PUBLIC ANNOUNCEMENT

For the attention of the shareholders of

ARONI CHEMICAL INDUSTRIES LIMITED

Registered Office: K.K. Chambers, 4th Floor, Sir Purushottamdas Thakurdas Road, Fort, Mumbai - 400 001.

CASH OFFER FOR ACQUISITION OF FULLY PAID UP EQUITY SHARES OF RS. 10/- EACH FROM SHAREHOLDERS

This Public Announcement ("PA") is being issued by JM Morgan Stanley Private Limited (hereinafter referred to as the "Manager to the Offer"), on behalf of Winro Commercial (India) Limited (hereinafter referred to as the "Acquirer"/ "Winro), pursuant to and in compliance with Regulation 11(2) of Chapter III of Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeover) Regulations, 1997 (hereinafter referred to as the "Regulations").

1. BACKGROUND TO THE OFFER

1.1 Winro Commercial (India) Limited, a public limited company with its registered office at 15, Chittaranjan Avenue, 4th Floor, Kolkata - 700 072 (the "Acquirer") is making this PA to acquire upto a maximum of 452,915 equity shares of Rs. 10/- each ("Equity Shares") representing 10.98% of the fully paid-up equity share capital of Aroni at a price of Rs.31.50 per Equity Share ("the Offer Price") plus interest of Rs.35.20 per Equity Share, calculated at the rate of 15% per annum from July 28, 1998 upto January 5, 2006 i.e. the scheduled date of the payment of consideration (the interest amount being subject to change depending upon the actual date of dispatch of such payment of consideration) (hereinafter referred to as "Offer"). This Offer is being made to rectify the violations made by the Acquirer Group (as defined hereinbelow) in terms of certain acquisitions made by them without making a public announcement or *inter-se* transfers amongst themselves without reporting the same for exemption as per the requirements of the Regulations.

1.2 The aggregate shareholding of the Promoters of Aroni, the persons acting in concert ("PACs") and the Acquirer (collectively referred to as the "Acquirer Group") in Aroni is 3,672,085 Equity Shares representing 89.02% of the total equity share capital of Aroni as on the date of this PA. The details of such shareholding are as under –

(a) The Promoters being, Mr. Ashwin Kumar Kothari, Mr. Rohit Kothari, Mrs. Meena Kothari, Mrs. Savita Kothari, Mrs. Niyati P Mehta, Mrs. Tejal Kothari, Ashwin Kumar Kothari (S) HUF, Ashwin Kumar Kothari HUF, P C Kothari (HUF), Mr. Harisingh Shyamsukha, Mr. Jaysukhlal N Shah, Mrs. Vanleela J Shah are collectively holding 1,899,935 Equity Shares representing 46.06% of the total shareholding/voting rights of Aroni.

(b) The PACs are Saraswati Commercial (India) Limited ("Saraswati"), Four Dimensions Securities (India) Limited ("FDSIL") and Jacqart Chemical Industries Limited ("Jacqart"). The PACs together with the Acquirer are holding 1,772,150 Equity Shares representing 42.96% of the total shareholding/voting rights of Aroni.

1.3 Amongst the entities as mentioned above, the Acquirer is holding 650,175 Equity Shares representing 15.76% of the total shareholding/voting rights of Aroni as on the date of this PA.

1.4 The details of the PACs other than the Acquirer are as under -

(a) Saraswati Commercial (India) Limited, a public limited company with its registered office at 15, Chittaranjan Avenue, 4th Floor, Kolkata - 700 072;

(b) Jacqart Chemical Industries Limited, a public limited company with its registered office at K.K. Chambers, 4th Floor, Sir Purushottamdas Thakurdas Road, Fort, Mumbai – 400 001; and

(c) Four Dimensions Securities (India) Limited, a public limited company with its registered office at K.K. Chambers, 4th Floor, Sir Purushottamdas Thakurdas Road, Fort, Mumbai – 400 001.

1.5 Aroni has disclosed the changes in the shareholding/voting rights of the Acquirer Group to SEBI as per the disclosures required under Regulation 8(3) (from F.Y.1997 to F.Y.2002 under the SEBI Regularization Scheme, 2002 and yearly disclosures from 2003-2005) ("**Disclosures**").

1.6 The instances of violations/ non-compliances of the Regulations in case of Aroni involving the changes in shareholding/voting rights of the Acquirer Group (in aggregate or *inter-se*) after the Regulations came into effect on February 20, 1997 are as under -

(i) On February 20, 1997, the shareholding of the Acquirer Group was 1,386,962 Equity Shares representing 79.25% of shareholding/ voting rights to the total paid-up capital of Aroni.

(ii) On September 16, 1997, Mr. Ashwin Kumar Kothari, Mrs. Meena Kothari, Mrs. Savita Kothari and Ashwin Kumar Kothari sold 400, 100, 400 and 50 Equity Shares respectively and FDSIL purchased 2,550 Equity Shares. As a result thereof, the shareholding of the Acquirer increased by 1,600 Equity Shares representing an increase of 0.09% in the shareholding/voting rights.

(iii) On December 20, 1997 there was an issue and allotment of bonus Equity Shares in the ratio of 1:2 as a result of which the aggregate shareholding increased to 2,083,743 Equity Shares, however, being a bonus allotment, there was no increase in the aggregate percentage of shareholding/ voting rights.

(iv) On March 31, 1998 and April 16, 1998 Winro purchased 6,600 and 3,675 Equity Shares respectively, as a result of which the shareholding of the Acquirer Group increased by 10,275 to 2,094,018 Equity Shares representing 79.77% of shareholding/ voting rights.

