

PL/SEC/TGT/2019-2020/222  
Wednesday, 12<sup>th</sup> February 2020

The Manager, Listing Department <b>National Stock Exchange of India Limited</b> “Exchange Plaza’, C-1, Block G Bandra-Kurla Complex, Bandra (E), Mumbai - 400051	Corporate Relationship Department <b>BSE Limited</b> 1 <sup>st</sup> Floor, New Trading Ring Rotunda Building, P J Towers, Dalal Street, Fort, Mumbai 400001
Script Code: PRICOLLTD	Script Code: 540293

Dear Sir,

**Sub:** Updates on the sale of Subsidiary CompaniesFurther, to our intimation dated 15<sup>th</sup> June 2019 and 22<sup>nd</sup> June 2019 regarding the dilution of shareholding in the following Wholly Owned Subsidiary Companies,

- a) Sale of 80.5% shareholding held by Pricol Limited in its Wholly Owned Subsidiary, Pricol Espana Sociedad Limitada, which have the following subsidiaries namely
  - (i) Pricol Do Brasil Componentes Automotivos Ltda (PdB)
  - (ii) Pricol Wiping Systems Mexico S.A.de C.V (PWS-M)
  - (iii) Pricol Wiping Systems Czech s.r.o (PWS-C)
- b) Sale of 74% shareholding held by Pricol Limited in its Wholly Owned Subsidiary, Pricol Wiping Systems India Limited (PWSIL)

to Chroma GP LLC, Delaware, USA” or its affiliates (Purchaser), and at the consideration of Euro 100,000 net of specified loans, which is subject to due diligence.

We would like to inform the following updates:

1. In the Share Purchase Agreement dated 21-June-2019, entered with Chroma GP LCC, some amendments were carried out thereto including identifying the designated purchaser entity; However, the Conditions Precedent to Closing have not been complied with and time for performance was extended from time to time.
2. In the meanwhile, the PWS-C operations have shown stability.

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3. After several round of discussions with Chroma GP, they have shown inclination to takeover PdB and PWS-M alone to the exclusion of PWS-C & PWSIL, and the following understanding was arrived, with approval of Board of Directors.

A. The entire shareholding held by Pricol Espana Sociedad Limitada, Spain, in the following Companies:

- (a) Pricol do Brasil Componentes Automotivos Ltd A (PdB)
- (b) Pricol Wiping Systems Mexico S.A.de C.V (PWS-M)

shall be sold to "2NDM LLC" and / or "NELP FOUR LP", nominated purchaser entity/s of "Chroma GP LLC, Delaware, USA, for a consideration as detailed below

**As component I:**

- i. USD 1,163,086.15 payable to Citi Bank towards discharge of liability of PdB to the said Bank;
- ii. Net sale consideration of USD 2000 only payable to the Seller;
- iii. Discharge of PdB Outstanding amounting to USD 152,529.80 and PWS-M Outstanding amounting to USD 184,384.05.

**As component II:**

- i. Further sum of USD 336,913.85 to Citi Bank towards discharge of liability of PdB to the said Bank.

(cumulatively the component I and component II being the "Consideration")

B. Pricol Limited will retain the entire shareholding of the following WOS

- i. Pricol Espana Sociedad Limitada
- ii. Pricol Wiping Systems Czech s.r.o (PWS-C), held through Pricol Espana
- iii. Pricol Wiping Systems India Limited (PWSIL)

The Share Purchase Agreement dated 21-June-2019, was terminated and a fresh Share Sale and Purchase Agreement was entered on 7-February-2020, between Pricol Espana and Purchasing entities, 2 NDM LLC and NELP FOUR LP, which are part of Chroma GP LLC, for divestment of its 100% shareholding in PdB and PWS-M, which was to come into effect only on receipt of Component-I by the seller.

Further, we would like to inform that, **Sale of entire shareholding held by Pricol Espana in (i) Pricol Do Brasil Componentes Automotivos Ltda (PdB) and (ii) Pricol Wiping Systems Mexico S.A.de C.V (PWS-M), was completed, on receipt of component I of sale consideration on 11<sup>th</sup> February 2020. The payment of component II is to happen, subject to compliance with certain conditions agreed to under the Share Sale and Purchase Agreement.**

The residual liability of Pricol Do Brasil to Citi Bank around USD 700,000, is not a liability assumed by the Purchaser and not a component of the gross consideration, and is to be discharged by Pricol Espana pursuant to the Share Purchase Agreement.



