

**PUBLIC ANNOUNCEMENT FOR THE ATTENTION OF SHAREHOLDERS OF**

**PRICOL LIMITED** Registered Office: 109, Race Course, Coimbatore – 641 018, Tel: +91 422 4336000  
 (Formerly Pricol Pune Limited) Fax: +91422 4336299. CIN: U34200TZ2011PLC022194  
 Website: www.pricol.com E-mail: cs@pricol.co.in

**STATUTORY ADVERTISEMENT IN COMPLIANCE WITH CLAUSE A(6) OF PART II OF SEBI CIRCULAR NO. CIR/CFD/CMD/16/2015 DATED NOVEMBER 30, 2015, READ WITH RULE 19(7) OF THE SECURITIES CONTRACTS (REGULATION) RULES, 1957 PURSUANT TO GRANT OF RELAXATION BY SEBI FROM THE APPLICABILITY OF RULE 19(2)(b) OF SECURITIES CONTRACTS (REGULATION) RULES, 1957**

**SCHEME OF AMALGAMATION**  
 The Scheme provides for the amalgamation of Pricol Limited, a listed entity incorporated in 1972 (the "Transferor Company") with Pricol Pune Limited a wholly owned subsidiary of Pricol Limited (the "Transferee Company") pursuant to Sections 391 to 394 and other applicable provisions of the Companies Act, 1956 (1956 Act) including corresponding provisions of the Companies Act, 2013 (2013 Act) as and when they are notified. The Scheme also provides for (i) issuance of equity shares of the Transferee Company to the equity shareholders of Transferor Company in accordance with the Share Exchange Ratio, as per the terms of this Scheme and pursuant to Sections 391 to 394 of the 1956 Act and the other relevant provisions made under the 1956 Act or the 2013 Act as applicable and various other matters consequential to or otherwise integrally connected with the above in the manner provided for in the Scheme; (ii) cancellation of equity shares of the Transferor Company held by the Transferor Company as per the terms of this Scheme and pursuant to Section 100 of the 1956 Act and the other relevant provisions made under the 1956 Act or the 2013 Act, as applicable; (iii) change of name of Pricol Pune Limited to Pricol Limited and various other matters consequential to or otherwise integrally connected with the above in the manner provided for in the Scheme. The Scheme has been drawn up to comply with the conditions relating to "amalgamation" as defined and specified under Section 2(1)(B) of the Income Tax Act (as hereinafter defined). If any terms or provisions of this Scheme are found to be inconsistent with the provisions of Section 2(1)(B) of the Income Tax Act, at a later date including resulting from an amendment of law or for any other reason whatsoever, the provisions of Section 2(1)(B) of the Income Tax Act shall prevail and the Scheme shall stand modified to the extent necessary to comply with Section 2(1)(B) of the Income Tax Act and such modifications shall not affect other parts of the Scheme. The amalgamation of the Transferor Company with the Transferee Company pursuant to this Scheme shall take place with effect from the Appointed Date (1-4-2015). The Scheme of amalgamation of Pricol Limited with Pricol Pune Limited was approved pursuant to the Order dated 6<sup>th</sup> October 2016 of Hon'ble High Court of Judicature at Madras. Effective date of amalgamation is 1<sup>st</sup> November 2016. As per the aforesaid Order, Pricol Limited was amalgamated with Pricol Pune Limited. Subsequent to the amalgamation the name of "Pricol Pune Limited" has been changed to "Pricol Limited" with effect from 18<sup>th</sup> November 2016.

**RATIONALISATION OF AMALGAMATION**  
 The Amalgamation is expected to enable greater realisation of potential of the businesses of the Transferor Company and the Transferee Company and have beneficial results and enhanced value creation for the Company, their respective shareholders, their respective lenders and employees of such Company. It is considered desirable and expedient to amalgamate the Transferor Company with the Transferee Company with a view to achieve the following:  
 (i) The Amalgamation will consolidate the business. Further, the Amalgamation will provide a high level of synergistic integration of operations, better operational management and provide value addition to existing and future orders of the Transferor Company and Transferee Company by integrating the respective technical, financial and other expertise and resources.  
 (ii) Synergies arising out of consolidation of business will lead to enhancement of net worth of the combined business and reflection of true net-worth in the financial statements (as all assets, tangible and intangible including those not recorded in the books of the Transferor Company, and liabilities of the Transferor Company shall be taken over by the Transferee Company and recorded at their respective fair values), improved alignment of debt between in earnings and cash flow.  
 (iii) Under the proposed amalgamation, the Transferee Company would be able to better leverage on its large network base, comprehensive suite of products and services, extensive corporate customer relationships, strong brand and vast talent pool. Further, the Transferee Company would have enhanced business potential and increased capability to offer a wider portfolio of products and services with a diversified resource base and deeper client relationships.  
 (iv) The proposed Amalgamation would result in financial resources of the Transferor Company and Transferee Company being efficiently merged and pooled leading to more effective and centralised management of funds, greater economies of scale, stronger base for future growth and reduction of administrative and manpower expenses and overheads (i.e. cost rationalization), which are presently being multiplied, being separate entities. Amalgamation shall lead to greater efficiency in management of the businesses, simplicity and reduction in regulatory compliances, cost and operational efficiencies as well as optimum utilization of resources which will help the Transferee Company in keeping its business competitive in the long run and enhance the value to stakeholders.  
 (v) The Amalgamation will provide greater internal control and functional integration at various levels of the organisation such as Information Technology, human resources, finance, legal and general management leading to an efficient organisation capable of responding swiftly to volatile and rapidly changing market scenarios.  
 (vi) The Amalgamation will facilitate debt consolidation of the Transferor Company in the Transferee Company, which will improve the debt servicing abilities through improved cash flows and simplified administration of debt both for the Transferor Company and Transferee Company and for the lenders.  
 Consequently, the Board of Directors of the Transferor Company and the Board of Directors of the Transferee Company have considered this Scheme of Amalgamation and accordingly proposed the Amalgamation of the Transferor Company with the Transferee Company.