(v) On December 17, 1998 there was an issue of 10,00,000 Equity Shares (arising on conversion of 5,00,000 Zero Interest Fully Convertible Debentures of Rs. 35/- each ("FCDs")) to Saraswati, Winro, FDSIL and Jacqart on preferential basis and 5,00,000 bonus Equity Shares thereon. As a result of such conversion of FCDs, 600,000 Equity Shares each were issued to Winro, Saraswati and 240,000 and 60,000 Equity Shares respectively to FDSIL and Jacqart. As a result of the issue of the FCDs, the shareholding of the Acquirer Group increased to 3,592,918 Equity Shares representing 87.10% of shareholding/voting rights.

(vi) On March 9, 1999 there was *inter-se* transfer amongst the Acquirer Group whereby Mr. Harisingh Shyamsukha and Ms. Arti Shyamsukha transferred 66,000 Equity Shares each as gift to Ms. Tejal Kothari representing 3.2% of shareholding/ voting rights.

(vii) During FY 2000, Jacqart acquired an aggregate of 33,500 Equity Shares starting from November 8, 1999, however, only 33,200 Equity Shares so acquired were lodged for transfer in the year FY 2000 – 2001. Hence, the Disclosures for the year ending March 31, 2001 show an increase of 33,200 Equity Shares held by Jacqart. As a result of such acquisition the shareholding of the Acquirer Group increased to 3,626,018 Equity Shares representing 87.90% of the shareholding/voting rights. However, the balance 300 Equity Shares acquired by Jacqart has not been lodged for transfer till the date of this PA and hence, such Equity Shares are not included in the shareholding of the Acquirer Group till the date of this PA.

(viii) On July 30, 2000, there was an *inter-se* transfer of 160,000 Equity Shares from Mr. Ashwin Kumar Kothari to Mrs. Meena Kothari and thereupon, Mrs. Meena Kothari on February 5, 2001, made an *inter-se* transfer of the same to Winro and Jacqart in lots of 30,000 and 130,000 Equity Shares respectively.

Furthermore, the Equity Shares acquired by Mrs. Meena Kothari were not lodged for transfer and due to the same, such *inter-se* transfer was not disclosed in the Disclosures for year ending March 31, 2001.

(ix) As per the Disclosures filed for the year ending March 31, 2002, the aggregate shareholding of the Promoters and PACs was 3,672,568 Equity Shares representing 89.03% of the total paid up capital. This change in the shareholding of the Acquirer Group was due to the following changes –

(a) The 160,000 Equity Shares acquired by Mrs. Meena Kothari (as explained in paragraph viii above) were not lodged for transfer, however, the same were lodged for transfer only upon further *inter-se* transfer to Winro and Jacqart;

(b) In addition, Jacqart acquired 46,750 Equity Shares on February 5, 2001 in FY 2001 and during period starting from July 30, 2001 in FY 2002. However, of the Equity Shares so acquired, only 45,050 were lodged for transfer and as on the date of this PA, 1,700 Equity Shares are yet to be transferred in the name of Jacqart;

(c) 1,000 Equity Shares acquired by Ms. Tejal Kothari on September 22, 1994 in her maiden name Ms Tejal Doshi, were lodged for transfer during the year 2002 and accordingly the same was reflected in the relevant Disclosures; and

(x) The shareholding of the Acquirer Group decreased by 483 Equity Shares as the same were being held by Mr. Arastu Hussain who resigned as a director of the Company with effect from March 29, 2003 and hence the shareholding of the Acquirer Group as per the Disclosures filed for the year ending March 31, 2004 is 3,672,085 Equity Shares representing 89.02% of the total shareholding/voting rights.

(xi) As per Disclosures filed for year ending March 31, 2004 and March 31, 2005, the shareholding of the Acquirer Group has been 3,672,085 Equity Shares representing 89.02% of shareholding/ voting rights to the total paid-up capital. Furthermore, there have been no *inter-se* transfers amongst the Acquirer Group during this period.

(xii) The dates mentioned above under para (ii), (iv), (v), (vi), (vii), (viii), and (ix)(b) are the trigger dates (hereinafter referred to as "Trigger Dates") under the Regulations.

1.7 In respect of the details provided in paragraph 1.6 above, the following must be noted –

(i) Mr. Ashwin Kumar Kothari and Mr. Rohit Kothari had sold 1,800 and 200 Equity Shares respectively in the year 1994, however, such Equity Shares have not been lodged by the buyers for transfer till the date of this PA and therefore, the shareholdings of Mr. Ashwin Kumar Kothari and Mr. Rohit Kothari are overstated to that extent; and

(ii) As on the date of this PA, a total of 2,000 Equity Shares acquired by Jacqart (as explained in paragraphs vii and ix above) have not been lodged for transfer and therefore, the shareholdings of Jacqart are understated to that extent.

Hence, overall as on the date of PA, the shareholding of the Acquirer Group is 3,672,085 Equity Shares representing 89.02% of the total shareholding/voting rights

1.8 The violations/non-compliances of the Regulations due to the acquisitions by and *inter-se* transfers of Equity Shares amongst the Acquirer Group on the Trigger Dates mentioned in paragraph 1.6 above were unintentional in nature and no open offer in terms of Regulation 11(2) was made by the Acquirer Group. However, it may be mentioned that in respect thereof, there have been no shareholders' complaints nor has any action been initiated by any regulator.

Therefore, the Offer is being made to rectify the violations made by the Acquirer Group in terms of certain acquisitions made by them without making a public announcement or *inter-se* transfers amongst themselves without reporting the same for exemption as per the requirements of the Regulations.

1.9 The Acquirer Group *vide* this PA is making this offer to acquire the balance 452,915 Equity Shares of Aroni representing 10.98% of shareholding/voting rights to the total paid-up equity capital. However, as there is no intention to delist Aroni, the Acquirer Group shall divest its shareholding/ voting rights in Aroni in the manner as described in paragraph 7 of this PA.

