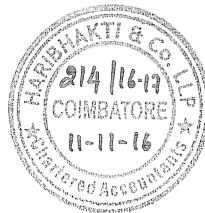



Independent Auditors' Certificate

1. We, the statutory auditors of Precot Meridian Limited, (hereinafter referred to as "the Company"), have examined the proposed Draft Scheme of Amalgamation ("the Scheme"), duly initialled by the Company Secretary for identification purpose, between Precot Meridian Limited ("the transferee Company") and Suprem Textiles Processing Limited (STPL), Multiflora Processing Coimbatore Limited (MPCL) and Precot Meridian Energy Limited (PMEL) ("the transferor Companies"), wholly owned subsidiaries of the Company, w.e.f. 1st April 2016, which has been recommended by the Audit committee and approved by the Board of Directors of the Company at its meeting held on 4th November 2016.
2. Based on our examination of the draft Scheme and according to the information and explanation given to us, we note that the Draft Scheme entails the amalgamation of Suprem Textiles Processing Limited (STPL), Multiflora Processing Coimbatore Limited (MPCL) and Precot Meridian Energy Limited (PMEL) with Precot Meridian Limited, with the consequent dissolution without winding up of the transferor companies.
3. We further note that, since the entire share capital of the transferor companies is held by Precot Meridian Limited, as a result of the proposed amalgamation, the shares of the transferor companies held by Precot Meridian Limited shall stand cancelled without any further application, act or deed and without allotment of any new shares. Since the shareholders and the shareholding pattern of Precot Meridian Limited remains the same, it is treated as no change in shareholding pattern and accordingly no valuation process is applicable to the transactions contemplated by the aforesaid scheme.
4. Further, based on the above, since the Scheme does not entail change in the shareholding pattern of the Company, valuation report from an independent chartered accountant as required under Para (I)(A)(4) of SEBI Circular No. CIR/ CFD/ CMD/16/2015 dated November 30, 2015 would not be required.
5. This Certificate is issued at the request of the Precot Meridian Limited pursuant to the requirements of circulars issued under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for onward submission to the National Stock Exchange of India Limited. This Certificate should not be used for any other purpose without our prior written consent.



For Haribhakti & Co. LLP
Chartered Accountants
ICAI FRN 103523W / W100048


C S Sathyanarayanan
Partner
Membership No.028328

Place: Coimbatore

Date: 11th November 2016



Note submission on dispensation of Valuation Report in connection with the proposed amalgamation of Wholly Owned Subsidiaries with the Holding Company

1. The proposed scheme of amalgamation, under sections 391 to 394 of the Companies Act, 1956, is for amalgamating M/s Multiflora Processing (Coimbatore) Limited, M/s Suprem Textiles Processing Limited and M/s Precot Meridian Energy Limited, (collectively referred to as "Wholly Owned Subsidiaries - "WOS") with Precot Meridian Limited ("Holding Company").
2. The entire share capital of WOS held by the Holding Company will stand cancelled consequent to the proposed amalgamation. There will be no issuance of shares or payment of any consideration by the Holding Company to WOS. Post amalgamation, the shareholding pattern of the Holding Company will continue to remain the same and will be in line with the provisions of SEBI Circular No. CIR/CFD/CMD/16/2015 dated November 30, 2015.
3. Valuation process is therefore not applicable to the transaction contemplated under the aforesaid scheme.
4. As there will be no change in the shareholding pattern of the Holding Company, post amalgamation, valuation report from an independent Chartered Accountant as required under Para 4 (a) of SEBI Circular No. CIR/CFD/CMD/16/2015 dated November 30, 2015 is not required.

For Precot Meridian Limited

M R Siva Shankar
Chief Financial Officer



For Precot Meridian Limited

R Nithya Prabhu
Company Secretary



Dated: 04-Nov-2016

Place: Coimbatore

PRECOT MERIDIAN LIMITED

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