**ABOUT PRICOL LIMITED ("COMPANY")**  
 Pricol Limited (Formerly Pricol Pune Limited) was originally incorporated on May 18, 2011 under the Companies Act, 1956 as "Pricol Pune Private Limited" and the name was changed to "Pricol Pune Private Limited" vide Certificate of Incorporation dated April 30, 2012 and further the name was changed to "Johnson Control Pricol Private Limited" vide Certificate of Incorporation dated July 11, 2012. Again the name was changed to "Pricol Pune Private Limited" vide Certificate of Incorporation dated 29 May, 2015, and changed name to "Pricol Pune Limited" vide Certificate of Incorporation dated 22 January, 2016. The Hon'ble High Court of Judicature at Madras by its order dated 6<sup>th</sup> October 2016 has approved the Scheme of Amalgamation amongst Pricol Limited, Pricol Pune Limited and their respective shareholders. Pursuant to this Scheme, the name of the Company was changed from "Pricol Pune Limited" to "Pricol Limited" vide Certificate of Incorporation dated 18 November, 2016.  
 The Corporate Identification Number of Company is U34200TZ2011PLC022194.  
 The registered office was shifted from "105/5 Village Pirangut, Taluka Mulshi, Pune, Maharashtra" to "109, Race Course, Coimbatore - 641018, Tamilnadu", with effect from 11th January 2016.  
 Consequently to amalgamation of erstwhile Pricol Limited with the Company pursuant to the order of Hon'ble High Court of Judicature at Madras, dated 6<sup>th</sup> October 2016, with effect from 1st November 2016, the main object clauses of erstwhile Pricol Limited were incorporated with the main object clauses of the Company.

**CAPITAL STRUCTURE**  
**PRE SCHEME**

Particulars	Amount (₹.)
Authorised Share Capital	
100,000,000 Equity Shares of ₹ 1/- each	100,000,000
<b>Total</b>	<b>100,000,000</b>
Issued, Subscribed and Paid-up Share Capital	
100,000,000 Equity Shares of ₹ 1/- each	100,000,000
<b>Total</b>	<b>100,000,000</b>

**POST SCHEME**

Particulars	Amount (₹.)
Authorised Share Capital	
582,000,000 Equity Shares of ₹ 1/- each	582,000,000
<b>Total</b>	<b>582,000,000</b>
Issued, Subscribed and Paid-up Share Capital	
94,796,721 Equity Shares of ₹ 1/- each	94,796,721
<b>Total</b>	<b>94,796,721</b>

**SHAREHOLDING PATTERN(Post allotment under the Scheme)**  
**Table I: Summary statement holding of specified securities**

S.No	Category of shareholder	No. of shares held	No. of fully paid up equity shares held	No. of Partly paid-up equity shares held	No. of shares underlying Depository Receipts	Total nos. shares held	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) As a % of (A+B+C2)	No. of Voting Rights in each class of securities	No. of Shares Underlying Outstanding convertible securities (including Warrants)	Shareholding as a % assuming full conversion of convertible securities (as a % of diluted share capital) As a % of (A+B+C2)	Number of Locked in shares	Number of Shares pledged or otherwise encumbered	Number of equity shares held in dematerialized form
(i)	(ii)	(iii)	(iv)	(v)	(vi)	(vii) = (iii) + (iv) + (v) + (vi)	(viii)	(ix)	(x)	(xi) = (x) + (viii) + (ix)	(xii)	(xiii)	(xiv)
(A)	Promoter & Promoter Group	17	35,321,996	-	-	35,321,996	37.26	-	-	-	-	-	35,321,996
(B)	Public	44,953	59,474,725	-	-	59,474,725	62.74	-	-	-	-	-	59,474,725
(C)	Non Promoter - Non Public	-	-	-	-	-	-	-	-	-	-	-	-
(C1)	Shares underlying DRs	-	-	-	-	-	-	-	-	-	-	-	-
(C2)	Shares held by Employee Trusts	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total</b>		<b>44,970</b>	<b>94,796,721</b>	-	-	<b>94,796,721</b>	<b>100</b>	-	-	-	-	-	<b>92,159,632</b>

