

IN THE HIGH COURT OF JUDICATURE AT MADRAS
(ORDINARY ORIGINAL CIVIL JURISDICTION)
COMPANY APPLICATION NO. 571 OF 2014

In the matter of the Companies Act, 1956 (1 of 1956).

And

In the matter of sections 391 to 394 of the Companies Act, 1956 (1 of 1956).

And

IN THE MATTER OF SCHEME OF AMALGAMATION
OF
XENOS AUTOMOTIVE LIMITED
WITH
PRICOL LIMITED
AND
THEIR RESPECTIVE SHAREHOLDERS

Pricol Limited,

a Company incorporated under the
Companies Act, 1956 and
having its Registered Office at
"CPM Towers", No.108, Race Course,
Coimbatore - 600018

....

Applicant / Transferee Company

Notice of Postal Ballot / E-voting

(Notice in pursuant to Section 110 of the Companies Act, 2013 and Section 391(2) of the Companies Act, 1956 and Securities And Exchange Board of India (SEBI) Circulars CIR/CFD/DIL/5/2013 dated 4/2/2013 and CIR/CFD/DIL/8/2013 dated 21/5/2013)

To

The Equity Shareholders of the Applicant Company,

Take notice that by an Order dated 11th June, 2014 in C.A.No.571 of 2014, the High Court of Judicature at Madras has directed the Applicant Company to seek the approval of the Equity Shareholders of the Applicant Company for the Scheme of Amalgamation of Xenos Automotive Limited with Pricol Limited by way of Postal Ballot / e-voting in terms of Section 391(2) read with Securities And Exchange Board of India (SEBI) Circulars CIR/CFD/DIL/5/2013 dated 4/2/2013 and CIR/CFD/DIL/8/2013 dated 21/5/2013.

The Hon'ble High Court of Judicature at Madras has appointed Mr.A.Sirajudeen, Advocate, having office at 225, N.S.C.Bose Road, Chennai 600001 to be the Chairman for the purpose of conducting the said Postal Ballot/e-voting.

In pursuance of the said Order, the following are enclosed herewith:

- 1) Proposed Resolution; (Page No. 2)
- 2) Explanatory Statement for the said resolution setting out the material facts and reasons required under Section 393 of the Companies Act, 1956; (Page No. 3)
- 3) Instructions to Postal Ballot and E-voting; (Page No. 10)
- 4) Scheme of Amalgamation; (Page No. 13) and
- 5) Observation Letters of BSE Limited and National Stock Exchange of India Limited (Page No. 25)
- 6) Complaints Report filed with the Stock Exchanges (Page No. 28)
- 7) Fairness Opinion (Page No. 29) and
- 8) Postal Ballot Form.

The Shareholders are requested to carefully read the instructions for exercising voting through Postal Ballot / e-voting and return the completed Postal Ballot Form, in the enclosed self addressed postage pre-paid business reply envelope (if posted in India) so as to reach the Scrutinizer, Unit: Pricol – Amalgamation, C/o Integrated Enterprises (India) Limited, Registrar & Transfer Agents of Pricol Limited, 2nd Floor, “KENCES” Towers, No:1, Ramakrishna Street, North Usman Road, T.Nagar, Chennai – 600 017 on or before the close of business hours at **5.30 p.m.on Monday, the 11th day of August, 2014 (Voting Date)**.

The Applicant Company is pleased to offer E-Voting facility also as an alternative for physical postal ballot for its shareholders. E-voting is optional. The shareholders are requested to read carefully and follow the instruction on E-Voting .

The above mentioned Scheme of Amalgamation, if approved by postal ballot / e-voting by requisite majority, will be subject to the subsequent approval of the Hon'ble High Court of Judicature at Madras.

Chennai
1st July 2014

A.Sirajudeen, Advocate
Chairman appointed for conducting
Postal Ballot / E-voting

Proposed Resolution

To consider and, if thought fit, to pass the following resolution as “Special Resolution”:

“**RESOLVED** that, subject to such approvals as may be necessary from the Hon'ble High Court of Judicature at Madras under Section 391 to 394 and other applicable provisions of the Companies Act, 1956 (including corresponding provisions of the Companies Act, 2013, if any applicable) and such other statutory or other authorities, the Scheme of Amalgamation of Xenos Automotive Limited with Pricol Limited be and is hereby agreed and approved.

RESOLVED FURTHER that, the Board of Directors of the Company and any person authorised by the Board of Directors, be and are hereby severally authorised to take all such steps as may be necessary or desirable and do all such acts, deeds, things and matters, as may be considered necessary or desirable and do all such acts, deeds, things and matters as may be considered necessary to give effect to the aforesaid Scheme of Amalgamation and this Resolution and to accept such alteration, modification and /or conditions, if any, which may be proposed, required or imposed by the Hon'ble High Court of Judicature at Madras while sanctioning the said Scheme of Amalgamation.”

IN THE HIGH COURT OF JUDICATURE AT MADRAS
(ORDINARY ORIGINAL CIVIL JURISDICTION)
COMPANY APPLICATION NO.571 OF 2014

In the matter of the Companies Act, 1956 (1 of 1956).

AND

In the matter of sections 391 to 394 of the Companies Act, 1956 (1 of 1956).

AND

IN THE MATTER OF SCHEME OF AMALGAMATION

OF

XENOS AUTOMOTIVE LIMITED

WITH

PRICOL LIMITED

AND

THEIR RESPECTIVE SHAREHOLDERS

Pricol Limited,
a Company incorporated under the
Companies Act, 1956 and
having its Registered Office at
CPM Towers, No.108, Race Course,
Coimbatore - 600018

....

Applicant / Transferee Company

STATEMENT UNDER SECTION 393 OF THE COMPANIES ACT, 1956.

1. Pursuant to the Order dated 11th June, 2014 passed by the Hon'ble High Court of Judicature at Madras, in the Company Application No.571 of 2014 referred to hereinabove, the Postal Ballot is being organised for the purpose of considering and, if thought fit, approving the arrangement embodied in the Scheme of Amalgamation of Xenos Automotive Limited with Pricol Limited by way of Special Resolution.
2. In this Statement, Pricol Limited, hereinafter referred to as "Transferee Company" / "Applicant Company", Xenos Automotive Limited, hereinafter referred to as "Transferor Company". Where the context so requires, the Applicant Company and the Transferor Company are collectively referred to as the "Companies". The said Scheme of Amalgamation is hereinafter referred to as "the Scheme".
3. A copy of the Scheme of Amalgamation, setting out the terms and conditions of the amalgamation of the Transferor Company with the Transferee Company, which has been approved by the Board of Directors of Transferor Company and Transferee Company at their respective meetings held on 24th January, 2014, is enclosed.
4. The Transferee Company was incorporated in the name of Premier Instruments Coimbatore Limited on 6th March, 1972, changed its name to Premier Instruments & Controls Limited on 4th January, 1983, and again changed its name to Pricol Limited with effect from 7th July, 2004. The Registered Office of the Applicant Company is situated at "CPM Towers", 109, Race Course, Coimbatore 641018.

The Transferee Company has six (6) manufacturing facilities across India. The Transferee Company 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 (OEM) and replacement markets. At present the Transferee Company is having a market share of around 30%.

The turnover of the company during 2012-13 is Rs.828.26 Crores and a net profit after tax is Rs.15.74 Crores. The transferee company has Reserves and Surplus of Rs.245.53 Crores. In the current year (Upto December 2013) the turnover of the company is Rs.616.46 Crores and a profit after tax of Rs.59.68 Crores. The Reserves and Surplus as at 31st December 2013 is Rs.308.44 Crores.

5. The Transferor Company which was originally incorporated as Matrix Techno Enterprise (India) Limited on 6th November, 2002, changed its name to Xenos Technologies Limited on 26th November, 2002, and again changed its name to Xenos Automotive Limited with effect from 30th November, 2011. The Registered Office of the Transferor Company is situated at 965, Harita Center, Avanashi Road, Coimbatore 641037.