2. THE OFFER

2.1 The Acquirer is making this PA to acquire upto 452,915 equity shares of Rs. 10/- each representing 10.98% of the fully paid-up equity share capital of Aroni at a price of Rs.31.50 per Equity Share ("the Offer Price") plus interest of Rs. 35.20 per Equity Share, calculated at the rate of 15% per annum from July 28, 1998 upto January 5, 2006, i.e., the scheduled date of the payment of consideration (the interest amount being subject to change depending upon the actual date of dispatch of such payment of consideration).

2.2 The equity shares of Aroni are listed on the Bombay Stock Exchange Limited, Mumbai ("BSE") and the Calcutta Stock Exchange Association Limited, Kolkata ("CSE"). With reference to the Trigger dates, the Equity Shares were infrequently traded on the BSE and CSE in terms of Regulation 20(3) (applicable as on March 31, 1998). However, as on date of PA, equity shares of Aroni are frequently traded on BSE. (Source: http://www.bseindia.com).

2.3 As mentioned in paragraph 1.6 (iv) above, on March 31, 1998, the Acquirer purchased 6,600 at a price of Rs.31.50 per Equity Share. Apart from this, all other changes in shareholding or inter-se transfers amongst the Acquirer Group as described above in paragraph 1.6 of this PA have been made at prices below Rs.31.50 per Equity Share. Interest @ 15% per annum has been calculated from the date 120 days after this date i.e., July 28, 1998 up to January 5, 2006 (scheduled date of dispatch of consideration to the Shareholders in terms of this Offer) which is Rs. 35.20 per Equity Share making the total consideration payable under the Offer Rs. 66.70 per Equity Share.

2.4 Since the Equity Shares of Aroni are infrequently traded on the abovementioned stock exchanges with reference to the Trigger Dates, valuation of Aroni has been done by an independent valuer, M/s. Chaturvedi & Shah, Chartered Accountants (situated at A-3, Laxmi Towers, First Floor, Bandra Kurla Complex, Bandra (E), Mumbai - 400051, India, Telephone: +91 22 30616100 Fax: +91 22 30616125), in accordance with Regulation 20(3) (applicable as on March 31, 1998) with respect to each Trigger Date when an open offer should have been made, based on the audited accounts of Aroni for FY 1997, FY 1998, FY 1999, FY 2000 and FY 2001.

The fair value of Equity Shares of Aroni has been arrived at by M/s Chaturvedi & Shah, Chartered Accountants vide their valuation certificates dated August 8, 2005 considering the financial parameters of Aroni with reference date to respective Trigger Dates as mentioned in the table under para 2.5 below and by placing reliance on the Supreme Court judgement in the case of *Hindustan Lever Employee Union* v. *Hindustan Lever Limited and others*, (1995) 83 Com Case 30. Considering this judgement, weighted average has been taken by applying higher weight of 2 to the value per Equity Share under earnings capitalization method and market value method (using market price of the Shares as quoted on Stock Exchanges) and lower weight of 1 to the value per share under net assets method to arrive at Fair value per Equity Share of Aroni. An illustration of calculation with reference to Trigger Date March 31, 1998 is given below:-

Method	Value per share (Rs.) (X)	Weights (Y)	Weighted Amount (X * Y)
Net Assets Method	47.00	1	47.00
Earning Capitalization Method	39.29	2	78.59
Imputed Market Value Method	36.30	2	72.60
Total		5	198.19
Fair Value per Equity Share (Rs.)			39.64
Rounded off			40.00
Adjustment on account of increase in equity share capital due to issue of bonus shares in the ratio of 1:2, No. of Equity Shares increased from 27,50,000 to 41,25,000 shares			26.66
Rounded off			27.00

2.5 The details of Trigger Dates, acquisition prices, fair value per share and other financial parameters of Aroni as on various Trigger Dates are given in table below:-

	Trigger Dates						
	16 Sep-97	31 Mar-98	17 Dec-98	8 Nov-99	30 Jul-2000	5 Feb-2001	30-Jul-01
i) 52 weeks average price[1]	Infrequently Traded	Infrequently Traded	Infrequently Traded	Infrequently Traded	Infrequently Traded	Infrequently Traded	Infrequently Traded
ii) 2 weeks average price	Infrequently Traded	Infrequently Traded	Infrequently Traded	Infrequently Traded	Infrequently Traded	No trading	No Trading
iii) Preferential allotment in last one year before Trigger Date	N.A.	N.A.	17.50[5]	N.A.	N.A.	N.A.	N.A.
iv) Highest price paid by Acquirer Group for acquisition of Shares [2] (Rs. Per Share)	27.67[4]	31.50	N.A.	20.01	13.80	6.05	7.00
v) Negotiated price paid under any agreement	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
vi) Fair Value per share as per Valuation reports (Rs. per share)	27.00[4]	27.00	27.00	22.00	22.00	21.00	18.00
Earning Per Share (Rs.)	14.49	14.49	11.40	15.16	15.16	2.42	(2.70)
P/E ratio • Industry [3] • Offer Price to Earnings	 5.00 1.36	 5.00 1.36	 3.50 1.43	 3.50 1.09	 3.50 1.09	 2.40 7.13	 2.50 (6.07)
RONW of Target Company(%)	23.14	23.14	22.08	29.00	29.00	4.42	(5.19)
Book Value Per Share	62.64	62.64	51.62	52.27	52.27	54.69	51.99
Highest price per share of (i) to (vi) above (Rs.)	27.67	31.50	27.00	22.00	21.00	21.00	18.00
Interest per share@15% from the date 120 days from the Trigger Dates upto January 5, 2006	33.14	35.20	27.26	19.27	10.58	14.46	11.10
Consideration (Price plus interest) per share (Rs.)	60.81	66.70	54.26	41.27	31.58	35.46	29.10

(1) Equity Shares of Aroni are infrequently traded on the Stock Exchanges in terms of Regulation 20(3) (applicable as on March 31, 1998) with reference to Trigger Dates.