**Table II - Statement showing shareholding pattern of the Promoter and Promoter Group**

S. No	Category & Name of the Shareholders	PAN	No. of share holder	No. of fully paid up equity shares held	Partly paid-up equity shares held	No. of shares underlying Depository Receipts	Total nos. shares held	Share holding % calculated as per SCRR, 1957 As a % of (A+B+C2)	No. of Voting Rights in each class of securities	No. of Shares Underlying Outstanding convertible securities (including Warrants)	Shareholding as a % assuming full conversion of convertible securities (as a % of diluted share capital) As a % of (A+B+C2)	Number of Locked in shares	Number of Shares pledged or otherwise encumbered	Number of equity shares held in dematerialized form
(i)	(ii)	(iii)	(iv)	(v)	(vi)	(vii)	(viii) = (iv) + (v) + (vi) + (vii)	(ix)	(x)	(xi) = (xi) + (x) + (x)	(xii)	(xiii)	(xiv)	
-1	Indian													
(a)	Individuals/Hindu undivided Family													
1	Vijay Mohan	AATPM1202F	1	9,140,278	-	-	9,140,278	9.64	-	-	-	-	-	9,140,278
2	Vijay Mohan D (BHUF)	AABHV0239F	1	660,900	-	-	660,900	0.70	-	-	-	-	-	660,900
3	Vanitha Mohan	ADJPM0478J	1	3,726,488	-	-	3,726,488	3.93	-	-	-	-	-	3,726,488
4	Vikram Mohan	ADJPM0476G	1	3,521,175	-	-	3,521,175	3.71	-	-	-	-	-	3,521,175
5	Viren Mohan	AERPMS690K	1	6,658,409	-	-	6,658,409	7.02	-	-	-	-	-	6,658,409
6	Garathi Balaji	ACQFB7352D	1	159,995	-	-	159,995	0.17	-	-	-	-	-	159,995
7	Madhura Mohan	BNGPM5200E	1	181,575	-	-	181,575	0.19	-	-	-	-	-	181,575
8	Manasa Mohan	BNGPM5199A	1	150,000	-	-	150,000	0.16	-	-	-	-	-	150,000
9	Vinay Balaji	AEPB2956D	1	100,000	-	-	100,000	0.11	-	-	-	-	-	100,000
10	Sumanth R	ALMPS1683A	1	332,145	-	-	332,145	0.35	-	-	-	-	-	332,145
11	Uday Balaji	AGFB8799J	1	22,005	-	-	22,005	0.02	-	-	-	-	-	22,005
12	Sumanth R (BHUF)	AALHS4915B	1	81,000	-	-	81,000	0.09	-	-	-	-	-	81,000
13	T Balaji	ACQFB7351P	1	975	-	-	975	-	-	-	-	-	-	975
(b)	Central Government/State Government(s)													0.00
(c)	Financial Institutions/Banks													0.00
(d)	Any Other (Body corporate)													0.00
1	Pricol Holdings Limited	AABCP7486R	1	8,556,926	-	-	8,556,926	9.03	-	-	-	-	-	8,556,926
2	Bhavani Infos Services India Private Limited	AABCBL164A	1	1,498,790	-	-	1,498,790	1.58	-	-	-	-	-	1,498,790
3	Sagittarius Investments Private Limited	AADC30626C	1	340,935	-	-	340,935	0.36	-	-	-	-	-	340,935
4	Shrimay Enterprises Private Limited	AADC30648A	1	190,400	-	-	190,400	0.20	-	-	-	-	-	190,400
<b>Sub-Total (A)(1)</b>			<b>17</b>	<b>35,321,996</b>	-	-	<b>35,321,996</b>	<b>37.26</b>	-	-	-	-	-	<b>35,321,996</b>
-2	Foreign													
(a)	Individuals (Non-Resident Individuals)/ Foreign Individuals													
(b)	Government													
(c)	Institutions													
(d)	Foreign Portfolio Investor													
(f)	Any Other (specify)													
<b>Sub-Total (A)(2)</b>														
<b>Total Shareholding of Promoter and Promoter Group (A) = (A)(1) + (A)(2)</b>			<b>17</b>	<b>35,321,996</b>	-	-	<b>35,321,996</b>	<b>37.26</b>	-	-	-	-	-	<b>35,321,996</b>