The Transferor Company is promoted by promoters of Transferee Company and they hold majority of shares. The present paid capital of the Transferor Company is Rs.36.20 Crores.

The Transferor Company deals with vehicle accessories in the areas of Vehicle Security Systems, Driver Assistance Systems, Audio & Video Systems, Auto Accessories like mobile charger, power sockets etc. The Transferor Company is now focusing more on manufacturing and contract manufacturing over and above the trading. The Transferor Company's brand "Xenos" is well recognized in the market.

The turnover of the Transferor Company during 2012-13 is Rs. 25.47 Crores. In the current year (2013-14) upto December 2013 (9 Months), the company achieved a turnover of Rs.21.11 Crores. The accumulated losses as at 31st December 2013 is Rs.66.69 Crores.

6. The Share Capital of the Transferor Company and Transferee Company are set out in the Share Capital Clause of the Scheme.
7. The objects of the Applicant Company are as set out in the Memorandum of Association of the Applicant Company. The primary objects are, inter alia, to carry on the business of manufacturing and sale of Dashboard Instruments, Precision Instruments, and Automotive Components & Parts for automotive applications.
8. The objects of the Transferor Company are as set out in the Memorandum of Association of the Transferor Company. The primary objects are, inter alia, to carry on the business of manufacture and trading of Automotive Accessories.
9. **The Circumstances which justify and the rationale which necessitated the Scheme of Arrangement for Amalgamation, inter alia as follows:-**
 - i. **The Transferor Company and Transferee Company are engaged in lines of business in the automotive sector.**
 - ii. **The Transferee Company is a leading manufacturer of automotive products catering to the needs of vehicle manufacturers and replacement market in India and abroad; It has good capabilities in managerial, engineering and financial areas.**
 - iii. **The Transferor Company is dealing with automotive accessories, including manufacturing and contract manufacturing and has an established network through its 15 branches**

and 3 warehouses situated across the country. The Transferor Company has strengths in distribution, sales and after sales services through its network across India. Over a period of time, it has established its “Xenos” brand in the after-market space.

- iv. **An Analysis of the Auto Industry indicates that significant majority of accessories requirement is Direct to Vehicle Makers (OEM), Sale at Vehicle Makers showrooms under OEM brand name (OES) and Sale at Vehicle Makers showrooms under supplier brand name (DFS) and lately through the E-commerce platform, from the earlier dominance of the after- market channel. These market segments, hitherto untapped by the Transferor Company, can be tapped using Transferee Company's technical and managerial capabilities combined with the long standing and deep ties that the Transferee Company has with Vehicle Makers.**
 - v. **The amalgamation will help the Transferee Company in creation of platform for a new business vertical and to act as a gateway for growth and expansion of business operations.**
 - vi. **The Transferor Company's products synergize well with the product groups of the Transferee Company like Driver Information Systems and Asset Management Products. The amalgamation would thus lead to improved customer connect and enhanced market share across product segments.**
 - vii. **By this amalgamation and through enhanced base of product offerings, the Transferee Company would serve as “One-Stop Solution Provider” for that range to the Original Equipment Manufacturers.**
 - viii. **The proposed amalgamation of the Transferor Company with the Transferee Company in accordance with this scheme would enable companies to realize benefits of greater synergies between their businesses and avail of the financial, managerial, technical, distribution and marketing resources of each other towards maximizing stakeholder value.**
 - ix. **The amalgamation will result in higher value proposition for the products and operations currently being done by the Transferee Company. Synergy of operations will result in benefits such as sustained availability and better procurement terms of components. Pooling of resources in manufacturing, engineering manpower, office space and other infrastructure will lead to better utilization and avoidance of duplication of facilities. Enhanced access to marketing networks / customers, reduction of administrative work etc., will also lead to higher cost efficiencies.**
10. The Salient features of the Scheme are:-
- a) The Scheme of Amalgamation of Transferor Company with Transferee Company will take effect from “Appointed Date” 1st January, 2014 and the entire undertaking of Transferor Company shall stand transferred to and vested in Transferee Company.
 - b) The “Effective Date” for the Scheme means the date on which the certified or authenticated copy of the Orders of High Court of Judicature at Madras or any other appropriate authority under Sections 391 to 394 of the Companies Act, 1956 sanctioning this Scheme is filed with the Registrar of Companies, Tamilnadu, Coimbatore.
 - c) The term “ Undertaking” under the Scheme shall mean the business of the Transferor Company on a going concern basis, consisting inter alia of:-
 - l) All the assets, properties, current assets, investments, claims, authorities, allotments, approvals, consents, licenses, registration, contracts, engagements,

arrangements, estates, interests, intellectual property rights, powers, rights and titles, benefits and advantages of whatsoever nature and wherever situate of every description belonging to or in the ownership, power and possession and in the control of or vested in or granted in favour of or enjoyed by the Transferor Company as on the Appointed Date (hereinafter referred to as “the assets”);

- II) All the debts, liabilities, duties and obligations of every description of or pertaining to, the Transferor Company as on the Appointed Date (hereinafter referred to as “the liabilities”);
 - III) Without prejudice to the generality of sub-clauses (i) and (ii) above, the term “Undertaking” shall include the entire business, reserves, movable and immovable assets and properties, real corporeal and incorporeal, in possession or reversion, present and contingent, all other assets (whether tangible or intangible) of whatsoever nature, investments, lease and hire-purchase contracts, rights, powers, authorities, allotments, approvals, consents, letters of intent, industrial and other licenses, registrations, contracts, engagements, arrangements, rights, titles, interests, benefits and advantages of any nature whatsoever and wheresoever situate belonging to or in the ownership, power or possession and in the control of or vested in or granted in favour of or enjoyed by the Transferor Company, including but without being limited to all patents, patent rights applications, trade marks, trade names, brands, copyrights and other industrial and intellectual properties and rights of any nature whatsoever and licenses assignments, grants in respect thereof, privileges, liberties, easements, contracts, advantages, benefits, goodwill, quota rights, permits, approvals, authorizations, right to use and avail of telephones, telex, facsimile and other communication facilities, connections, equipments and installations, utilities, electricity and electronic and all other services, of every kind, nature and descriptions whatsoever, reserves, provisions, funds, benefit of all agreements, arrangements, deposits, advances, recoverables and receivables whether from government, semi-government, local authorities or any other customers, etc. and all other rights, interests, claims and powers of every kind, nature and description of and arising to the Transferor Company and cash and bank balances, all earnest moneys and/or deposits including Security Deposits paid by the Transferor Company.
- d) With effect from 1st January, 2014, all debts and liabilities, etc. of Transferor Company shall stand transferred to Transferee Company, pursuant to the Scheme and shall be recorded by the Transferee Company at their respective book value. Till the date the Scheme finally takes effect, Transferor Company shall be deemed to carry on its business and activities and stand possessed of properties for and on account of Transferee Company.
 - e) The excess / short fall in the book value of the assets over the value of the liabilities of the Transferor Company transferred and vested in the Transferee Company pursuant to the Scheme shall be credited / debited to General Reserve Account of the Transferee Company, as the case may be.
 - f) (i) **The Inter-company outstanding balances between the Transferor Company and the Transferee Company of Rs.36.15 crores owed by Transferor Company towards the supplies made by the Transferee Company, the obligations in respect thereof shall come to an end and there shall be no liability in that behalf and the corresponding effect shall be given in the books of accounts of the Transferee Company.**

- (ii) The Negative Net worth of Transferor Company and the corresponding reduction in the Net worth of Transferee company will be Rs. 30.49 crores, which will be adjusted against the General Reserve of transferee company**

The above said facts were considered while fixing the Swap ratio for issue & allotment of shares of the Transferee Company to the shareholders of the Transferor Company.

