SUNDARAM & SRINIVASAN
CHARTERED ACCOUNTANTS
Offices : Chennai - Bengaluru - Madurai

Ref. No.

New No.4, Old No.23,
C.P. Ramaswamy Road
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Telephone 2498 8762, 2498 8463, 4210 6952

E-Mail : sundaramandsrinivasan1948@gmail.com
yessendes@sundaramandsrinivasan.com
Website : www.sundaramandsrinivasan.com

Date ....

Auditor's Certificate

To,

The Board of Directors
Pricol Limited
109, Race Course,
Coimbatore – 641 018,
Tamil Nadu, India

1) This certificate is issued in accordance with the terms of our agreement with Pricol Limited.

2) The accompanying undertaking stating the reasons for non-applicability of the requirements stated in Paragraph A.10(b) read with paragraph A.10(a) of Part I of the Master Circular on schemes of arrangement dated June 20, 2023 bearing reference no. ref. no. SEBI/HO/CFD/POD-2/P/CIR/2023/93 dated June 20, 2023 (hereinafter referred to as the "**Master Circular**") ("**Undertaking**") has been prepared by the Management of Pricol Limited (the '**Company**') pursuant to the requirements of Paragraph 10(c) of the Master Circular in connection with the proposed Scheme of Arrangement between the Company and Pricol Autotech Limited and their respective shareholders and creditors (hereinafter referred to as the "**Proposed Scheme**") and has been approved by the Board of Directors of the Company in its meeting held on 27th June 2026. We have initialled the Undertaking for identification purpose only.

Management's Responsibility for the Undertaking

3) The preparation of the Undertaking is the responsibility of the Management of the Company including the creation and maintenance of all accounting and other records supporting its contents. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the Undertaking and applying an appropriate basis of preparation.

4) The Management is also responsible for ensuring that the Company complies with the requirements of the Master Circular and the Companies Act, 2013, in relation to the Proposed Scheme and for

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providing all the information to BSE Limited and National Stock Exchange of India Limited (collectively, the "**Stock Exchanges**") as required therein.

Auditor's Responsibility

5) Pursuant to the Master Circular, it is our responsibility to examine the Proposed Scheme, the Undertaking and the books and records of the Company and certify whether the requirements stated in Paragraph A.10(a) read with Paragraph A.10(b) of Part I of the Master Circular as set out in the Undertaking, are applicable to the Proposed Scheme.

6) We conducted our examination in accordance with the 'Guidance Note on Reports or Certificates for Special Purposes' issued by the Institute of Chartered Accountants of India. The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India.

7) We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

Conclusion

8) Based on our examination as above, and the information and explanations furnished to us, we certify that, to the best of our knowledge, the requirements stated in Paragraph A.10(a) read with Paragraph A.10(b) of Part I of the Master Circular and as set out in the Undertaking are not applicable to the Proposed Scheme.

Restriction on Use

9) Our work was performed solely to assist you in meeting your responsibilities in relation to your compliance with the Master Circular. Our obligations in respect of this certificate are entirely separate from, and our responsibility and liability is in no way changed by any other role we may have (or may have had) as auditors of the Company or otherwise. Nothing in this certificate nor anything said or done in the course of or in connection with the services that are the subject of this certificate, will extend any duty of care we may have in our capacity as auditors of the Company.

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10) This certificate has been issued for the sole use of the Board of Directors of the Company, to whom it is addressed, to enable the Company to make its application to the Stock Exchanges and should not be used by any other person or for any other purpose.

For Sundaram & Srinivasan
Chartered Accountants
FRN: 004207S

S.Usha
Partner
Membership Number: 211785
UDIN: 26211785USVNRX2561

Date: 27/06/2026
Place: Chennai

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UNDERTAKING IN RELATION TO NON-APPLICABILITY OF PARAGRAPH 10(B) READ WITH PARAGRPAH 10(A) OF PART I OF SEBI MASTER CIRCULAR NO. SEBI/HO/CFD/POD-2/P/CIR/2023/93 DATED JUNE 20, 2023 ("SEBI MASTER CIRCULAR")

1. **Background**

1.1. This is with reference to the proposed Scheme of Arrangement between Pricol Limited ("**Company**" or "**Demerged Company**") and Pricol Autotech Limited ("**Resulting Company**") and their respective shareholders and creditors ("**Scheme**") under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013.

