, which a more extensive examination might disclose. We are not responsible for arithmetical accuracy / logical consistency of any financial model or business plan provided by the Companies and used in our assessment. The terms of our engagement are such that we are required to rely upon the information provided by the Companies without detailed inquiry. This Fairness Opinion has been issued by the Equity Capital Markets team of Centrum and consequently any information shared by the Companies with any other team of Centrum may not have been considered for the present assessment. Also, we have been given to understand by the management of the Companies that it has not omitted any relevant and material factors and that it has checked out relevance or materiality of any specific information to the present exercise with us in case of any doubt. Accordingly, we do not express any opinion or offer any form of assurance regarding its accuracy and completeness. Our Opinion is based on these assumptions and other information given by/on behalf of the Companies. The management of the Companies has indicated to us that they have understood that any omissions, inaccuracies or misstatements may materially affect our Opinion. Accordingly, we assume no responsibility for any errors in the above information furnished by the Companies and their impact on the present exercise. Also, we assume no responsibility for technical information furnished by the Companies believed to be reliable.

No enquiry into Valuer's claim to title of assets or property has been made for the purpose of this Fairness Opinion. With regard to Valuer's claim to title of assets or property, we have relied solely on representations, whether verbal or otherwise, made by the management of the Companies to us for the purpose of this Opinion. We have not verified such representations against any title documents or any agreements evidencing right or interest in or over such assets or property, and have assumed Valuer's claim to such rights, title or interest as valid for the purpose of this Opinion. No consideration has been given to liens or encumbrances against the assets, beyond the loans disclosed in the accounts. No due diligence into any right, title or interest in property or assets was undertaken and no responsibility is assumed in this respect or in relation to legal validity of any such claims. The fee for the report is not contingent upon the Opinion issued.

ii) Information document:

This Fairness Opinion report is for information purposes only and this document/material should not be construed as an offer to sell or solicitation of an offer to buy, purchase or subscribe to any securities, and neither this document nor anything contained herein shall form the basis of or be relied upon in connection with any contract or commitment whatsoever. Similarly, this document does not have regard to the specific investment objectives, financial situation/circumstances and the particular needs of any specific person who may receive this document. This Opinion or information contained herein does not constitute or purport to constitute investment advice in any manner (including but not limited to publicly accessible media) and should not be reproduced, transmitted or published by the recipient. The Opinion is for the use and consumption of the recipient only. This Opinion or any portion hereof shall not be printed, sold or distributed without the written consent of Centrum Capital Limited. The distribution of this document in other jurisdictions may be restricted by law, and persons into whose possession this document comes should inform themselves about, and observe, any such restrictions. Neither Centrum nor its directors, employees, agents or representatives shall be liable for any damages whether direct or indirect, incidental, special or consequential including lost revenue or lost profits that may arise from or in connection with the use of the information contained in this Fairness Opinion.



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We acknowledge that this Fairness Opinion will be shared to the extent as may be required, with relevant High Court/Tribunal, stock exchanges, advisors of the Companies as well as with statutory authorities in relation to the proposed scheme.

iii) Others:

Save and except for Pricol, we owe no responsibility to any person in connection with this Fairness Opinion. It may be noted that the liability of Centrum in connection with this Fairness Opinion shall be limited only to the extent of fees payable to us for the purpose of this engagement. We do not accept any liability to any third party in relation to the issue of this Fairness Opinion. Neither this Fairness Opinion nor its contents may be referred to or quoted in any registration statement, prospectus, offering memorandum, annual report, loan agreement or other agreement or document given to third parties without our prior written consent. We retain the right to deny permission for the same.

In the ordinary course of business, Centrum and its affiliates are engaged in securities trading, securities brokerage and investment activities as well as providing investment banking and investment advisory services. In the ordinary course of its trading, brokerage and financing activities, any member of Centrum and its affiliates may at any time hold long or short positions, and may trade or otherwise effect transactions, for its own account or the accounts of customers, in debt or equity securities or senior loans of any company that may be involved in the proposed scheme.

OPINION ON VALUATION REPORT

Having regard to all relevant factors and on the basis of information and explanations given to us by the Companies and Valuer, we are of the opinion on the date hereof to the best of our knowledge and belief, that the Swap Ratio as recommended by Haribhakti & Co., Chartered Accountants is fair and reasonable.

Yours truly,
For Centrum Capital Limited




Gaurav Sarangi
Vice President