**Table III - Statement showing shareholding pattern of the Public shareholder**

S.No	Category & Name of the Shareholders	PAN	No. of share holder	No. of fully paid up equity shares held	Partly paid-up equity shares held	No. of shares underlying Depository Receipts	Total nos. shares held	Share holding % calculated as per SCRR, 1957 As a % of (A+B+C2)	No. of Voting Rights in each class of securities	No. of Shares Underlying Outstanding convertible securities (including Warrants)	Shareholding as a % assuming full conversion of convertible securities (as a % of diluted share capital) As a % of (A+B+C2)	Number of Locked in shares	Number of Shares pledged or otherwise encumbered	Number of equity shares held in dematerialized form
(i)	(ii)	(iii)	(iv)	(v)	(vi)	(vii)	(viii) = (iv) + (v) + (vi) + (vii)	(ix)	(x)	(xi) = (xi) + (x) + (x)	(xii)	(xiii)	(xiv)	
(1)	Institutions													
(a)	Mutual Funds													
(b)	Venture Capital Funds													
(c)	Alternate Investment Funds													
(d)	Foreign Venture Capital Investors													
(e)	Foreign Portfolio Investors													
(f)	Financial Institutions/Banks													
(g)	Insurance Companies													
(h)	Provident Funds/ Pension Funds													
(i)	Any Other (Foreign Institutional Investors)													
<b>Sub-Total (B)(1)</b>			<b>28</b>	<b>4,258,137</b>	-	-	<b>4,258,137</b>	<b>4.49</b>	-	-	-	-	-	<b>4,258,137</b>
(2)	Central Government/State Government(s)/ President of India													
<b>Sub-Total (B)(2)</b>														
(3)	Non-institutions													
(a)	Individuals - Individual shareholders holding nominal share capital up to Rs. 2 lakhs.		43468	34,596,171	-	-	34,596,171	36.50	-	-	-	-	-	32,013,397
(b)	Individual shareholders holding nominal share capital in excess of Rs. 2 lakhs.		7	3,775,410	-	-	3,775,410	3.98	-	-	-	-	-	3,775,410
(c)	NBFCs registered with RBI		5	180,566	-	-	180,566	0.19	-	-	-	-	-	180,566
(d)	Employee Trusts													
(e)	Overseas Depositories (holding DRs) (Balancing figure)													
(e-i)	Body Corporate		761	15,185,604	-	-	15,185,604	16.02	-	-	-	-	-	15,169,664
(e-ii)	Clearing Member		12	18,236	-	-	18,236	0.02	-	-	-	-	-	18,236
(e-iii)	Non Resident Indians		666	1,413,471	-	-	1,413,471	1.49	-	-	-	-	-	1,375,971
(e-iv)	Trust		6	47,130	-	-	47,130	0.05	-	-	-	-	-	47,130
<b>Sub-Total (B)(3)</b>			<b>44,925</b>	<b>55,216,588</b>	-	-	<b>55,216,588</b>	<b>58.25</b>	-	-	-	-	-	<b>52,580,374</b>
<b>Total Public Shareholding (B) = (B)(1) + (B)(2) + (B)(3)</b>			<b>44,953</b>	<b>59,474,725</b>	-	-	<b>59,474,725</b>	<b>62.74</b>	-	-	-	-	-	<b>56,837,636</b>

Details of the shareholders acting as persons in Concert including their Shareholding (No. and %):

Serial No.	Name of the PAC	PAN No.	Number of shares	Percentage of shareholding by PAC	ID

**Table IV: Statement showing shareholding pattern of Non promoter Non public shareholder**

S.No	Category of share-holders	PAN	No. of share-holders	No. of fully paid up equity shares held	Partly paid-up equity shares held	No. of shares underlying Depository Receipts	Total nos. shares held	Share holding % calculated as per SCRR, 1957 as a % of (A+B+C2)	No. of Voting Rights in each class of securities	No. of Shares Underlying Outstanding convertible securities (including Warrants)	Shareholding as a % assuming full conversion of convertible securities (as a % of diluted share capital) As a % of (A+B+C2)	Number of Locked in shares	Number of Shares pledged or otherwise encumbered	Number of equity shares held in dematerialized form
(i)	(ii)	(iii)	(iv)	(v)	(vi)	(vii)	(viii) = (iv) + (v) + (vi) + (vii)	(ix)	(x)	(xi) = (xi) + (x) + (x)	(xii)	(xiii)	(xiv)	
(1)	Individual Shareholders													
1	RAJESH MADHAVAN UNNI (HUF)	AAPHR9418E	1	1,947,701	-	-								



**NOTES TO FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30<sup>th</sup> SEPTEMBER 2016**

**1. SIGNIFICANT ACCOUNTING POLICIES**

**1.a) Basis of preparation** - The financial statements have been prepared to comply in all material respects with the accounting standards specified under Section 133 of Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014. The financial statements have been prepared under the historical cost convention on an accrual basis. The accounting policies have been consistently applied by the Company and are consistent with those used in the previous year.

**1.b) Use of estimates** - The preparation of financial statements in conformity with Generally Accepted Accounting Principles requires management to make estimates and assumptions that affect the reported amount of assets, liabilities, disclosures relating to contingent liabilities and assets as at the balance sheet date and the reported amounts of income and expenses during the year. Difference between the actual amounts and the estimates are recognised prospectively in the year in which the events are materialised.