- g) Upon the Scheme becoming fully effective, in consideration of the transfer and vesting of the entire undertaking of the Transferor Company in the Transferee Company in terms of this Scheme, the Transferee Company shall without any further act or deed, issue and allot:-
- i) 1 (One) Equity Shares of Re.1/- each credited as fully paid up of the Transferee Company for every 122 Equity Shares of Rs.10/- each fully paid-up held by the Equity Shareholders in the Transferor Company, whose names are recorded in the Register of Members, as on the Record Date. The Equity Shares so issued and allotted, shall rank pari passu in all respects with the existing Equity Shares of the Transferee Company.
- ii) No fractional shares shall be issued by the Transferee Company in respect of fractional entitlement to which the shareholders of Transferor Company may be entitled to on issue and allotment of shares as aforesaid by the Transferee Company. All such fractions shall be consolidated into full equity shares which shall be allotted by the Board of Directors of Transferee Company at its discretion to any nominees of Transferee Company upon trust to sell the shares so allotted and to distribute the sale proceeds to those shareholders of Transferor Company as the case may be who are entitled to such fractions in the proportion to which they are so entitled.
- h) With effect from the date the Scheme becomes finally effective all legal proceedings by or against Transferor Company shall be continued and be enforced by or against Transferee Company, as the case may be.
- i) The Transferee Company shall take over employees of Transferor Company on the same terms as they are employed by Transferor Company.
- j) For the purpose of giving effect to the Scheme of Amalgamation or to any modifications thereof the Board of Directors of Transferee Company are authorised to give necessary directions.
- k) The Scheme is conditional on and subject to the Sanction of the Authorities concerned, approval by the requisite majorities of the shareholders and sanctions of the High Court of Judicature at Madras, as may be required.
- l) Pursuant to the Scheme being effective, the Transferor Company shall be dissolved without winding up pursuant to the provisions of Section 394 of the Companies Act, 1956.
- m) On approval of the Scheme by the Shareholders of the Transferor Company and Transferee Company pursuant to Section 391 of the Companies Act, 1956, it shall be deemed that the said Shareholders have also accorded all relevant consents under applicable provisions of the Companies Act (including corresponding provisions in the Companies Act, 2013, if applicable) and any other provisions of the said Act to the extent the same may be considered applicable.

- n) The new equity shares to be issued to the Shareholders of Transferor Company shall be subject to the Memorandum and Articles of Association of the Transferee Company and shall be listed and/or admitted to trading on the BSE Limited and National Stock Exchange Limited where the equity shares of Transferee Company are listed and/ or admitted for trading.
11. *The features set out above being the salient features of the Scheme of Amalgamation; the Equity Shareholders are requested to read the entire text of the Scheme annexed hereto to get fully acquainted with the provisions thereof.*
 12. The proposed Scheme of Amalgamation was approved by the Board of Directors of the Applicant Company at the meeting held on 24th January, 2014 after considering the recommendations of the Audit Committee, Valuation Report dated 9th January, 2014 issued by the M/s Haribhakti & Co., Chartered Accountants and fairness opinion dated 23rd January, 2014 of an independent Category - I Merchant Banker M/s. Centrum Capital Limited.
 13. In accordance with the Circular No.CIR/CFD/DIL/5/2013 issued by the Securities and Exchange Board of India ("SEBI") on February, 4, 2013 as amended vide Circular No.CIR/CFD/DIL/8/2013 dated May 21, 2013, the Audit Committee of the Board of Directors of the Applicant Company had on 24th January 2014, recommended the proposed Scheme of Amalgamation for approval of Board.
 14. No investigation proceedings have been instituted or are pending against the Applicant / Transferee Company under Sections 235 to 250A of the Companies Act, 1956 (including corresponding provisions of the Companies Act, 2013).
 15. The rights and interests of the secured and unsecured creditors, as the case may be, of the Transferor Company and the Transferee Company will not in any way be adversely affected or stand to lose or be prejudiced and that their rights and interests are well protected since after amalgamation, the Transferee Company will be continuing the business of the Transferor Company.
 16. Pursuant to the Scheme, 2,96,721 Equity Shares of Re.1/- each of Transferee Company shall be issued and allotted to the shareholders of Transferor Company. The shareholding pattern of the Transferee Company Pre and Post Amalgamation is as under based on the shareholdings as on 31st March 2014.

Name of the Director	Pre-amalgamation		Post-amalgamation	
	Number of shares of Re.1/- each	%	Number of shares of Re.1/- each	%
Promoters & Associates	36,503,946	38.63	36,795,093	38.82
Non-Resident Indians	1,201,587	1.27	1,201,587	1.27
Banks / Indian Financial Institutions	46,044	0.05	46,044	0.05
Venture Capital Funds	2,700,000	2.86	2,700,000	2.85
Insurance Companies	268,966	0.28	268,966	0.28
Bodies Corporate	19,573,072	20.71	19,578,646	20.65
Mutual Funds	1,634,750	1.73	1,634,750	1.72
Public	32,571,635	34.47	32,571,635	34.36
Total	94,500,000	100.00	94,796,721	100.00

17. The Directors of the Transferor Company and the Transferee Company may be deemed to be concerned and /or interested in the Scheme only to the extent of their shareholding in the respective Companies, or to the extent the said Directors are the partners or directors or Shareholders of the firms, companies, association of persons, bodies corporate and /or beneficiary of trust, that hold shares in any of the Companies or to the extent they may be allotted shares in the Transferee Company as a result of the Scheme. Save as aforesaid, none of the directors of the Applicant Company have any material interest in the proposed Scheme.
18. The present details of Directors of Transferee Company and their shareholding in the Transferee Company and Transferor Company as follows:-

Name of the Director	Position	Equity shares held in	
		Transferee Company	Transferor Company
Mr.Vijay Mohan	Chairman	9,544,440	34,637,425
Mrs.Vanitha Mohan	Vice Chairman	3,801,180	37,535
Mr.Vikram Mohan	Managing Director	3,363,960	20
Mr.Suresh Jagannathan	Director	26,985	---
Mr.C.R.Swaminathan	Director	1,995	---
Mr.D.Sarath Chandran	Director	45,000	---
Mr.R.Vidhya Shankar	Director	---	---
Mr.G.Soundararajan	Director	---	---
Mr.K.Murali Mohan	Director	---	---

19. The present details of Directors of Transferor Company and their shareholding in Transferee Company and Transferor Company are as follows:-

Name of the Director	Position	Equity shares held in	
		Transferee Company	Transferor Company
Mr.Vijay Mohan	Chairman	9,544,440	34,637,425
Mrs.S.A.Gopalakrishnan	Director	---	---
Mr.N.Subramanian	Director	---	---

20. The following documents will be open for inspection by the Shareholders at the Registered Office of Applicant Company at CPM Towers, 109, Race Course, Coimbatore 641018 on any working day between 11.00 a.m. and 1.00 p.m. till 11th August, 2014:—
- Memorandum and Articles of Association of Applicant Company and Transferor Company.
 - Scheme of Amalgamation.
 - Annual Reports of Applicant Company and Transferee Company for the year ended 31.3.2013.
 - Valuation Report dated 9th January, 2014 by M/s Haribhakti & Co., Chartered Accountants recommending share exchange ratio.
 - Copy of the Order dated 11th June, 2014 passed by the Hon'ble High Court of Judicature at Madras in C.A.No.571 of .2014.

- f. Copies of the resolution passed by the Board of Directors of the Transferor Company and Transferee Company approving the Scheme.
- g. Copy of the no-objection / observation letter relating to the Scheme issued by the BSE Limited and National Stock Exchange of India Limited dated 2nd May 2014 and 30th April 2014 respectively.
- h. Copy of the no objection / observation letter relating to the Scheme issued by SEBI dated 30th April, 2014.
- i. Copy of the Fairness Opinion dated 23rd January, 2014, issued by Category – I, Merchant Banker, M/s Centrum Capital Limited on share exchange ratio.

This statement may be treated as Explanatory Statement under Section 102 of the Companies Act, 2013 and Section 393 of the Companies Act, 1956. A copy of the Scheme, Explanatory Statement, Proposed Resolution, Postal Ballot Form and Instructions for Voting may be obtained from the Registered Office of the Applicant Company and / or at the office of its Advocate Mr.V.Srinivasan, No.1/1, Third Street, East Abhirampuram, Mylapore, Chennai 600004.