(2) These are the highest prices paid by Acquirer Group for acquisition of Equity Shares during the period of 26 weeks prior to respective Trigger Dates.

(3) Source: Capital Markets, Capitaline

(4) Price adjusted on account of increase in equity share capital due to issue of bonus shares in the ratio of 1:.2 made on December 20, 1997.

(5) Each FCD of Rs. 35 each allotted to Saraswati, Winro,FDSIL and Jacqart on preferential basis were converted into two equity share at a price of Rs.17.50 per Equity Share.

As per the table above, the maximum price per Equity Share is Rs.31.50 and maximum consideration (Price + Interest) per share is Rs.66.70 per Equity Share. Hence, Rs.31.50 per Equity Share has been determined as the Offer Price.

2.6 In view of the information mentioned above, in terms of Regulation 20(3) (as applicable on the Trigger Dates), the Offer Price of Rs.31.50 per Equity Share is justified as follows:

- There was no preferential allotment of equity shares of Aroni made during the 12 months prior to the Trigger Dates, to the Acquirer Group except issue of Equity shares on December 17, 1998 on conversion of 5,00,000 FCDs of Rs.35 each issued on preferential basis to Saraswati, Winro, FDSIL and Jacqart on October 31,1994. Each FCD was converted into two Equity Share at a price of Rs.17.50 per Equity Share.
- As mentioned in paragraph 2.3 above, Rs.31.50 per Equity Share was the highest price paid by the Acquirer Group to acquire shares of Aroni. Except as mentioned in the table above and disclosed under para 1.6 above, Acquirer Group has not acquired any equity shares of Aroni including by way of allotment in a public or rights issue during the 26 week period prior to the Trigger Dates.
- The Acquirer Group has not acquired any equity shares of Aroni under any agreement referred to in Regulation 14(1).
- As per the four Valuation Reports prepared on the basis of audited accounts of Aroni for FY 1997, FY 1998, FY 1999, FY 2000 and FY 2001, the highest fair value is Rs.27 per Equity Share.

2.7 As on the date of the PA, the Acquirer Group holds 3,672,085 Equity Shares representing 89.02% of the fully paid-up equity share capital of Aroni. Other than the above, no other shares are held by the Acquirer Group in Aroni.

2.8 The Offer is being made in order to remedy the violation of the Regulations caused due to increase in shareholding of the Acquirer Group in Aroni without making a public offer in terms of Regulation 11(2) of the Regulations and is not being made pursuant to any proposed acquisition of shares in Aroni to be made either by way of an agreement or market purchases by any entity.

2.9 All Equity Shares tendered and accepted pursuant to the Offer, will be acquired by Winro Commercial (India) Limited ("Acquirer"), subject to terms and conditions set out herein and in the Letter of Offer to be sent to the shareholders.

2.10 The Offer is not subject to any minimum level of acceptance and the Acquirer will acquire all the Equity Shares that are tendered in valid form in terms of the Offer upto a maximum of 452,915 Equity Shares representing 10.98% of the fully paid-up equity share capital of Aroni.

3. INFORMATION ABOUT THE ACQUIRER

3.1 The Acquirer was incorporated under the name and style of "Winro Commercial (India) Limited" as a limited company on January 15, 1983 vide Certificate of Registration No. 35688 of 1983 issued by the Registrar of Companies, West Bengal with its registered office at 15, Chittaranjan Avenue, 4th Floor, Kolkata - 700 072. The Acquirer was issued a Certificate for Commencement of Business pursuant to section 149(3) of the Act on January 24, 1983 by the Registrar of Companies, West Bengal.

3.2 The Acquirer is engaged in investment, trading and finance activities.

3.3 The Acquirer is a listed company and its equity shares are listed on the BSE and the CSE.

3.4 As per the disclosures in terms of Regulation 8(3) filed by the Acquirer on April 15, 2005, the details of shareholding of the promoters and persons having control over the Acquirer as on March 31, 2005 are as under –

(a) The Promoters being, Mr. Ashwin Kumar Kothari, Mrs. Meena Kothari, Mr. Rohit Kothari, Mrs. Savita Kothari, Ashwin Kumar Kothari (HUF), Ashwin Kumar Kothari (S) (HUF) and PC Kothari (HUF) are collectively holding 280,430 Equity Shares representing 22.39% of the total shareholding/voting rights of the Acquirer; and

(b) The PACs being, Mahotsav Trading and Finance Private Limited, Sareshwar Trading and Finance Private Limited, Four Dimensions Securities (India) Limited, Jacqart, Saraswati and Sam Jag Deep Investments Private Limited are collectively holding 345,600 Equity Shares representing 27.59% of the total shareholding/voting rights of the Acquirer.

3.5 Acquirer's total income for the financial year ended March 31, 2005 were Rs 20729.51 Lacs as compared to Rs 25658.86 Lacs for the financial year ended March 31, 2004. Profit after tax for the financial year ended March 31, 2005 was Rs 648.12 Lacs as compared to Rs 1380.13 Lacs for the financial year ended March 31, 2004. For the financial year ended March 31, 2005,Acquirer had a Book Value per share of Rs 303.31 as against Rs 251.54 for the financial year ended March 31,2004. For the financial year ended March 31, 2005, Acquirer has an Earning Per Share (EPS) per share of Rs 51.75 as against Rs 110.19 for the financial year ended March 31,2004.

3.6 The Acquirer is holding 650,175 Equity Shares representing 15.76% of the paid-up capital of the Target Company as on the date of the PA.

3.7 The Acquirer has taken steps to regularize the reporting requirements under Chapter II of the Regulations for the period from 1997 to 2002 as per the SEBI Regularization Scheme, 2002 and has made yearly disclosures during 2003-2005.

3.8 Information of PACs

The details of PACs are as under –

(a) **Saraswati Commercial (India) Limited,** a public limited company with its registered office at 15, Chittaranjan Avenue, 4th Floor, Kolkata - 700 072.