**1.c) Fixed Assets, Depreciation, Amortisation and Impairment:** a) Fixed Assets are stated at original cost net of tax/duty credits available, if any, less accumulated depreciation, accumulated amortisation and cumulative impairment. Costs include pre-operative expenses and all expenses related to acquisition and installation of the assets concerned. b) Where the cost of part of the asset is significant to the total cost of the asset and if the part of the asset has a different useful life from that of the main asset, useful life of that part is determined separately for depreciation. c) Own manufactured assets are capitalised at cost including an appropriate share of overheads. d) New Product Development Cost including Technology Fee payable to technology providers will be appropriately capitalised as and when the liability gets crystallised with mutual consent of parties concerned. e) Depreciation has been provided under the Straight Line Method as per the useful lives stated in Schedule II to the Companies Act 2013, except for Dies, Tools and Moulds, which are depreciated at 33.33%. Depreciation for Plant & Machinery has been provided on Triple shift basis. f) Intangible assets are amortised as follows: - (i) Specialised software : Over a period of 4 years. (ii) Fees for Technical Know-how : Over a period of 4 years. (iii) Intangible Assets acquired on Amalgamation - Over a period of 15 years (Refer to note no. 2.34). (iv) Leasehold Buildings are amortised over the lease period (g) As at each balance sheet date, the carrying amount of assets is tested for impairment so as to determine: (i) The provision for impairment loss, if any, required or (ii) The reversal, if any, required for impairment loss recognised in previous periods. Impairment loss is recognised when the carrying amount of an asset exceeds its recoverable amount.

**1.d) Investments:** (a) Long Term Investments are stated at cost. b) Current Investments are carried at lower of cost and fair value as on the Balance Sheet date. c) Provision for diminution in value of long term investments is made, if the diminution is other than temporary.

**1.e) Valuation of Inventories:** Inventories are valued at lower of cost and estimated net realisable value. The basis of determining cost for various categories of inventories is as follows: i) Raw Materials, Packing Materials and Stores & Spares Weighted Average Basis. ii) Finished Goods and Work-in-progress Cost of Direct Material, Labour and other Manufacturing overheads.

**1.f) Revenue Recognition:** a) The company generally follows the mercantile system of accounting and recognises income and expenditure on an accrual basis except those with significant uncertainties. b) Sale of goods is recognised when the risks and rewards of ownership are passed on to the customers as per the terms of contract. c) Dividend income is recognised when the right to receive the dividend is unconditional at the Balance Sheet date. d) Interest is recognised on a time proportion basis taking into account the amount outstanding and the rate applicable. e) Claims made by the company including price escalations and those made on the Company are recognised in the Statement of Profit and Loss as and when the claims are accepted / liability is crystallised.

**1.g) Foreign Currency Transactions:** a) Foreign Currency Transactions are recorded at exchange rates prevailing on the date of such transaction b) Exchange differences arising on settlement of transactions of monetary items are recognised as income / expense in the Statement of Profit & Loss in the period in which it arises. c) Foreign monetary currency assets and liabilities at the year end are revalued at the exchange rate prevailing at the year end and difference on revaluation is recognised in the Statement of Profit & Loss. d) Premium / Discount in respect of Forward Contract is amortised as expense / income over the period of contract. Exchange difference arising on forward contracts between the exchange rate on the date of the transaction and the exchange rate prevailing at the year end is recognised in the Statement of Profit and Loss.

**1.h) Employee Benefits:** a) Short-term employee benefits are recognised as an expense at the undiscounted amount in the Statement of Profit and Loss of the year in which the related service is rendered. b) Post employment and other long term benefits, which are defined benefit plans, are recognised as an expense in the Statement of Profit and Loss for the year in which the employee has rendered service. The expense is recognised based on the present value of the obligation determined in accordance with Accounting Standard 15 on "Employee Benefits". Actuarial gains & losses are charged to the Statement of Profit and Loss. c) Payments to defined contribution schemes are charged as expense as and when incurred. d) Termination benefits are recognised as an expense, as and when incurred.

**1.i) Borrowing Costs:** a) Borrowing Costs attributable to the acquisition or construction of qualifying assets are capitalised as part of such assets. All other borrowing costs are charged to revenue. b) A qualifying asset is an asset that necessarily requires substantial period of time to get ready for its intended use or sale.

**1.j) Taxes on Income:** a) Current tax on income for the period is determined on the basis of taxable income and tax credits computed in accordance with the provisions of the Income Tax Act, 1961 and based on the expected outcome of assessment (Appeals). b) Deferred tax is recognised on timing differences between the accounting income and the taxable income for the year, and quantified using the tax rates and laws enacted or substantively enacted as on the Balance Sheet date. c) Deferred tax assets are recognised only to the extent there is reasonable certainty that the assets can be realised in the future. However, where there is unabsorbed depreciation or carried forward business loss under taxation laws, deferred tax assets are recognised only if there is a virtual certainty of realization of such assets. d) Minimum Alternate Tax (MAT) credit is recognised as an asset only when and to the extent there is convincing evidence that the company will pay normal income tax during the specified period. In the year in which the MAT credit eligible to be recognised as an asset in accordance with the recommendations contained in guidance note issued by the Institute of Chartered Accountants of India, the said asset is created by way of a credit to the statement of profit and loss and shown as MAT credit entitlement. The company reviews the same at each balance sheet date and writes down the carrying amount of MAT credit entitlement to the extent there is no longer convincing evidence to the effect that company will pay normal income tax during the specified period.