Chennai
1st July 2014

A.Sirajudeen, Advocate
Chairman appointed for conducting Postal Ballot / E-voting

INSTRUCTIONS FOR VOTING:

A) VOTING THROUGH PHYSICAL POSTAL BALLOT FORM

1. A Shareholder desiring to exercise vote by Postal Ballot shall complete the enclosed Postal Ballot Form with assent (for) or dissent (against) and send it to the Scrutinizer in the enclosed self-addressed postage prepaid envelope. Postage will be borne and paid by the Company. However, envelopes containing Postal Ballot Forms, if deposited in person or sent by courier at the expenses of the shareholders will also be accepted.

The Postal Ballot Form duly completed and signed should be returned in the enclosed self-addressed postage prepaid envelope directly to the Scrutinizer, Unit: Pricol – Amalgamation, C/o, Integrated Enterprises (India) Limited, Registrar & Transfer Agents of Pricol Limited, 2nd Floor, Kences Towers, No.1, Ramakrishna Street, North Usman Road, T.Nagar, Chennai 600017 so as to reach the Scrutinizer not later than the close of working hours (**17.30 hrs**) on **Monday, 11th August 2014**. Postal ballot forms received after that date will be treated as if the reply from such shareholders has not been received.

2. This form should be completed and signed by the sole / first named shareholder. In case of joint holding, this Form should be completed and signed (by the first named shareholder and in his absence, by the next named joint holder. The signature of the shareholder on this Postal Ballot Form should be as per the specimen signature registered with the Company or furnished by National Securities Depository Limited / Central Depository Services (India) Limited to the Company, in respect of shares held in the physical form or dematerialized form, respectively.
3. In case of shares held by companies, trusts, societies, etc., the duly completed Postal Ballot Form should be accompanied by a certified true copy of the Board Resolution / Authorisation together with attached specimen signature(s) of the duly authorised signatories.
4. Shareholders holding shares in dematerialised form are advised, in their own interest, to get their signatures verified by their Banker / Depository Participant (DP). Signatures should be verified by the Manager of the concerned Bank / DP by affixing a rubber stamp / seal

mentioning name and address of the Bank / DP and name, stamp and signature of the Manager.

5. Shareholders are requested not to send any other paper along with the Postal Ballot Form in the enclosed self-addressed envelope as all such envelopes will be sent to the Scrutinizer and any other paper found in such envelope, the same would not be considered and would be destroyed by the Scrutinizer.
6. The votes should be cast in favour of or against the Resolution by putting the tick mark () in the column provided for assent or dissent. Postal Ballot Form bearing () in both the column will render the form invalid. Incomplete, unsigned, incorrectly filed or bearing more than one Postal Ballot Forms will be subject to rejection by the Scrutinizer.
7. There will be one Postal Ballot Form for every Folio / Client ID irrespective of the number of joint holder.
8. The Postal Ballot shall not be exercised by a Proxy.
9. Postal Ballot Form – Votes will be considered invalid on the following grounds.
 - a) If the shareholders's signature does not tally.
 - b) If the shareholder has marked all his shares both in favour and also against the resolutions.
 - c) If the Ballot paper is unsigned.
 - d) If the Ballot paper is filled in pencil or signed in pencil.
 - e) If the Ballot paper is received torn or defaced or mutilated to an extent that it is difficult for the Scrutinizer to identify either the shareholder or the number of votes or as to whether the votes are in favour or against or if the signature could not be checked or one or more of the above grounds.
10. The Chairman appointed for Postal Ballot/e-voting's decision on the validity of the Postal Ballot will be final.

B) E-VOTING FACILITY

1. The Company is pleased to offer e-voting facility for the Shareholders to enable them to cast their votes electronically instead of dispatching Postal Ballot Form. Members have an option to vote either through e-voting or through Ballot Form. If a shareholder has opted for e-voting, then he/she should not vote by Postal Ballot also and vice-a-versa. However, in case members cast their vote both via physical ballot and e-voting, then voting through physical ballot shall prevail and voting done by e-voting shall be treated as invalid.
2. The e-voting period commences on **12th July 2014 (0830 hours) and ends on 11th August 2014 (1730 hours)**. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 30th June 2014, may cast their vote electronically. The e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently.
3. The voting rights of shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of 30th June 2014.
4. Mr. K Sriram, Partner of M/s. S Krishnamurthy & Co, Company Secretaries, shall assist the Chairman appointed for the postal ballot/e-voting process in a fair and transparent manner.

5. Shareholders are further requested to read the instructions given below:

A. In case a Shareholder **receives an email from NSDL** [for members whose email IDs are registered with the Company / Depository Participants(s)]:

- i. Open email and open PDF file viz; “pricol e-Voting.pdf” with your Client ID or Folio No. as password. The said PDF file contains your user ID and password / PIN for e-voting. Please note that the password is an initial password.
- ii. Launch internet browser by typing the following URL: <https://www.evoting.nsd.com/>
- iii. Click on “Shareholder – Login”
- iv. Put user ID and password as initial password / PIN noted in step (i) above. Click Login.
- v. Password change menu appears. Change the password / PIN with new password of your choice with minimum 8 digits / characters or combination thereof. Note new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- vi. Home page of e-voting opens. Click on e-Voting: Active Voting Cycles.
- vii. Select “EVEN” (E-Voting Event Number) of Pricol Limited.
- viii. Now you are ready for e-voting as Cast Vote page opens.
- ix. Cast your vote by selecting appropriate option and click on “Submit” and also “Confirm” when prompted.
- x. Upon confirmation, the message “Vote cast successfully” will be displayed
- xi. Once you have voted on the resolution, you will not be allowed to modify your vote
- xii. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF / JPG Format) of the relevant Board Resolution / Authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail to skco.cs@gmail.com with a copy marked to evoting@nsdl.co.in

B. In case a Member **receives physical copy of the Postal Ballot** [for members whose email IDs are not registered with the Company / Depository Participants(s) or requesting physical copy]:

- i. Initial password is provided as below / at the bottom of the Attendance Slip for the Postal Ballot : **EVEN** (E Voting Event Number) **USER ID PASSWORD / PIN**.
- ii. Please follow all steps from Sl. No. (ii) to Sl. No. (xii) above, to cast vote.
- iii. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the Downloads section of www.evoting.nsd.com OR contact NSDL at the following Telephone No:022 24994600.

6. If you are already registered with NSDL for e-voting then you can use your existing user ID and password / PIN for casting your vote.

7. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).

SCHEME OF AMALGAMATION
BETWEEN
XENOS AUTOMOTIVE LIMITED
AND
PRICOL LIMITED
AND
THEIR RESPECTIVE SHAREHOLDERS
PART - 1

1. PREAMBLE

1.1 THE SCHEME

This Scheme of Amalgamation provides for the amalgamation of Xenos Automotive Limited (Transferor Company) with Pricol Limited (Transferee Company) pursuant to the applicable provisions of the Companies Act.

1.2 The Scheme is divided into following Parts:

Part - 1 : Deals with Preamble;

Part - 2 : Deals with Definitions;

Part - 3 : Deals with Amalgamation of Transferor Company with Transferee Company;

Part - 4 : Deals with the general terms and conditions that would be applicable to the entire Scheme.

1.3 Transferor Company:

Xenos Automotive Limited, a company incorporated under the Companies Act, 1956, bearing Corporate Identity Number: U29308TZ2002PLC010356, and having its Registered Office at 965, Harita Center, Avanashi Road, Coimbatore 641037 (hereinafter referred to as "Transferor Company") was established in the year 2002.

The Transferor Company is promoted by promoters of Transferee Company and they hold majority of shares. The present paid capital of the Transferor Company is Rs.36.20 Crores.

The Transferor Company deals with vehicle accessories in the areas of Vehicle Security Systems, Driver Assistance Systems, Audio & Video Systems, Auto Accessories like mobile charger, power sockets etc. The Transferor Company is now focusing more on manufacturing and contract manufacturing over and above the trading. The Transferor Company's brand "Xenos" is well recognized in the market.