The company was incorporated on January 24, 1983 and currently having an authorized equity share capital of Rs.75,00,000/- divided into 7,50,000 equity shares of Rs.10/- each. The issued and paid up capital of Rs.64,00,000/- comprising of 6,40,000 equity shares of Rs.10/- each. The Equity Shares of Saraswati are listed on the Stock Exchange, Mumbai ("BSE") and the Calcutta Stock Exchange Association Limited, Kolkata ("CSE"). The company is engaged in the business of trading in shares and securities and making long term investments in shares and securities and in financing body corporates.

It's total income for the financial year ended March 31, 2005 was Rs 5.02 Lacs as compared to Rs 20.83 Lacs for the financial year ended March 31, 2004. Profits for the financial year ended March 31, 2005 was Rs 0.12 Lacs as compared to Rs 10.86 Lacs for the financial year ended March 31, 2004. For the financial year ended March 31, 2005, It had a Book Value per share of Rs 85.90 as against Rs 85.88 for the financial year ended March 31,2004. For the financial year ended March 31, 2005. It has an Earning Per Share (EPS) of Rs 0.02 for financial year ended March 31, 2005 as against Rs 1.70 for financial year ended March 31, 2004.

(b) **Jacqart Chemical Industries Limited,** a public limited company with its registered office at K.K. Chambers, 4th Floor, Sir Purushottamdas Thakurdas Road, Fort, Mumbai - 400001

The company was incorporated on January 11, 1985 and currently having an authorized equity share capital of Rs.22,500,000/- divided into 2,250,000 equity shares of Rs.10/- each. The issued and paid up capital of Rs.20,400,000/- comprising of 20,400,000 equity shares of Rs.10/- each. The Equity Shares of Jacqart are listed on only the BSE. The company is engaged in the business of trading in shares and securities and making long term investments in shares and securities and in financing body corporates.

It's total income for the financial year ended March 31, 2005 were Rs 299.69 Lacs as compared to Rs 66.58 Lacs for the financial year ended March 31, 2004. Profit after tax for the financial year ended March 31, 2005 was Rs 165.51 Lacs as compared to Rs 16.48 Lacs for the financial year ended March 31, 2004. For the financial year ended March 31, 2005,Target Company had a Book Value per share of Rs 31.18 as against Rs 23.06 for the financial year ended March 31,2004. For the financial year ended March 31, 2005, Target Company has an Earning Per Share (EPS) per share of Rs 8.11 as against Rs 0.81 for the financial year ended March 31,2004.

(c) **Four Dimensions Securities (India) Limited,** a public limited company with its registered office at K.K. Chambers, 4th Floor, Sir Purushottamdas Thakurdas Road, Fort, Mumbai – 400 001.

The company was incorporated on January 5, 1985 and currently having an authorized equity share capital of Rs.5,00,00,000/- divided into 50,00,000 equity shares of Rs.10 each. The issued and paid up equity share capital of the Company is Rs.4,59,00,000/- comprising of 45,90,000 equity shares of Rs.10 each.The Equity Shares of FDSIL were listed on the BSE, however, FDSIL was delisted from BSE with effect from March 18, 2002.The Company is engaged in the business of share broking and making long term investments in shares and securities. It is a Corporate Member of the National Stock Exchange of India Limited, Mumbai.

It's total income for the financial year ended March 31, 2005 was Rs 1135.45 Lacs as compared to Rs 1165.08 Lacs for the financial year ended March 31, 2004. Profit after tax for the financial year ended March 31, 2005 was Rs 333.04 Lacs as compared to Rs 789.42 Lacs for the financial year ended March 31, 2004. For the financial year ended March 31, 2005, It had a Book Value per share of Rs 47.48 as against Rs 40.23 for the financial year ended March 31,2004. For the financial year ended March 31, 2005, It has an Earning Per Share (EPS) per share of Rs 7.26 as against Rs 17.20 for the financial year ended March 31, 2004.

4. INFORMATION ABOUT THE TARGET COMPANY

4.1 The Target Company was incorporated under the name and style of "Aroni Commercial Company Limited" as a public limited company on January 11, 1985 vide Certificate of Registration No. 35047 of 1984-85 issued by the Registrar of Companies, Maharashtra with its registered office at 29 Bank Street, 1st Floor, Fort, Mumbai 400 023. The Acquirer was issued a Certificate for Commencement of Business pursuant to section 149(3) of the Act on January 16, 1985 by the Registrar of Companies, Maharashtra.

The name of the Target Company was changed to "Aroni Chemical Industries Limited" on June 9, 1992 vide a fresh Certificate of Incorporation No. 11-35047 issued by the RoC pursuant to section 23(1) of the Act and the registered office has been shifted with effect from May 20, 2004 to K.K. Chambers, 4th Floor, Sir Purushottamdas Thakurdas Road, Fort, Mumbai – 400 001, Tel No. 022 – 5638 8600.

4.2 The Target Company is at present engaged in investment, trading and finance activities. It also had a chemical manufacturing activity at Birlagram, Nagda (Madhya Pradesh). Till September 1999 the Target Company was engaged in manufacturing of chemical Aluminum Chloride Anhydrous and Wind Power Generation in the state of Madhya Pradesh. It has transferred its Aluminum Chloride Anhydrous and Wind Power Generation businesses to a joint venture company Atofina Catalyst India Limited w.e.f March 16, 1999 pursuant to the order received from Honorable High Court Bombay on July 8, 1999 pursuant to a Scheme of Arrangement under section 391 and 394 of the Companies Act, 1956 and held 49% equity Share capital of this joint venture company till September 2004. In September 2004 the Target Company sold this 49% Equity share capital to Atofina S.A.France.

4.3 The details of share capital of the Target Company are as under -

(i) The authorised capital of the Target Company as on the date of PA is Rs. 7,50,00,000 divided into 75,00,000 Equity Shares of face value of Rs. 10/- each.