**1.k) Operating Leases:** a) Lease arrangements, where the risks and rewards incidental to the ownership of an asset substantially vest with the lessor, are recognised as an operating lease. b) Lease payments under operating leases are recognised as an expense on a straight line basis over the lease period. c) The Assets given under operating leases are shown in Balance Sheet under Fixed Assets and depreciated on a basis consistent with the depreciation policy of the company. The lease income is recognised in the Statement of Profit and Loss on a straight line basis over the lease period.

**1.l) Government Grant and Subsidies:** a) Grants and subsidies from the Government are recognised when there is a reasonable assurance that Grant / Subsidy are received and all attached conditions complied with. Grant related to specific fixed assets are presented in the Balance Sheet by showing such Grant as deduction from the Fixed Asset concerned. Grants received in the nature of promoters contribution is credited to Capital Reserve and treated as a part of Shareholders' fund.

**1.m) Earnings per Share:** a) Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period are adjusted for events of bonus issue, bonus element in a rights issue to existing shareholders, share split and consolidation of shares, if any. b) For the purpose of calculating diluted earnings per share, the profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

**1.n) Provisions and Contingencies:** A provision is recognised when an enterprise has a present obligation as a result of past event and it is probable that an outflow of resources would be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on a best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates. A disclosure of a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources.

**1.o) Cash and Cash Equivalents:** Cash flow are reported using the indirect method, whereby net profit / loss before tax is adjusted for the effects of transaction of a non cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flow comprises regular revenue generating, investing and financing activities of the company. Cash and cash equivalents in the balance sheet comprise of cash at bank and in hand and short term, highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value.

**2.1. SHARE CAPITAL**

**AUTHORISED**

582,000,000 Equity Shares of ₹ 1/- each \*  
(Previous year-100,000,000 Equity Shares of ₹ 1/- each)

**Issued, Subscribed and Paid-up**

94,796,721 Equity Shares of ₹ 1/- each  
(Previous year-100,000,000 Equity Shares of ₹ 1/- each)

\* Pursuant to the Scheme of Amalgamation Pricol Limited has been amalgamated with Pricol PUNE Limited with effect from 1st November 2016, with the appointed date as 1st April, 2015. Further upon giving effect to the Scheme the Authorised Share Capital of the Company stands increased to ₹ 582 Million.

**Reconciliation of the Shares Outstanding at the beginning and at the end of the reporting period:**

EQUITY SHARES	30-9-2016		31-3-2016	
	No. of Shares (in Million)	Million	No. of Shares (in Million)	Million
At the beginning of the period	100.000	100.000	100.000	100.000
Add : Shares to be allotted pursuant to Scheme of Amalgamation (Refer to Note No.2.34)	94.797	94.797	-	-
Less : Shares to be cancelled pursuant to Scheme of Amalgamation (Refer to Note No.2.34)	100.000	100.000	-	-
At the closing of the period	94.797	94.797	100.000	100.000

**Terms / Rights Attached to Equity Shares:**  
The company has only one class of equity shares having a par value of ₹ 1/- per share. Each holder of equity shares is entitled to one vote per share. The company declares and pays dividend in Indian Rupees. The dividend proposed by the Board of Directors, if any, is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation of the Company, the holders of the equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amount. The distribution will be in proportion to the number of equity shares held by the shareholders.

**Details of Shareholders holding more than 5% shares in the company:**

No. of Shares	30-9-2016		31-3-2016	
	No. of Shares	% held	No. of Shares	% held
Equity Shares of ₹ 1/- each fully paid				
- Pricol Limited, India (Holding Company)	-	-	100,000,000	100.00%
- Vijay Mohan	9,801,178	10.34%	-	-
- Pricol Holdings Limited	8,556,926	9.03%	-	-
- Viren Mohan	6,658,409	7.02%	-	-

Shareholding disclosed above pertains to the holding as on the record date for allotment of shares pursuant to Scheme of Amalgamation (Refer to Note No.2.34).