The turnover of the Transferor Company during 2012-13 is Rs. 25.47 Crores. In the current year (2013-14) upto December 2013 (9 Months), the company achieved a turnover of Rs.21.11 Crores. The accumulated losses as at 31st December 2013 is Rs.66.69 Crores.

1.4 **Transferee Company:**

Pricol Limited, a listed company incorporated under the Companies Act, 1956, bearing Corporate Identity Number: L33129TZ1972PLC000641, and having its Registered Office at 109, Race Course, Coimbatore 641018 (hereinafter referred to as “Transferee Company”) was established in the year 1972.

The Transferee Company has a paid capital of Rs. 9.45 Crores and promoters hold 38.63%.

The Transferee Company has six (6) manufacturing facilities across India. The Transferee Company 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 (OEM) and replacement markets. At present the Transferee Company is having a market share of around 30%.

The turnover of the company during 2012-13 is Rs. 828.26 Crores and a net profit after tax is Rs. 15.74 Crores. The transferee company has Reserves and Surplus of Rs. 245.53 Crores. In the current year (Upto December 2013) the turnover of the company is Rs.616.46 Crores and a profit after tax of Rs.59.68 Crores. The Reserves and Surplus as at 31st December 2013 is Rs.308.44 Crores.

- 1.5 The present Scheme proposed is the amalgamation of the Transferor Company with the Transferee Company for the purpose of synergy in operations, better economical management and control.

1.6 **Rationale of the Scheme**

- a) The Transferor Company and Transferee Company are engaged in lines of business in the automotive sector;
- b) The Transferee Company is a leading manufacturer of automotive products catering to the needs of vehicle manufacturers and replacement market in India and abroad; It has good capabilities in managerial, engineering and financial areas;
- c) The Transferor Company is dealing with automotive accessories, including manufacturing and contract manufacturing and has an established network through its 15 branches and 3 warehouses situated across the country. The Transferor Company has strengths in distribution, sales and after sales services through its network across India. Over a period of time, it has established its “Xenos” brand in the after-market space.
- d) An Analysis of the Auto Industry indicates that significant majority of accessories requirement is Direct to Vehicle Makers (OEM), Sale at Vehicle Makers showrooms under OEM brand name (OES) and Sale at Vehicle Makers showrooms under supplier brand name (DFS) and lately through the E-commerce platform, from the earlier dominance of the after- market channel. These market segments, hitherto untapped by the Transferor Company, can be tapped using Transferee Company's technical and managerial capabilities combined with the long standing and deep ties that the Transferee Company has with Vehicle Makers.
- e) The amalgamation will help the Transferee Company in creation of platform for a new business vertical and to act as a gateway for growth and expansion of business operations.

- f) The Transferor Company's products synergize well with the product groups of the Transferee Company like Driver Information Systems and Asset Management Products. The amalgamation would thus lead to improved customer connect and enhanced market share across product segments.
 - g) By this amalgamation and through enhanced base of product offerings, the Transferee Company would serve as "One-Stop Solution Provider" for that range to the Original Equipment Manufacturers.
 - h) The proposed amalgamation of the Transferor Company with the Transferee Company in accordance with this scheme would enable companies to realize benefits of greater synergies between their businesses and avail of the financial, managerial, technical, distribution and marketing resources of each other towards maximizing stakeholder value.
 - i) The amalgamation will result in higher value proposition for the products and operations currently being done by the Transferee Company. Synergy of operations will result in benefits such as sustained availability and better procurement terms of components. Pooling of resources in manufacturing, engineering manpower, office space and other infrastructure will lead to better utilization and avoidance of duplication of facilities. Enhanced access to marketing networks/customers, reduction of administrative work etc will also lead to higher cost efficiencies.
- 1.7 Both Transferor Company and Transferee Company intend that the amalgamation in accordance with this Scheme shall take effect from the Appointed Date (as defined hereinafter), but will be operative from the Effective Date (as defined hereinafter).

PART – 2

2. DEFINITIONS

In this Scheme, unless inconsistent with the subject or context, the following expressions shall have the following meanings:

- 2.1 **“Act” or “Companies Act”** means the Companies Act, 1956 (including any statutory modification or re-enactment thereof for the time being in force) and / or the Companies Act, 2013 (from the date of applicability as may be notified by the Government, including any statutory modification or re-enactment thereof).
- 2.2 **“Applicable provisions of the Act” or “Applicable provisions of the Companies Act”** means Section 391 to 394 of the Companies Act, 1956 (including any statutory modification or re-enactment thereof for the time being in force) and / or Section 230 to 232 of the Companies Act, 2013 (from the date of applicability as may be notified by the Government, including any statutory modification or re-enactment thereof)
- 2.3 **“Appointed Date”** means the **1st January, 2014** or such other date as the Court may direct for the purposes of this Scheme and for the Income Tax Act, 1961.
- 2.4 **“Board”** means Board of Directors.
- 2.5 **“Effective Date”** means the date on which a certified copy of the Order of the Hon'ble High Court sanctioning this Scheme is filed with the Registrar of Companies, Tamilnadu, Coimbatore.

- 2.6 **“High Court” or “Court”** means the Hon'ble High Court of Judicature at Madras and shall include the National Company Law Tribunal (NCLT) or such other forum or authority, as may be vested with the any of the powers of a High Court under the Companies Act, if applicable.
- 2.7 **“Record Date”** shall mean a date to be fixed by the Board of Directors of the Transferee Company for purpose of issue and allotment of Equity Shares under this Scheme.
- 2.8 **“Shareholders”** means respectively the persons registered as holders of Equity Shares of the Companies concerned.
- 2.9 **“Scheme of Amalgamation” or “Scheme” or “Scheme of Arrangement”** shall mean this Scheme of Amalgamation of M/s Xenos Automotive Limited with M/s Pricol Limited in its present form or with any modification(s) approved, imposed, or directed by the shareholders of the respective Companies or the Hon'ble High Court.
- 2.10 **“SEBI Scheme Circular”** shall mean Securities and Exchange Board Circular CIR/CFD/DIL/5/2013 dated February 4, 2013 and CIR/CFD/DIL/8/2013 dated May 21, 2013, (including any amendment/ modification or re-enactment thereof for the time being in force).
- 2.11 **“Undertaking”** shall mean and include:-
- i. All the assets, properties, current assets, investments, claims, authorities, allotments, approvals, consents, licenses, registration, contracts, engagements, arrangements, estates, interests, intellectual property rights, powers, rights and titles, benefits and advantages of whatsoever nature and wherever situate of every description belonging to or in the ownership, power and possession and in the control of or vested in or granted in favour of or enjoyed by the Transferor Company as on the Appointed Date (hereinafter referred to as “the assets”);
 - ii. All the debts, liabilities, duties and obligations of every description of or pertaining to, the Transferor Company as on the Appointed Date (hereinafter referred to as “the liabilities”);
 - iii. Without prejudice to the generality of sub-clauses (i) and (ii) above, the term “Undertaking” shall include the entire business, reserves, movable and immovable assets and properties, real corporeal and incorporeal, in possession or reversion, present and contingent, all other assets (whether tangible or intangible) of whatsoever nature, investments, lease and hire-purchase contracts, rights, powers, authorities, allotments, approvals, consents, letters of intent, industrial and other licenses, registrations, contracts, engagements, arrangements, rights, titles, interests, benefits and advantages of any nature whatsoever and wheresoever situate of, belonging to or in the ownership, power or possession and in the control of or vested in or granted in favour of or enjoyed by the Transferor Company, including but without being limited to all patents, patent rights applications, trade marks, trade names, brands, copyrights and other industrial and intellectual properties and rights of any nature whatsoever and licenses assignments, grants in respect thereof, privileges, liberties, easements, contracts, advantages, benefits, goodwill, quota rights, permits, approvals, authorizations, right to use and avail of telephones, telex, facsimile and other communication facilities, connections, equipments and installations, utilities, electricity and electronic and all other services, of every kind, nature and descriptions whatsoever, reserves, provisions, funds, benefit of all agreements, arrangements, deposits, advances, recoverables and receivables whether from government, semi-government, local authorities or any other customers, etc. and all other rights, interests, claims and powers of every kind, nature and description of and arising to the Transferor Company and cash and bank balances, all earnest moneys and / or deposits including Security Deposits paid by the Transferor Company.