(ii) The issued, subscribed and fully paid-up equity share capital of the Target Company is Rs 4,12,50,000 divided into 41,25,000 Equity Shares.

4.4 The Equity Shares of the Target Company are listed on the BSE and CSE. However, 1,500,000 Equity Shares of the Target Company are pending listing with the CSE, though the same have been listed with the BSE. The Target Company has followed up with the authorities at CSE for the listing of these shares, but has not heard from them as of date of this PA. There is no complaint from any shareholder of the Target Company in relation to this matter. With reference to the Trigger dates, the Equity Shares were infrequently traded on the BSE and CSE in terms of Regulation 20(3) (applicable as on March 31, 1998). However, as on date of PA, equity shares of Aroni are frequently traded on BSE.

4.5 Latest Financial Data of the Target Company is as under -

It's total income for the financial year ended March 31, 2005 was Rs 1637.95 Lacs as compared to Rs 178.73 Lacs for the financial year ended March 31, 2004. Profit after tax for the financial year ended March 31, 2005 was Rs 1443.28 Lacs as compared to Rs 16.01 Lacs for the financial year ended March 31, 2004. For the financial year ended March 31, 2005, It had a Book Value per share of Rs 91.69 as against Rs 56.70 for the financial year ended March 31,2004. For the financial year ended March 31, 2005, it has an Earning Per Share (EPS) per share of Rs 34.99 as against Rs 0.39 for the financial year ended March 31, 2004.

5. REASONS FOR THE OFFER AND FUTURE PLANS

5.1 The Offer is being made pursuant to SEBI (SAST) Regulations to rectify the violations made by the Acquirer Group in terms of certain acquisitions leading to "Consolidation of Holdings" in terms of Regulation 11(2) and *inter-se* transfers amongst the Acquirer Group which were either made without making a public announcement or not reported for exemption as per the requirements of the Regulations.

5.2 As required under Regulation 16 (ix) (as applicable on March 31, 1998), the Acquirer Group does not intend to dispose of or otherwise encumber any assets of Aroni in the succeeding two years except in the ordinary course of the business of Aroni and in any event, shall not do so except with the prior approval of the shareholders of the Aroni.

6. STATUTORY APPROVALS/ OTHER APPROVALS REQUIRED FOR THE OFFER

6.1 As of the date of PA, to the best of the knowledge of the Acquirer, there are no statutory approvals required to implement the Offer. If however, any statutory or other approval becomes applicable, the Offer would be subject to such approval.

6.2 In case of delay in receipt of statutory approval, if any, SEBI has the power to grant an extension of the time required for payment of the consideration under the Offer provided that the Acquirer agrees to pay interest in accordance with Regulation 22(12) of the Regulations. Further, if the delay occurs due to willful default of the Acquirer in obtaining the requisite approvals, Regulation 22(13) of the Regulations will become applicable.

6.3 As provided under Regulation 27 of the Regulations, the Acquirer will not proceed with the Offer in the event of any statutory approval being refused.

7. OPTION TO THE ACQUIRER IF PUBLIC SHAREHOLDING REDUCES BELOW THE LIMIT SPECIFIED IN THE LISTING AGREEMENT

As the Offer would result in public shareholding being reduced to 10% or less of the voting capital of the Target Company, the Acquirer undertakes to disinvest through sale of such number of Equity Shares within a period of 6 months from the date of closure of the Offer, so as to satisfy the requirements of the listing agreement entered into with the stock exchanges.

8. FINANCIAL ARRANGEMENTS

8.1 The maximum purchase consideration as per the Offer Price including the interest payable by the Acquirer, assuming full acceptance of the Offer, would be Rs.302.10 lakhs. This includes the interest the interest amount of Rs.159.43 lakhs calculated @ 15% per annum from July 28, 1998 upto January 5, 2006 being the scheduled date of dispatch of consideration to those shareholders who have tendered their Equity Shares in the Offer, assuming full acceptance.

8.2 In accordance with the provisions of Regulation 28 of the Regulations, the Acquirer has established a bank guarantee in favour of the Manager to the Offer for Rs.85.00 lakhs (being not less than 25% of the total consideration payable) through HDFC Bank, HDFC Bank House, Senapati Bapat Marg, Lower Parel, Mumbai – 400 013 (hereinafter referred to as the "Escrow Bank") and has also deposited with the Bank a sum of Rs. 3.50 lakhs (being not less than 1% of the total consideration payable), as and by way of security for fulfillment of the obligations under the Regulations. This bank guarantee shall be valid till March 31, 2006. The Acquirer has empowered the Manager to the Offer to realize the value of the Escrow Account under the Regulations.

8.3 The Acquirer's statutory auditors M/s. Ajmera Ajmera & Associates has confirmed vide letter dated October 10, 2005 that the Acquirer has sufficient resources to fulfill its obligations in full under the Offer. On the basis of the above, the Manager to the Offer has satisfied itself that the Acquirer has the ability to implement the Offer in accordance with the Regulations.

9. TERMS AND CONDITIONS OF THE OFFER

9.1 The Letter of Offer together with the Form of Acceptance cum Acknowledgement and Form of Withdrawal will be mailed to the all the shareholders of Aroni (except the Acquirer and persons acting in concert with the Acquirer) whose names appear on the Register of Members of Aroni and to the beneficial owners of the shares of Aroni whose names appear on the beneficial records of the respective depositories at the close of business on October 14, 2005 (the "Specified Date").

9.2 The acceptance of the Offer is entirely at the discretion of the shareholders of the Aroni. The Acquirer will not be responsible in any manner for any loss of Equity Share certificate(s) and offer acceptance documents during transit and the shareholders of Aroni are advised to adequately safeguard their interest in this regard.