**2.2. RESERVES & SURPLUS**

**Securities Premium Account**

Opening Balance 684.000  
Add : Pursuant to Scheme of Amalgamation 7,412.156  
Surplus / (Deficit) in the Statement of Profit & Loss 8,096.156

Opening Balance (211.070)  
Add : Pursuant to Scheme of Amalgamation (109.936)  
Add : Profit for the year 318.355 (2.651) 89.425 (211.070)

30-9-2016 ₹ Million 31-3-2016 ₹ Million

684.000 684.000  
7,412.156 8,096.156  
8,096.156 8,096.156

**2.3. LONG TERM BORROWINGS**

**Non-current portion**

30-9-2016 31-3-2016  
₹ Million ₹ Million ₹ Million ₹ Million

50.000 166.667 20.000  
Less : Amount disclosed under other current Liabilities - (20.000)

50.000 166.667

Term loan from Indian bank is secured by way of hypothecation of machineries and other fixed assets of the company. The rate of interest is 14.25% and the loan is repayable in four quarterly instalments after an initial holiday period of 2 years from the date of first availing. Interest is to be serviced as and when charged. The above loan has been pre-closed during the year 2016-17. Hence there is no outstanding as on 30th September 2016.

Term Loan of ₹ 300 Million for Medium Term Working Capital from Bank of Bahrain and Kuwait B.S.C is repayable in 12 quarterly instalments of ₹ 25 Million each. Interest is payable on monthly basis at the rate of Bank Base Rate plus 10 bps. The loan is secured by an exclusive charge on the specific land and building of Plant III situated at Bilchi Village, Coimbatore District. Present Outstanding as on 30th September, 2016 is ₹ 100 Million.

Term Loan of ₹ 200 Million from HDFC Bank is repayable in 12 quarterly instalments of ₹ 16.667 Million each. Interest is payable on monthly basis at the rate of Bank Base Rate plus 5 bps. The loan is secured by exclusive charge by hypothecation of specific plant and machinery and exclusive charge by way of mortgage of immovable property situated in IMT Manesar, Gurgaon. Present Outstanding as on 30th September, 2016 is ₹ 116.667 Million.

**2.4. DEFERRED TAX LIABILITIES (NET)**

30-9-2016 31-3-2016  
₹ Million ₹ Million

302.000 302.000

Deferred Tax Liability Fixed Assets 302.000

Deferred Tax Asset 302.000

Disallowance under the Income Tax Act 57.000 57.000

57.000 57.000

Deferred Tax Liability (Net) A-B 245.000 245.000

Less : Pursuant to Scheme of Amalgamation 196.000 49.000

**2.5. LONG TERM PROVISIONS**

30-9-2016 31-3-2016  
₹ Million ₹ Million

130.196 6.676  
20.188  
69.158  
37.327  
256.869 1.064

**2.6. SHORT TERM BORROWINGS**

**Secured Loans**

Working Capital Facilities from Banks - In Rupee 359.827

**Unsecured Loans**

Working Capital Facilities from Banks - In Rupee 200.000  
559.827

Working Capital Facilities from Indian Bank is repayable on demand and secured by first pari-passu charge on the Land at Gat No. 1065, 1066 & 1062 at Village Prangut, Taluka Mulshi Dist. Pune measuring 27,092.21 sq.ft and Land at Gat No. 1071 measuring 412.36 sq. mts at Village Prangut and Factory Building measuring 120,349 sq.ft at Prangut, Pune. It is further secured by exclusive second charge on the stock, Book Debts and Plant and Machinery of the company.

Working Capital Facilities from State Bank of India, ICICI Bank, Axis Bank and HDFC Bank are secured by pari-passu first charge on the current assets of the company. Working Capital Facilities are further secured by pari-passu second charge on the specific immovable properties situated at Plant I - Perianackemplayam, Coimbatore District, Tamilnadu.

Working Capital Facilities from Banks are repayable on demand and carries interest rates varying from 9.90% to 11.45% p.a.

**2.7. TRADE PAYABLES**

Total Outstanding Dues of Micro, Small and Medium Enterprises 33.086

2,324.261 206.073  
2,357.347 206.073

There are no interest amounts paid / payable to Micro, Small and Medium Enterprises. The information in relation to dues to Micro, Small and Medium Enterprises have been determined to the extent such parties have been identified on the basis of information available with the Company, which has been relied upon by the auditors.

**2.8. OTHER CURRENT LIABILITIES**

Current Maturities of Long Term Debt (Refer to Note No. 2.3)

166.667 20.000  
3.096 0.199  
7.331  
92.888 9.580  
263.541 5.268  
193.434 19.764  
726.957 54.811

\* Other Payables includes accrued expenses and Security Deposit

**2.9. SHORT TERM PROVISIONS**

For Employee Benefits:

25.954 0.097  
0.757  
2.759  
26.718

56.188 0.097

**2.10. FIXED ASSETS**

Gross Block Depreciation / Amortisation Net Block

Cost as on 1-4-2016 Additions during Six Months Ended 30.09.2016 Adjustments on Amalgamation (Net) # Balance as on 30.9.2016

Upto 31-3-2016 For Six Months Ended 30.09.2016 Adjustments on Amalgamation (Net) # Withdrawn during Six Months Ended 30.09.2016 Total upto 30-9-2016