- 2.12 The expressions used in the Scheme of Amalgamation and not expressly defined herein shall carry the same meaning as in the Act.

PART – 3

THE SCHEME

3 Transfer and vesting of assets of Transferor Company

- 3.1 With effect from the Appointed Date and upon the scheme becoming effective, the undertaking and the entire business of the Transferor Company comprising of all assets and liabilities of whatsoever nature and wheresoever situated, shall, under the applicable provisions of the Companies Act, without any further act, instrument or deed, be and stand transferred to, and vested in, and /or be deemed to be transferred to and vested in the Transferee Company as a going concern so as to become, as and from the Appointed Date, the assets and liabilities of the Transferee Company and there shall be vested in the Transferee Company all the rights, titles, interests or obligations of the Transferor Company and shall be free from all encumbrances.
- 3.2 With effect from the Appointed Date and upon the Scheme becoming effective, all the assets relating to the Transferor Company as are movable in nature or incorporeal property or are otherwise capable of transfer by manual delivery or by endorsement and delivery, shall be so transferred, delivered or endorsed and delivered, as the case may be, by the Transferor Company, and shall upon transfer become the property and an integral part of the Transferee Company. In respect of such of the said assets, the same shall, without any further act, instrument or deed, be transferred to and vested in, and /or be deemed to be transferred to and vested in the Transferee Company.
- 3.3 For the purpose of giving effect to the order passed under the applicable provisions of the Companies Act in respect of this Scheme, the Transferee Company shall at any time pursuant to the order on this Scheme be entitled to get the recordal of the change in the title and appurtenant legal right(s) upon the vesting of such assets of the Transferor Company in the Transferee Company.

Transfer of Debts & Liabilities

- 3.4 With effect from the Appointed Date and upon the Scheme becoming effective, all debts, liabilities, contingent liabilities, duties and obligations of every kind, nature and description attributable to the Transferor Company shall also be and stand transferred, without any further act or deed, to the Transferee Company, pursuant to the applicable provisions of the Companies Act, so as to become as from that day, the debts, liabilities, duties and obligations of the Transferee Company and the Transferee Company undertakes to meet, discharge and satisfy the same. It is hereby clarified that it shall not be necessary to obtain the consent of any third party or other person who is a party to any contract or arrangement by virtue of which such debts, liabilities, contingent liabilities, duties and obligations have arisen, in order to give effect to the provisions of this sub-clause.
- 3.5 All loans raised and used and liabilities incurred by the Transferor Company prior to the Effective Date, for the operations of the Transferor Company shall be discharged by the Transferee Company.
- 3.6 This Scheme although effective from the Appointed Date, shall become operative from the Effective Date.

Conduct of Business till Effective Date

- 3.7 With effect from the Appointed Date and upto the date on which this Scheme finally takes effect, the Transferor Company shall be deemed to carry on all the business and activities and stand possessed of the properties so to be transferred for and on account of, in trust for and be answerable to the Transferee Company and that the profits accruing to the Transferor Company or losses arising or incurred by it shall for all purposes be treated as the profits or losses of the Transferee Company as the case may be and that the Transferor Company shall not alienate, charge or otherwise deal with the said undertaking or any part thereof except in the ordinary course of its business, without the consent of the Transferee Company and that the Transferor Company shall not vary the terms and conditions of the employment of its employees except in the ordinary course of business.
- 3.8 Until amalgamation takes place, Transferee Company may make such advances as it may deem appropriate to the Transferor Company to grow the ongoing business of the Transferor Company in terms of clause 3.7 above, provided however that, in the event of the Scheme not becoming Effective, the monies so advanced shall be required to be repaid forthwith by the Transferor Company and the Promoters of the Transferor Company severally with simple interest @ 10 % p.a.
- 3.9 All legal proceedings by or against the Transferor Company pending at the date on which this Scheme shall finally take effect, shall be continued and be enforced by or against the Transferee Company as the case may be.

Contracts, Deeds, Bonds and Other Instruments

- 3.10 Subject to the other provisions of this Scheme all contracts, deeds, bonds, agreements and other instruments of whatsoever nature to which the Transferor Company is a party, subsisting or having effect immediately before this Scheme becomes finally effective, shall be in full force and effect against or in favour of the Transferee Company, as the case may be, and may be enforced as fully and effectually as if, instead of the Transferor Company, the Transferee Company had been a party thereto.
- 3.11 With effect from the Appointed Date and upon the Scheme becoming effective, all permits, quotas, rights, entitlements, licenses, registrations, trademarks, patents, copy rights, privileges, powers, facilities, subsidies, rehabilitation schemes, special status and other benefits or privileges granted by any Government Body, local authority or by any other person of every kind and description of whatsoever nature in relation to the Transferor Company or to the benefit of which the said Transferor Company may be eligible, or having effect immediately before the Effective Date, shall be and remain in full force and effect in favour of or against the Transferee Company, as the case may be, and may be enforced fully and effectually as if, instead of the Transferor Company, the Transferee Company had been a beneficiary or obligee thereto.
- 3.12 With effect from the Appointed Date and upon the Scheme becoming effective, any statutory licenses, permissions or approvals or consents required to carry on the operations of the Transferor Company shall stand vested in or transferred to the Transferee Company without any further act or deed, and shall be appropriately mutated by the statutory authorities concerned therewith in favour of the Transferee Company. The benefit of all such statutory and regulatory permissions, licenses, approvals and consents including statutory licenses, approvals, permissions or approvals or consents required to carry on the operations of the said Transferor Company shall vest in and become available to the Transferee Company pursuant to the Scheme.
- 3.13 The Transferee Company shall enter into and / or issue and / or execute deeds, writings or confirmations or enter into any tripartite agreement, confirmations or novations to which the

said Transferor Company will, if necessary, also be party in order to give formal effect to the provisions of this Scheme, if so required or becomes necessary.

- 3.14 For the removal of doubts, it is expressly made clear that the dissolution of the Transferor Company, without the process of winding up as contemplated hereinafter, shall not affect the previous operations of any contract, agreement, deed or any instrument or beneficial interest to which the Transferor Company is a party and shall not affect any right, privilege, obligation or liability, acquired, deemed to be vested or incurred under any such contracts, agreements, deeds, or any instrument and all such references in such agreements, contracts and instruments to the Transferor Company shall be construed as reference to the Transferee Company with effect from the Effective Date.

Continuation of Legal Proceedings

- 3.15 With effect from the Appointed Date and upon the Scheme becoming effective, the Transferee Company undertakes to have all legal or other proceedings initiated by or against the Transferor Company and pending on the Effective Date, transferred in its name and to have the same continued, prosecuted and enforced by or against the Transferee Company to the exclusion of the Transferor Company. The Transferee Company also undertakes to deal with all legal or other proceedings which may be initiated by or against the Transferor Company or the Transferee Company after the Effective Date in respect of the period upto the Effective Date, in its own name and account and to the exclusion of the Transferor Company, and further undertakes to pay all amounts including interest, penalties, damages, etc., which the Transferor Company may be called upon to pay or secure in respect of any liability or obligation relating to the Transferor Company for the period upto the Effective Date, and any reasonable costs incurred by the Transferor Company in respect of such proceedings started by or against it relating to the period upto the Effective Date upon submission of necessary evidence by the Transferor Company to the Transferee Company for making such payment.

Authorized, issued, subscribed and paid-up capital

- 3.16 The share capital of the Transferor Company as of 31st December, 2013 is as follows:

The Authorized Share Capital of the Transferor Company is Rs.362,000,000 (Rupees Three hundred and sixty two million only) divided into 36,200,000 Equity Shares of Rs. 10/- each.

