

PL/SEC/TGT/2020-2021/027

Thursday, 30th July, 2020

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| <p>Listing Department National Stock Exchange of India Limited “Exchange Plaza’, C-1, Block G Bandra-Kurla Complex, Bandra (E), Mumbai - 400051</p> | <p>Corporate Relationship Department BSE Limited 1st Floor, New Trading Ring Rotunda Building, P J Towers, Dalal Street, Fort, Mumbai 400 001</p> |
| <p>Script Code: PRICOLLTD</p> | <p>Script Code: 540293</p> |

Dear Sir,

Sub: Outcome of Board Meeting held on 29th July 2020.

We would like to inform you that the following are the outcome of the meeting of Board of Directors of the Company at their meeting held on 29th July, 2020:

1) Sale of Subsidiary Company

Approved the sale of 100% shareholding held by Pricol Limited in its Wholly Owned Subsidiary Company “**Pricol Espana Sociedad Limitada, Spain**”, along with its Wholly Owned subsidiary company, “**Pricol Wiping Systems Czech s.r.o**”.

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

Pricol Wiping Systems Czech s.r.o was acquired in September 2017 to develop a fourth vertical of business for the company. Since taking over the business we have undertaken many operational excellence programs and this resulted in improved efficiencies and customer ratings. For over 15 months now, the business has been managing its own cash flows with its own cash generation. Nevertheless, the onset of Covid-19 has had a debilitating impact on the operations and outlook of the business of Pricol Wiping Systems Czech s.r.o. Over 80% of the sales for the operations in Czech are made to our key customers like Volkswagen, Audi, Seat, and Fiat who are located in countries like Germany, Italy and Spain. These three countries are badly affected by the Covid-19 pandemic and vehicle production has contracted very sharply.



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The management teams in the Czech Republic and India have been in constant touch with the key customers to understand the business outlook and workout the cash flows but none of the European customers are willing to commit to any sort of committed production numbers. Under these circumstances, it is expected to have cash losses in the Czech Republic which will also result in breaching all the banking covenants and the banks in Czech Republic, Unicredit s.r.o, have advised us to further infuse capital into the company. Under the stiff economic downturn due to the Covid-19 pandemic in India, it would be impractical for the parent company, Pricol Limited, to allocate financial resources to the operations in Czech Republic. Hence, it was decided by the Board of Directors to explore 100% divestment of the operations in Czech Republic along with its holding company Pricol Espana located in Spain. After negotiations with multiple potential buyers, we have identified a particular Private Equity investor with extensive interests in the European automotive industry and have met the key customers and bankers along with this potential buyer and finalized the terms of the 100% divestment. At the meeting of Board of Directors of Pricol Limited held on 29th July 2020, the Board has approved the terms of the Share Purchase Agreement for the complete divestment of Pricol Limited's interest in Pricol Espana and consequently Pricol Wiping Systems Czech s.r.o. The deal will be completed subject to statutory and regulatory approvals and is expected to be completed on or before 31st August 2020.

2) Annual General Meeting

The 9th Annual General Meeting of the Company is scheduled to be held on **Wednesday, 16th September 2020.**

3) E-voting Cut-off date

The cut-off date to identify the shareholders eligible to vote at the E-voting on AGM Subjects is fixed as **Wednesday, 9th September 2020.**

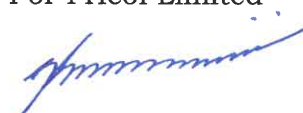
4) Press note

The Board Meeting dated 29th July 2020 was concluded at 7.30 pm.

This is for your information and records.

Thanking you

Yours faithfully,
For Pricol Limited


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



Encl: As above

ANNEXURE to letter dated: 30th July, 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 (2019-20)

| | Rs. in lakhs | |
|---|----------------|------------------|
| | Revenue | Net worth |
| Pricol Limited (Consolidated) (Continued & Discontinued Operations) | 165,465 | 39,740 |

| Particulars | Pricol Espana Sociedad Limitada, Spain | Subsidiary of Pricol Espana |
|--|---|--|
| | | Pricol Wiping Systems Czech s.r.o |
| i. the turnover or revenue or income contributed by subsidiary | | |
| a. Amount | -- | 35,743 |
| b. Percentage | -- | 21.60 % |
| ii. net worth contributed by subsidiary | | |
| a. Amount | 67 | (3,203) |
| b. Percentage | 0.17 % | (8.06%) |

| S. no | Particulars | Details |
|-------|---|--|
| 2 | Name of the Subsidiary Company | Pricol Espana Sociedad Limitada |
| 3 | Extent of dilution of Shareholding | 100 % |
| 4 | Date on which the agreement of sale has been entered into | 29 th July 2020 |
| 5 | The expected date of completion of sale /disposal | 31 st August 2020, subject to statutory and regulatory approvals. |
| 6 | Consideration received for such sale / disposal | EURO 50,000 net of all liabilities taken over by the buyer. |
| 7 | a. Brief details of buyer | Certina Automotive Solutions AG a German Stock Corporation. |
| | 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 |



Pricol Limited's Standalone Income from Operations stands at INR 1142 Crore in FY 19-20

Coimbatore (India), 29 July, 2020 Pricol Limited (BSE: 540293 / NSE: PRICOLLTD), a leading manufacturer of automotive components for the global automotive market, announced its results for FY 19-20 on 29th July 2020.

I. Business Performance

- Pricol Limited's total revenue was lower by 12.26% in FY 19-20, compared to the FY 18-19 due to slowdown in the automotive industry during last financial year compounded with impact of Covid-19 pandemic.
- Growth in last quarter of FY 19-20 was impacted significantly due to supply issues of import parts from China compounded with the onset of Covid-19 pandemic. This had an impact in our supply chain leading to premium air freights both on incoming and outgoing supplies, especially on the Fuel Pump Modules.

II. Business Outlook

- In Q1 of FY 20-21, the company undertook lot of cost reduction measures due to the onset of Covid-19 to be better prepared to manage the cash flows and customer schedules post commencing operations after lockdown, which will have a positive impact on the EBITDA post easing of lockdown restrictions.
- Customer schedules starting July is showing good improvements vis a vis the Company's post Covid expectations and the outlook remains good for the upcoming months in Q2 of FY 21 as well especially in the 2W and tractor segments. This is subject to no further impact on production / sales due to COVID-19 lockdowns or resurgence of the pandemic. On the supply chain side, there are still certain disruptions for which the company is taking effective measures to address the same, compounded by labour shortages in the northern plants of the company which is being managed with alternative strategies.

III. About Pricol Limited

Pricol Limited is a leading manufacturer of automotive components for the global automotive market, thrives on innovation, cutting edge technology and superior products across two, three and four wheelers, commercial vehicles, tractors and construction & industrial segments across the global market. For further information on the organization and its products, please visit <http://www.pricol.com/>

Investor Relations:

T.G.Thamizhanban, Company Secretary

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