9.3 Equity Shares that are subject to any charge, lien or encumbrance are liable to be rejected.

9.4 Shareholders who hold shares in physical form and wish to tender their shares will be required to send the Form of Acceptance cum Acknowledgement, original share certificate(s) accompanied with blank transfer deed(s) duly signed to the Registrar to the Offer, MCS Limited (hereinafter referred to as the "Registrar") at their office at Sri Venkatesh Bhavan, Plot No. 27 Road No. 11, MIDC, Andheri (East), Mumbai – 400 093 either by hand delivery during normal business hours or by Registered Post on or before Closure of the Offer, i.e., December 21, 2005 in accordance with the instructions specified in the Letter of Offer and the Form of Acceptance cum Acknowledgement.

9.5 The Registrar has opened a special depositary account with **HDFC Bank Limited** Beneficial owners and shareholders holding shares in dematerialized form, will be required to send their Form of Acceptance cum Acknowledgement to the Registrar by hand delivery during normal business hours or by Registered Post on or before the closure of the Offer, i.e., December 21, 2005, alongwith a photocopy of the delivery instructions in "Off-market" mode or counterfoil of the delivery instruction in "Off-market" mode, duly acknowledged by the Depositary Participant ("DP"), if favor of **MCS Limited Escrow Account – Aroni Open Offer**" ("Depository Escrow Account") filled in as per the instructions given below:

Depository	**National Securities Depository Limited**
Depository Participant	**HDFC Bank Limited**
DP ID Number	**IN 301151**
Account No	**20180259**

For shares which are tendered in electronic form, the bank account as obtained from the beneficiary provided by the Depositary will be considered and the warrants will be issued with the said bank particulars. Shareholders of Aroni having their beneficiary account in CDSL have to use inter-depository delivery instruction slip for the purpose of crediting their equity shares in favour of the special depository account with NSDL.

9.6 Shareholders are advised to ensure that the Form of Acceptance cum Acknowledgement and other documents are complete in all respects, otherwise the same is liable to be rejected. In case of dematerialized Equity Shares, the shareholders are advised to ensure that their Equity Shares are credited in favour of the Depository Escrow Account before the Closure of the Offer. The Form of Acceptance cum Acknowledgement of such dematerialized Equity Shares, not credited in favour of the Depository Escrow Account before the Closure of the Offer, will be rejected.

9.7 In addition to the address mentioned in paragraph 9.5, the shareholders of Aroni, who wish to avail and accept the Offer can deliver the Acceptance Form alongwith all the relevant documents at any of the collection centers below.

Name and Address of the Collection Centre	Tel No.	Fax No.	Contact Person	Mode of Delivery
MCS Limited Unit: Sri Venkatesh Bhavan, Plot No. 27 Road No. 11, MIDC, Andheri (East), Mumbai – 400 093	022-28215235	022-28350456	Mr Ashok Gupta	Registered Post/Hand Delivery
MCS Limited 77-2A, Hazra Road Kolkatta 700093	033-24767350	033-24541961	Mr Alok Mukherjee	Hand Delivery

Business Hours: Mondays to Fridays between 10:00 A.M. to 1:00 P.M. and 2:00 P.M. to 4:00 P.M.
Saturdays between 10:00 A.M. to 1:00 P.M.

Holidays: Sundays and Bank Holidays

9.8 All owners of shares, registered or unregistered, who own the shares at any time prior to the closure of the Offer are eligible to participate in the Offer. Unregistered owners and shareholders who do not receive a copy of the Letter of Offer can send their application in writing to the Registrar, on a plain paper stating their Name, Address, Number of shares held, Number of shares offered, Distinctive Numbers, Folio No. together with the original share certificate(s), valid transfer deed(s) and a copy of the contract note issued by the broker through whom they acquired their shares. No indemnity is required from the unregistered owners.

9.9 In case of non-receipt of the Letter of Offer, eligible persons may send their acceptance to the Registrar, on a plain paper stating their Name, Address, Number of shares held, Number of shares offered, alongwith documents as mentioned above, so as to reach the Registrar on or before the close of the Offer, i.e., December 21, 2005.

9.10 The Registrar will hold in trust the shares/share certificates tendered in physical form and shares lying in credit of the special depositary account, Form of Acceptance cum Acknowledgement, if any, and the transfer form(s) on behalf of the shareholders of Aroni who have accepted the Offer, until the cheques/drafts for the consideration and/or the unaccepted shares/share certificates are dispatched/returned.

9.11 **Applications in respect of shares that are the subject matter of litigation wherein the shareholder(s) may be precluded from transferring the shares during the pendency of the said litigation are liable to be rejected in case directions/ orders regarding these shares pending transfer are not received together with the shares tendered under the Offer. The Letter of Offer in some of these cases, wherever possible, would be forwarded to the concerned statutory authorities for further action at their end.**

9.12 Shareholders who have sent their shares for dematerialization need to ensure that the process of getting shares dematerialized is completed well in time so that the credit in the Registrar's special depository account should be received on or before the date of closure of the offer, i.e. December 21, 2005, else the application would be rejected.

9.13 Unaccepted Share Certificates, transfer forms and other documents, if any, will be returned by Registered Post at the shareholders'/unregistered owners' sole risk to the sole/first shareholder. Shares held in dematerialized form to the extent not accepted will be credited back to the same depository account with the respective depository participant as per the details furnished by the beneficial owner in the Form of Acceptance cum Acknowledgement.