The Subscribed and Paid-up Capital of the Transferor Company is Rs.362,000,000 (Rupees Three hundred and sixty two million only) divided into 36,200,000 Equity Shares of Rs. 10/- each fully paid.

The Paid-up share capital of the Transferor Company includes Rs.328,000,000 comprising of 32,800,000 equity shares of Rs.10/- each allotted in consideration, discharge and in full and final settlement of un-secured loan of Rs.328,000,000 advanced by a promoter of Transferor Company and reflected in the books of accounts of the Transferor Company

- 3.17 The share capital of the Transferee Company as of 31st December, 2013 is as follows:

The Authorized Share Capital of the Transferee Company is Rs.100,000,000 (Rupees One Hundred million only) divided into 100,000,000 Equity Shares of Re. 1/- each. The Subscribed and Paid-up Capital of the Transferee Company is Rs.94,500,000 (Rupees Ninety four million and five hundred thousand only) divided into 94,500,000 Equity Shares of Re. 1/- each fully paid.

- 3.18 Upon the coming into effect of this Scheme:-

- a) Clause V of the Memorandum of Association of the Transferee Company (relating to the authorized share capital) shall, without any further act, instrument or deed, be and stand altered, modified and amended pursuant to the applicable provisions of the Act, as the case may be, in the manner set out below and be replaced by the following clause;

The Authorized Share Capital of the Company is Rs.462,000,000 (Rupees Four hundred and sixty two million only) divided into 462,000,000 (Four hundred and sixty two million) equity shares of Re.1/- each.?

- b) The Board of Directors (or any committee thereof) of the Transferor Company shall without any further act, instrument or deed be and stand dissolved.
- c) Subject to an order being made by the Hon'ble High Court under the applicable provisions of the Companies Act, the Transferor Company shall be dissolved without the process of winding-up, upon the Scheme becoming effective in accordance with the provisions of the Act and rules made thereunder.
- d) The resolutions and / or agreements, if any, of the Transferor Company and / or Transferee Company which is valid and subsisting on the effective date shall continue to be valid and subsisting till the end of the period covered under the resolutions and / or agreements irrespective of the increase in paid-up capital of the Transferee Company arising out of issue of new equity shares under the Scheme.

Issue of Shares of Transferee Company

- 3.19 Upon the Scheme becoming fully effective, in consideration of the transfer and vesting of the entire undertaking of the Transferor company in the Transferee Company in terms of this Scheme, the Transferee Company shall without any further act or deed, issue and allot:-
- a) One Equity Share of Re.1/- each credited as fully paid up of the Transferee Company for every 122 Equity Shares of Rs.10/- each fully paid-up held by the Equity Shareholders in the Transferor Company, whose names are recorded in the Register of Members, on a date (hereinafter referred to as the "Record Date") to be fixed by the Board of Directors of the Transferee Company. The Equity Shares so issued and allotted, shall rank *pari passu* in all respects with the existing Equity Shares of the Transferee Company.
 - b) No fractional shares shall be issued by the Transferee Company in respect of fractional entitlement to which the shareholders of Transferor Company may be entitled to on issue and allotment of shares as aforesaid by the Transferee Company. All such fractions shall be consolidated into full equity shares which shall be allotted by the Board of Directors of Transferee Company at its discretion to any nominees of Transferee Company upon trust to sell the shares so allotted and to distribute the sale proceeds to those shareholders of the Transferor Company who are entitled to such fractions in the proportion to which they are so entitled.

Tax Treatment

- 3.20 Tax Treatment: Pursuant to the transfer of the Undertaking as provided under this Scheme, and subject to the provisions in the Scheme, all tax returns, filings, assessments, payments, deductions, withholding, rebates, benefits, incentives, set-offs, carry-forward tax losses, unabsorbed depreciation and other rights, liabilities and obligations whatsoever of the Transferor Company, shall also be and stand transferred or deemed to be transferred, without further act, instrument, deed, matter or thing, to the Transferee Company, pursuant to the provisions of Companies Act so as to become as and from the Appointed Date, the rights, liabilities and obligations of the Transferee Company. The carry forward of the tax losses and unabsorbed depreciation of the Transferor Company shall be available to the Transferee Company for set off. The Transferee Company shall have the right to rectify tax returns and file revised tax returns and seek re-assessment or revisions in assessment or rectification of mistakes in filings, returns or assessment in respect of any period(s) prior to the Effective Date in the manner and to the same extent as would or might have been done by or against the

Transferor Company. For the purpose of giving effect to the provisions of this Clause, it shall not be necessary to obtain the consent of any third party or authority.

Accounting Treatment

- 3.21 The Transferee Company shall upon the Scheme becoming effective, record the assets and liabilities of the Transferor Company transferred to and vested in it pursuant to this Scheme at their book values as appearing in the books of the Transferor Company as at the close of business of a day immediately preceding the Appointed Date.
- 3.22 In respect of inter-company outstanding balances between the Transferor Company and the Transferee Company of Rs.36.15 Crores owed by Transferor Company towards the supplies made by Transferee Company, the obligations in respect thereof shall come to an end and there shall be no liability in that behalf and corresponding effect shall be given in the books of account and records of the Transferee Company.
- 3.23 The excess / short fall in the book value of the assets over the value of the liabilities of the Transferor Company transferred and vested in the Transferee Company pursuant to this Scheme shall be credited / debited to General Reserve Account of the Transferee Company, as the case may be.
- 3.24 The difference between the share capital issued / allotted under this Scheme and the amount of share capital of the transferor company of Rs.36.17 Crores shall be credited to the General Reserves of the Transferee Company.
- 3.25 The debit balance in Profit & Loss Account appearing in the financial statement of the transferor company shall be transferred and adjusted against the General Reserves of the Transferee Company.
- 3.26 With effect from the Appointed Date, all profits, reserves, income accruing to or losses and expenditure arising or incurred by the Transferor Company shall for all purposes, be treated as the profits or reserves or income or losses or expenditure, as the case may be of the Transferee Company.
- 3.27 In case of any differences in accounting policy between the Transferor Company and the Transferee Company, the accounting policies followed by the Transferee Company will prevail and the difference till the Appointed Date will be quantified and adjusted in the General Reserve Account to ensure that the financial statements of the Transferee Company reflect the financial position on the basis of consistent accounting policy.
- 3.28 Notwithstanding anything contained in these clauses, all adjustments against Reserves in the books of accounts of the Transferee Company shall be in accordance with Accounting Standard 14 prescribed by the Institute of Chartered Accountants of India.
- 3.29 Upon the coming into effect of this Scheme, the borrowing limits of the Transferee Company in terms of Act, shall without further act or deed stand enhanced by an amount being the aggregate liabilities of the Transferor Company which are being transferred to the Transferee Company pursuant to the Scheme, such limits being incremental to the existing limits of the Transferee Company.
- 3.30 The financial statement, as on the Appointed Day, on giving effect to the Scheme, in terms hereof, shall be as set out in Schedule-I herewith.

Employees

- 3.31 Upon the Scheme becoming effective, all the employees in service of the Transferor Company, on the date immediately preceding the date on which this Scheme finally takes

effect i.e. "The Effective date" shall become the employees of the Transferee Company on the basis that:

- a) Their services shall have been continuous and shall not have been interrupted by reason of amalgamation.
- b) The terms and conditions of service applicable to the said employees after such transfer shall not in any way be less favourable than those applicable to them immediately before the transfer.
- c) It is expressly provided that as far as Provident Fund, Gratuity Fund, Super Annuation Fund or any other Special Fund created or existing for the benefit of the staff, workmen and the employees of the said Transferor Company is concerned, upon the Scheme becoming effective, the Transferee Company shall stand substituted for the Transferor Company for all purposes whatsoever related to the administration or operation of such Funds or in relation to the obligation to make contribution to the said Funds in accordance with the provisions of such Funds as per the terms provided in the respective Trust Deeds. It is the aim and intent that all the rights, duties, powers and obligations of the Transferor Company in relation to such funds shall become those of the Transferee Company and all the rights, duties and benefits of the employees employed in the said Transferor Company under such Funds and Trusts shall be protected. It is clarified that the services of the employees of the said Transferor Company will also be treated as having been continuous for the purpose of the aforesaid Funds.