1.2. Pursuant to the Scheme, it is proposed to demerge, transfer and vest the Demerged Undertaking (*as defined in the Scheme*) from the Company into the Resulting Company, on a *going concern* basis and issue equity shares of the Resulting Company to the shareholders of the Company, and reduction and cancellation of the entire paid-up share capital of the Resulting Company as on the Effective Date (*as defined in the Scheme*).

2. **Consideration under the Scheme**

Upon effectiveness of the Scheme and in consideration of and subject to the provisions of the Scheme, the Resulting Company shall issue and allot, on a proportionate basis to the shareholders of the Company whose name is recorded in the register of members and records of the depository as shareholders of the Company as on the Record Date (*as defined in the Scheme*), as under:

1 (One) fully paid-up equity share of the Resulting Company having face value of INR 1 (Rupee One only) each for every 1 (One) fully paid-up equity share of INR 1 (Rupee One only) each of the Company

3. **Requirement of SEBI Master Circular**

3.1. The SEBI Master Circular mandates all the listed companies to ensure that the scheme submitted with the jurisdictional National Company Law Tribunal for sanction, shall be acted upon in certain cases as mentioned in Paragraph 10 (b) of Part I of the SEBI Master Circular on schemes of arrangement dated June 20, 2023 bearing reference no. SEBI/HO/CFD/POD-2/P/CIR/2023/93 ("**SEBI Master Circular**"), if the votes cast by public shareholders in favour of the Scheme are more than the votes cast by the public shareholders against the Scheme.

3.2. The SEBI Master Circular further provides that in cases where the Scheme does not fall within the cases mentioned in Paragraph 10(b) of Part I of the SEBI Master Circular, the listed entity shall furnish an undertaking certified by the auditor and duly approved by the Board of the company, clearly stating the reasons for non-applicability of the aforesaid requirement.

PRICOL LIMITED CBE

3.3. In terms of the Scheme and Paragraph 2 above, all the shareholders of the Company shall be allotted equity shares of the Resulting Company in proportion of their respective shareholding in the Company (mirror shareholding).

3.4. In terms of the Scheme and Paragraph 10 (b) read with Paragraph 10(a) of Part I of the SEBI Master Circular, the Company hereby undertakes that the requirements under the SEBI Master Circular pertaining to obtaining approval of the majority of public shareholders of the Company to the Scheme is not applicable to the Company.

4. Reasons for non-applicability

The detailed reasons for non-applicability of obtaining approval of the majority of public shareholders to the Scheme are as follows:

4.1. Paragraph 10 (b)(i):

"Where additional shares have been allotted to Promoter / Promoter Group, Related Parties of Promoter / Promoter Group, Associates of Promoter / Promoter Group, Subsidiary/(s) of Promoter / Promoter Group of the listed entity,"

Reason for non – applicability

In terms of the Scheme, all the shareholders of the Company will be allotted equity shares of the Resulting Company in proportion of their shareholding in the Company.

Since, the shares allotted by the Resulting Company pursuant to the Scheme will be issued to the shareholders of the Company in proportion of their existing shareholding in the Company, there is no question of additional shares being allotted (any additional benefit) to Promoter / Promoter Group, Associates of Promoters / Promoter Group, Subsidiary/(s) of the Promoter or Promoter Group of the Company.

Thus, this clause of the SEBI Master Circular is not applicable as the Scheme does not contemplate issue and allotment of any additional shares to the Promoters/Promoter Group, Related Parties of the Promoter/Promoter Group, Associates of Promoters/Promoter Group, and Subsidiary of the Promoter or Promoter Group of the Company.

4.2. Paragraph 10 (b)(ii)

"Where the Scheme of Arrangement involves the listed entity and any other entity involving Promoter / Promoter Group, Related Parties of Promoter / Promoter Group, Associates of Promoter / Promoter Group, Subsidiary/(s) of Promoter / Promoter Group."

Reasons for non-applicability

The proposed Scheme is between the Company and the Resulting Company, a wholly owned subsidiary of the Company.