Written down Value as on 30-9-2016 as on 31-03-2016

**Tangible Assets**

Land :- 195.064 (195.064) 905.460 1,100.524 (195.064) 195.064

Leasehold Land - 76.100 76.100

**Buildings :-**

Freehold Buildings 165.959 (165.959) 1,078.876 0.609 1,244.779 (165.959) 1,078.876

Leasehold Buildings 183.022 (183.022) 180.000 180.000

Plant & Machinery 183.022 (183.022) 265.620 30.922 1,366.166 (183.022) 1,366.166

Furniture & Fixtures 1.791 (1.791) 1.263 30.886 33.940 (1.791) 33.940

Vehicles 1.033 (1.033) 2.116 24.206 27.285 (1.033) 27.285

Office Equipments 4.097 (4.097) 0.180 0.073 7.252 (4.097) 7.252

Computer Equipments 2.056 (2.056) 142.453 159.509 159.509 159.509

**Total Tangible Assets** 550.966 (571.731) 286.788 (8.378) 3,389.475 31.674 4,195.556 (550.966) 106.560 (86.432) 164.438 (26.140) 303.563 (6.012) 545.351 (106.560) 3,650.204 (444.406) 444.406

**Intangible Assets**

Computer Software 0.683 (0.683) 84.496 90.152 (0.683) 84.496

Technical Knowhow - 51.082 51.082

Brand/ Trade Mark - 491.400 491.400

Patents & Developed Technology - 1,411.600 1,411.600

Goodwill 300.845 (300.845) 1,490.100 1,790.945 (300.845) 1,490.100

**Total Intangible Assets** 301.528 (301.528) 4.973 3,528.678 3,835.179 (301.528) 3,835.179

**Total** 852.494 (873.259) 291.761 (8.378) 6,918.153 (29.143) 8,030.734 (852.494) 106.560 (269.673) 164.438 (86.480) 303.563 (6.012) 545.351 (350.141) 6,777.753 (502.353) 502.353

**Previous year** (873.259) (8.378) (29.143) (852.494) (269.673) (86.480) (6.012) (350.141) (502.353)

**Capital Work-in-Progress**

181.779

# Refer to Note No. 2.34 Adjustments on Amalgamation represents changes in Gross Block / Accumulated depreciation in books of erstwhile Pricol Limited during the year 2015-16.

Goodwill consists of Goodwill acquired on Amalgamation grouped under Intangible Assets represents the following :-

Customer Relationships - ₹ 1088.259 Million  
Assembled Workforce - ₹ 401.841 Million

**2.11. NON CURRENT INVESTMENTS**

30-9-2016 31-3-2016  
₹ Million ₹ Million

1. Shares in Subsidiary Company - Non Trade - Unquoted : a) 6,361,106 Equity Shares of Euro 1/- each fully paid up in Pricol Espana S.L. Spain. (Extent of holding - 100%) 501.466

2. Shares in Subsidiary Company - Trade - Unquoted : a) 6,700 Equity Shares of USD 1,000/- each fully paid-up in PT Pricol Surya, Indonesia (Extent of holding - 100%) 398.396

b) 250,000 Equity Shares of USD 1/- each fully paid-up in Pricol Asia Pte Limited, Singapore - (Extent of holding - 100%) 15.038

**Aggregate Cost of Un-Quoted Investments** 914.900

**2.12. LONG TERM LOANS AND ADVANCES**

30-9-2016 31-3-2016  
₹ Million ₹ Million

Unsecured, Considered good Capital Advances 120.092 1.208

Deposits 48.035 5.379

Unsecured Considered Doubtful 2.610

Less : Provision for Doubtful Deposits Other Loans and Advances - 6.643 6.643

Customs duty paid under protest 0.756 0.756

Customs revenue deposits 175.526 13.986

**2.13. OTHER NON-CURRENT ASSETS**

Unsecured Considered Good Loans to Employees 0.140

Balances with Government Authorities 1.339

Tax Payments Pending Adjustment (Net) 88.878 9.591

MAT Credit Entitlement 327.666 9.591

238.023

**2.14. CURRENT INVESTMENTS**

SL No. Particulars Amount ₹ Million 30-9-2016 31-3-2016 Market Value ₹ Million 30-9-2016 31-3-2016

Investments in Mutual Funds - Non Trade - Quoted - Fully paid

1) ICICI Prudential MIP - 25 - Regular Plan - Growth 0.700 0.797

2) IDFC Asset Allocation Fund of Funds - Aggressive Plan - Growth - (Regular Plan) 0.700 0.766

3) Birla Sun Life MIP II - Wealth 25 Plan - Growth- Regular Plan 0.700 0.830

**Aggregate Cost / Market Value of Quoted Investments** 2.100 2.392

30-9-2016 31-3-2016  
₹ Million ₹ Million

944.609 61.259

Raw Materials & Components (includes Goods in Transit of ₹ 200.021 Million Previous year - ₹ 6.768 Million)

Work-in-progress 92.114 9.772

Finished Goods 225.719 3.216

Land - Stock-in-Trade (Refer to Note No. 2