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The required disclosure for the above disclosure, as per Regulation 30 of SEBI (LODR) Regulations, 2015 read with SEBI Circular No: CIR/IR/CMD/4/2015 dated 9<sup>th</sup> September 2015 were given in **Annexure**.

This is for your information and records.

Thanking you

Yours faithfully,  
For Pricol Limited



T.G.Thamizhanban  
Company Secretary  
ICSI M.No: F7897



**ANNEXURE to letter dated: 12<sup>th</sup> February, 2020**

**SALE OF SUBSIDIARY COMPANIES**

- 1. The amount and percentage of the turnover or revenue or income & net worth contributed by subsidiary of the company during the last financial year (2018-19)**

	Rs. in lakhs	
	<b>Revenue</b>	<b>Net worth</b>
<b>Pricol Limited (Consolidated)</b> (Continued & Discontinued Operations)	184,007	49,941

Particulars	Rs. in lakhs	
	<b>Pricol do Brasil Componentes Automotivos Ltd A</b>	<b>Pricol Wiping Systems Mexico S.A.de C.V</b>
<b>i. the turnover or revenue or income contributed by subsidiary</b>		
a. Amount	9,342	1,235
b. Percentage	5.08%	0.67%
<b>ii. net worth contributed by subsidiary</b>		
a. Amount	(6,046)	4,983
b. Percentage	(12.11%)	9.98%

S.no	Particulars	Details	
2	Name of the Subsidiary Company	Pricol do Brasil Componentes Automotivos Ltd A	Pricol Wiping Systems Mexico S.A.de C.V
3	Extent of dilution of Shareholding	100 % of shareholding held by Pricol Espana	100 % of shareholding held by Pricol Espana
4	Date on which the agreement of sale has been entered into	7 <sup>th</sup> February 2020, which will come into effect only on receipt of component I of purchase consideration by the seller, as setout in the Share Sale and Purchase Agreement.	
5	The expected date of completion of sale/disposal	On 11 <sup>th</sup> February 2020, agreed component I of the consideration was received and said sale was completed.	



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6	Consideration received for such sale/ disposal	<p><b>As component I:</b></p> <ul style="list-style-type: none"> <li>i. USD 1,163,086.15 payable to Citi Bank towards discharge of liability of PdB to the said Bank;</li> <li>ii. Net sale consideration of USD 2000 only payable to the Seller;</li> <li>iii. Discharge of PdB Outstanding amounting to USD 152,529.80 and PWS-M Outstanding amounting to USD 184,384.05.</li> </ul> <p><b>As component II (deferred for payment subject to certain conditions):</b></p> <ul style="list-style-type: none"> <li>i. Further sum of USD 336,913.85 to Citi Bank towards discharge of liability of PdB to the said Bank.</li> </ul> <p>(cumulatively the component I and component II being the "Consideration")</p>	
7	a. Brief details of buyer	<p><b>Buyer of Pricol do Brasil</b></p> <p>“NELP FOUR LP”, a Company incorporated under the laws of State of Delaware, the United States of America having its Registered Office at 108 West 13<sup>th</sup> Street, Wilmington, Delaware, 19801, the United States of America.</p> <p>It is a designated purchaser entity of “Chroma GP LLC, Delaware, USA”</p>	<p><b>Buyer of Pricol Mexico</b></p> <p>“2NDM LLC, a Company incorporated under the laws of State of Delaware, the United States of America having its Registered Office at 108 West 13<sup>th</sup> Street, Wilmington, Delaware, 19801, the United States of America.</p> <p>It is a designated purchaser entity of “Chroma GP LLC, Delaware, USA”</p>
		<p>Chroma GP LLC is a US-based General Partnership in charge of managing Limited Partnerships and their respective Holding and Operational companies, mainly dedicated to Auto-parts Manufacturing. Chroma GP LLC manages several plants and hundreds of employees in the Americas, producing high-quality auto-parts. Its clients are among the main brands in the global vehicles production market.</p>	



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	b. whether any of the buyers belong to the promoter/ Promoter group / group companies	The buyer does not belong to Promoter / Promoter Group/ Group Companies
8	Whether the transaction fall within related party transaction	It is not a Related Party Transaction
9	Additionally, in case of slump sale, indicative disclosures provided for amalgamation merger, shall be disclosed by the listed entity with respect to such slump sale	Not Applicable