PART – 4

General Terms

- 4.1 The Transferor Company and the Transferee Company shall, with all reasonable despatch, make applications / petitions under the applicable provisions of the Companies Act to the Hon'ble High Court of Judicature at Madras or any other Competent Authority under the Act for sanctioning this Scheme of Amalgamation and for dissolution of the Transferor Company without winding up under the provisions of law, and obtain all approvals as may be required under law.

Modifications/Amendments to the Scheme

- 4.2 The Transferor Company and the Transferee Company through their respective Board of Directors or other persons duly authorized by the respective Boards in this regard, may make or assent to any alteration or modification to this Scheme or to any conditions or limitations, which the Hon'ble High Court of Judicature at Madras or any other Competent Authority under law may deem fit to direct, approve or impose and may give such directions, as they may consider necessary, to settle any doubt, questions or difficulty, arising under the scheme or in regard to its implementation or in any manner connected therewith and to do all such acts, deeds, matters and things necessary for putting this scheme into effect.
- 4.3 After dissolution of the Transferor Company, the Transferee Company by its Board of Directors or other persons, duly authorized by its Board in this regard, shall be authorized, to take such steps, as may be necessary, desirable or proper to resolve any doubts, difficulties or questions, whether by reasons of any order of the Hon'ble High Court of Judicature at Madras or of any directive or order of any other authorities or otherwise, however, arising out of, under or by virtue of this Scheme and /or matters concerning or connected therewith.

Operative date of the Scheme

4.4 The Scheme shall be operative with effect from the Appointed Date ie. 1st January, 2014 but shall be effective from the Effective Date.

Scheme conditional on approval/sanctions:

4.5 This Scheme is conditional upon and subject to:-

- a) The Scheme being agreed to (in the manner prescribed) by the respective requisite majorities of the shareholders and / or creditors of the Transferor Companies and the Transferee Company, as the case may be, as required under the Act and / or the SEBI Scheme Circular, as applicable, and the requisite order of the High Court of Judicature at Madras being obtained;
- b) For the Transferee Company, the approval of the shareholders shall be through special resolution passed through postal ballot and e-voting, after disclosure of all material facts in the explanatory statement sent to the shareholders in relation to such resolution, and such special resolution shall be acted upon only if the votes cast by public shareholders in favour of the Scheme are more than the number of votes cast by public shareholders against it. The term 'public' shall carry the same meaning as defined under Rule 2 of Securities Contracts (Regulation) Rules, 1957.
- c) Such other sanctions and approvals including any statutory or regulatory authority, as may be required by law and
- d) Filing of the certified copies of the orders of the High Court sanctioning the Scheme with the Registrar of Companies, Tamilnadu, Coimbatore within such time as may be specified by the High Court or such extended time as approved by the High Court.

Effect of non-receipt of approvals/sanctions

4.6 In the event of the Scheme not being sanctioned by the Hon'ble High Court of Judicature at Madras and / or the order or orders not being passed as aforesaid before 31st December, 2014 or within such further period or periods as may be agreed upon between the Transferor Company and the Transferee Company who are hereby empowered and authorized to agree to and extend the aforesaid period from time to time without any limitations in exercise of their powers through, and by their respective Board of Directors, the Scheme shall become null and void and in that event no rights and liabilities shall, inter se accrue between the parties in terms of the Scheme.

Expenses connected with the Scheme

4.7 All costs, charges and expenses of the Transferor Company and Transferee Company respectively in relation to or in connection with this Scheme and incidental to the completion of amalgamation of the Transferor Company with the Transferee Company in pursuance of this Scheme shall be borne and paid by the Transferee Company. In the event of this Scheme not being implemented each party shall bear its respective costs, charges and expenses.

Schedule-I

**The financial statement of Transferee Company,
as on the Appointed Day (1st January 2014),
on giving effect to the Scheme**

Rs. Crores	
Pricol Limited	
Post Amalgamation	
I. EQUITY AND LIABILITIES	
Authorised Share Capital	46.200
(1) Shareholders' funds	
(a) Share Capital	9.480
(b) Reserves and Surplus	277.915
(2) Non Current Liabilities	12.062
(3) Current Liabilities	254.599
Total	554.056
II. ASSETS	
(1) Non Current Assets	257.301
(2) Current Assets	296.755
Total	554.056

DC/MML/ESOP/07/2014-15

May 2, 2014

The Company Secretary
Picot Limited
CPM Towers
108 Race Course,
Coimbatore - 641018

Dear Sir / Madam,

Re: Observation letter regarding the Scheme of Amalgamation involving merger of Xenex Automotive Limited (XAL) with Picot Limited (PL)

We are in receipt of draft Scheme of Amalgamation involving merger of the company with Xenex Automotive Limited (XAL) with Picot Limited (PL).

The Exchange has noted the confirmation given by the Company stating that the scheme does not in any way violate or override or supersede the provisions of the SEBI Act, 1992, the Securities Contracts (Regulation) Act, 1956, the Depositories Act, 1986, the Companies Act, 1956, the rules, regulations and guidelines made under these Acts, and the provisions of the Listing Agreement or the requirements of SEBI India (SEI).

As required under SEBI Circular No.CH/CF/DL/5012 dated February 4, 2013 & SEBI Circular No.CH/CF/OI/5013 dated May 21, 2013, SEBI has vide its letter dated April 30, 2014 given the following observations on the draft scheme of amalgamation:

- > The company shall duly comply with various provisions of the Circular.
- > Listed Company shall ensure that the 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:
 - ii) Negative net-worth of constituent company and corresponding reduction in the net-worth of amalgamated entity pursuant to scheme.
 - ii) Inter-company transaction worth Rs.26.1 crore which was a receivable in books of PL will come to an end upon amalgamation.
- > Listed Company to ensure that "Business rationale" submitted by the company, PL is displayed on its website from the date of receipt of this letter alongwith the various documents submitted pursuant to the circular.

Accordingly, we hereby convey Exchange's "No-objection" with limited reference to those matters having bearing on listing/delisting/continuous listing requirements within the provisions of the Listing Agreement, so as to enable you to file the scheme with the Hon'ble High Court.

Further, you are also advised to bring the contents of this letter to the notice of your shareholders, all relevant authorities as deemed fit, and also mention the same in your application for approval of the scheme of amalgamation submitted to the Hon'ble High Court.

The Exchange reserves its right to withdraw its "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 regulatory authorities.

Yours faithfully,

Shuvana Bhatnagar
Deputy Manager


Pooja Sanghvi
Asst. Manager



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.



Ref: NSE/LIST/237482-X

April 30, 2014

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

This Document is Digitally Signed

Signer : Patel Kamlesh
Date : Wed, Apr 30, 2014 18:36:08 IST
Location : NSE





pricol limited

109 race course coimbatore 641 018 india
phone +91 422 4336000 fax +91 422 4336299
e mail city@pricol.co.in website www.pricol.com

COMPLAINTS REPORT

For the period from 11th February 2014 to 3rd March 2014

Part A

Sr. No.	Particulars	Number
1.	Number of complaints received directly	Nil
2.	Number of complaints forwarded by Stock Exchange	Nil
3.	Total Number of complaints/comments received (1+2)	Nil
4.	Number of complaints resolved	N.A.
5.	Number of complaints pending	N.A.

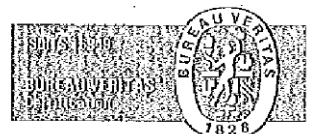
Part B

Sr. No.	Name of complainant	Date of complaint	Status (Resolved/Pending)
N.A.			

For Pricol Limited

(T.G.Thamizhanban)
Company Secretary

5th March 2014



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

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 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.

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 Sarav
Vice President