PRICOL LIMITED CBE

We would like to submit that as on date, the Resulting Company is a wholly owned subsidiary of the Company and therefore the relationship is only through the Company. Further, this clause of the SEBI Master Circular is not applicable as the Scheme does not provide for differential treatment to the Promoter / Promoter Group, Related Parties of Promoter / Promoter Group, Associates of Promoter / Promoter Group, Subsidiary/(s) of Promoter / Promoter Group of the Company. Pursuant to the Scheme the shareholding of the Company will be mirrored in the Resulting Company.

Hence, the Scheme does not involve any other entity involving Promoter / Promoter Group, Related Parties of Promoter / Promoter Group, Associates of Promoter / Promoter Group, Subsidiary/(s) of Promoter / Promoter Group of the Company and accordingly, this paragraph of the SEBI Master Circular is not applicable.

4.3. Paragraph 10 (b)(iii)

Where the parent listed entity has acquired, either directly or indirectly, the equity shares of the subsidiary from any of the shareholders of the subsidiary who may be Promoter / Promoter Group, Related Parties of Promoter / Promoter Group, Associates of Promoter / Promoter Group, Subsidiary/(s) of Promoter / Promoter Group of the parent listed entity, and if that subsidiary is being merged with the parent listed entity under the Scheme.

Reasons for non-applicability

This clause of the SEBI Master Circular deals with merger of subsidiary with the parent listed entity. The present Scheme provides for demerger of the Demerged Undertaking of the Company to the Resulting Company and consequent issue of equity shares by the Resulting Company to shareholders of the Company, in same proportion of their holding in the Company (mirror shareholding). Therefore, this clause of the SEBI Master Circular is not applicable in this case.

Further, the Resulting Company was incorporated as a wholly owned subsidiary of the Company and therefore, the shares of the Resulting Company were not acquired by the Company from its Promoter / Promoter Group, Related Parties of Promoter / Promoter Group, Associates of Promoter / Promoter Group, Subsidiary/(s) of Promoter / Promoter Group. Therefore, this paragraph of the SEBI Master Circular is not applicable to this case.

4.4. Paragraph 10 (b)(iv)

"Where the scheme involving merger of an unlisted entity results in reduction in the voting share of pre-scheme public shareholders of listed entity in the transferee / resulting company by more than 5% of the total capital of the merged entity;"

Reasons for non-applicability

This clause of the SEBI Master Circular deals with merger of unlisted company with the listed entity and consequent reduction of public shareholding in the listed entity. The present Scheme provides for demerger of the Demerged Undertaking of the Company to the Resulting Company and consequent issue of equity shares by the Resulting Company to shareholders of the Company

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in same proportion of their holding in the Company (mirror shareholding) and accordingly, this clause of the SEBI Master Circular is not applicable in this case.

4.5. Paragraph 10 (b)(v)

"Where the scheme involves transfer of whole or substantially the whole of the undertaking of the listed entity and the consideration for such transfer is not in the form of listed equity shares"

Reasons for non-applicability

As mentioned in Paragraph 2 above, the proposed Scheme contemplates demerger of the Demerged Undertaking of the Company to the Resulting Company and consequent issue of equity shares by the Resulting Company to shareholders of the Company, in same proportion of their holding in the Company (mirror shareholding).

Further, in terms of Clause 8.11 of the Scheme, the Resulting Company shall apply for listing of its equity shares on BSE Limited and National Stock Exchange of India Limited (collectively referred to as "**Stock Exchanges**") in terms of and in compliance of the SEBI Master Circular and other relevant provisions as may be applicable. Considering the equity shares issued as consideration by the Resulting Company pursuant to the Scheme will be listed on the Stock Exchanges, this clause of the SEBI Master Circular is not applicable to this Scheme.

In view of the aforesaid, the requirement of obtaining consent of majority of public shareholders voting, as stated at Paragraph 10 (b) read with Paragraph 10(a) of the SEBI Master Circular is not applicable to the proposed Scheme and the undertaking in relation to the above is hereby approved.

For **Pricol Limited**

PRICOL LIMITED CBE

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

Place: Coimbatore
Date: 27th June 2026

Received

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