9.14 **While tendering shares under the Offer, NRI/OCB/foreign shareholders will be required to submit the previous RBI approvals (specific or general) that they would have obtained for acquiring shares of Aroni and a No Objection Certificate/Tax Clearance Certificate, indicating the amount of tax to be deducted by the Acquirer before remitting the consideration, from the Income-Tax authorities under the Income-tax Act, 1961. In case the previous RBI approvals are not submitted, the Acquirer reserves the right to reject the shares. In case the aforesaid No Objection Certificate/ Tax Clearance Certificate is not submitted, the Acquirer will deduct tax at the currently prevailing rate as advised by their tax advisors on the entire consideration amount (Offer Price as well as interest thereon) payable to such non-resident shareholders. For details of tax deduction in case of resident and non-resident shareholders, including tax deduction at source on the accrued interest component, please refer to the Letter of Offer, which would be sent shortly.**

9.15 **In case of resident Shareholders tendering their shares under the Offer, the Acquirer will deduct tax on the interest component of the consideration payable to such Shareholders exceeding Rs. 5,000 per Shareholder at the rate of 22.44% in case of resident corporate Shareholders, at the rate of 11.22% in case of resident partnership firms and at the rate of 10.2% in case of resident individual Shareholders, trusts, association of persons or body of individuals if the amount paid is upto Rs.1,000,000 and at the rate of 11.22% if the amount paid exceeds Rs.1,000,000. As per the provision of the Income-tax Act, 1961, if the resident Shareholder requires that no tax be deducted or tax be deducted at a rate lower than the prescribed rate, then in such an event the resident Shareholder will be required to submit No Objection Certificate from the Income-Tax authorities or a self-declaration in Form 15G, as may be applicable, indicating the rate at which the tax is to be deducted by the Acquirer before remitting the consideration. All the Shareholders eligible to receive an interest component of the consideration payable exceeding Rs. 5,000 per Shareholder, would be required to give their PAN number for Income Tax purposes.**

9.16 The offer is not subject to any minimum level of acceptance and the Acquirer will acquire all equity shares of Target Company that are tendered in valid form in terms of this Offer upto a maximum of 452,915 Equity Shares representing 10.98% of the fully paid-up equity share capital.

9.17 A schedule of the key events in respect of the Offer is given below:

Activity	Day	Date
Specified date (for the purpose of determining the names of shareholders to whom the Letter of Offer would be sent)	Friday	October 14, 2005
Last Date for receiving competitive bid	Tuesday	November 1, 2005
Date by which Letter of Offer will be posted to the shareholders	Wednesday	November 23, 2005
Date of opening of the Offer	Friday	December 02, 2005
Last date for revising the Offer Price/number of shares	Tuesday	December 13, 2005
Last date for shareholders for withdrawing their acceptance tendered in the offer	Friday	December 16, 2005
Date of closure of the Offer	Wednesday	December 21, 2005
Date by which acceptance/rejection under the Offer would be intimated and the corresponding payment for the acquired shares and/or the unaccepted shares/share certificates will be dispatched/credited	Thursday	January 05, 2006

9.18 The attention of shareholders may be invited to the fact the Letter of Offer alongwith the Form of Acceptance would also be available at SEBI's website http://www.sebi.gov.in.

10. GENERAL

10.1 Shareholders who have accepted the Offer by tendering the requisite documents in terms of the Public Announcement or the Letter of Offer can withdraw the same upto three working days prior to the date of the closure of the Offer.

10.2 If there is any upward revision in the Offer Price before the last date of revision (i.e. December 13, 2005) or withdrawal of the Offer, the same would be informed by way of a Public Announcement in the same newspapers where the original Public Announcement appears. Such revised Offer Price would be payable to all shareholders who tender their shares at any time during the Offer and which are accepted under the Offer.

10.3 If there is a competitive bid:

- The public offers under all the subsisting bids shall close on the same date;
- As the Offer Price cannot be revised during seven working days prior to the closing date of the offers/ bids, it would, therefore, be in the interest of the shareholders to wait till the commencement of that period to know the final Offer Price of each bid and tender their acceptance accordingly.

10.4 The Acquirer has not been prohibited by SEBI from dealing in securities, in terms of directions issued u/s 11B of the SEBI Act, 1992.

10.5 There are no Directors representing the Acquirer on the Board of Directors of the Target Company as on the date of Public Announcement.

10.6 None of the Directors of the Acquirer hold any shares in the Target Company as on the date of PA except Mr. V.V. Sureshkumar who is holding 2,040 equity shares as on the said date.

10.7 Pursuant to Regulation 13 of the Regulations, the Acquirer has appointed JM Morgan Stanley Private Limited as Manager to the Offer and MCS Limited as Registrar to the Offer.

10.8 The Board of Directors of the Acquirer accepts full responsibility for the information contained in this PA and also for the obligations of the Acquirer as laid down in the Regulations and any subsequent amendments made thereof.

10.9 For further details please refer to the Letter of Offer and the Form of Acceptance cum Acknowledgement to follow.

Eligible persons to the Offer may download a copy of this Public Announcement from SEBI's website at www.sebi.gov.in. Eligible persons to the Offer may also download a copy of the Letter of Offer and Form of Acceptance-cum-Acknowledgement, which will be available on SEBI's website at www.sebi.gov.in from the Offer opening date, i.e. December 2, 2005 and tender their shares using the same.

Manager to the Offer	Registrar to the Offer
JM MORGAN STANLEY **JM Morgan Stanley Private Limited** 141, Maker Chambers III, Nariman Point, Mumbai – 400 021 Tel: + 91 22 5630 3030 Fax: + 91 22 2204 7185 E-mail: kushal.doshi@jmmorganstanley.com Contact Person: Mr. Kushal Doshi	**MCS Limited** Sri Venkatesh Bhavan, Plot No. 27 Road No. 11, MIDC, Andheri (East),Mumbai – 400 093 Tel: +91 22 2821 5235 Fax: + 91 22 2835 0456 E-mail: mcssvb@eth.net Contact Person:Mr Ashok Gupta
Offer Opens on: December 2, 2005	**Offer Closes on December 21, 2005**

On behalf of **Winro Commercial (India) Limited**

sd/-

Place : Mumbai **Mr. A. N. Nair (Director)**

Date : October 10, 2005 **Authorised Signatory**