Public Announcement to the Shareholders of

Ondeo Nalco India Limited

Reg. Off: 20A, Park Street, Kolkata – 700016. Tel: 033 –2217 2066, 2217 2494 Fax: 033 – 2249 3999

This public announcement (this "Public Announcement") is being issued by ICICI Securities Ltd. (the "Manager to the Offer") for and on behalf of Nalco Holdings LLC, a Delaware limited liability company ("Nalco Holdings"), and Nalco Company (formerly known as Ondeo Nalco Company), a corporation organized under the laws of the State of Delaware, USA ("Nalco Company" and, collectively with Nalco Holdings, the "Acquirers") acting in concert with each other pursuant to and in compliance with, among others, regulation 12 and regulation 10 of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 1997, as amended (the "Regulations").

The Offer

1. This open offer (this "Offer") is being made by the Acquirers. This Offer is subject to the receipt of certain approvals as more fully set forth in the section entitled "Statutory Approvals and Other Approvals Required for this Offer" (see paragraph 21 below).
2. On August 31, 2003, Nalco Holdings, that has become Nalco Company's parent, entered into a stock purchase agreement pursuant to which it agreed to purchase, and on November 4, 2003 it consummated such purchase of, all the outstanding shares of capital stock of Nalco Company from Leo Holding Company, a Delaware corporation and a subsidiary of Suez, a *société anonyme* organized under the laws of the Republic of France ("Suez") and all the outstanding shares of capital stock of certain subsidiaries of Nalco International S.A.S., a *société par actions simplifée* organized under the laws of the Republic of France and a subsidiary of Suez for an aggregate purchase price of US$ 4,200,000,000 in cash. Nalco Company holds 4,000,000 shares out of the equity capital of 5,000,000 shares of face value of Rs. 10 each (each, a "Share") in Ondeo Nalco India Limited (the "Target Company") representing 80% of the voting equity capital of the Target Company. This acquisition by Nalco Holdings was part of a global acquisition pursuant to which Nalco Holdings acquired the equity of several companies and businesses involved in providing integrated water treatment and process improvement services, chemical and equipment programs for industrial and institutional applications located in different countries (the "Global Acquisition"). The portion of the total consideration for the Global Acquisition allocated to the indirectly acquired Shares of the Target Company is US$ 6.22 (Rs 288/-*) per Share*. (* at an exchange rate of Rs.46.30 = 1 US$, which is higher than the prevailing exchange rates as on November 4, 2003, the date of the consummation of the Global Acquisition and as on November 26, 2003, the date of the board resolutions of the Acquirers approving this Offer).
3. As the Global Acquisition has resulted in Nalco Holdings indirectly acquiring 80% of the Shares of the Target Company, this Offer is being made pursuant to the Regulations. Nalco Company directly holds 80% of the Shares of the Target Company.
4. Pursuant to this Offer, the Acquirers propose to acquire 20% (Twenty percent) of issued and outstanding Shares of the Target Company. As such therefore, this Offer is to acquire 1,000,000 Shares of the Target Company (the "Offer Size") representing 20% of the voting equity capital of the Target Company at a price of Rs. 288/- (Rupees Two Hundred and Eighty Eight Only) for each fully paid-up Share of the Target Company (such price being the "Offer Price"), to be paid in cash in accordance with the Regulations. This Offer is not subject to any minimum level of acceptance.
5. The Shares of the Target Company are listed on The Stock Exchange, Mumbai ("BSE") and the Calcutta Stock Exchange ("CSE") and are infrequently traded in terms of the Regulations.
6. Except as described in paragraph 2 above, the Acquirers have not acquired any Shares, including by way of allotment in a public or rights issue or by preferential allotment, of the Target Company in the 12 month period prior to this Public Announcement.
7. The Shares of the Target Company are deemed to be infrequently traded within the meaning of regulation 20(5) of the Regulations. The financial parameters of the Target Company based on the audited results for the year ended March 31, 2003 are Book Value of Rs. 44.42 per share, Return on Net worth 36.15%, earnings per share of Rs 16.06 and an implied price earnings ratio of 17.94 (based on the Offer Price) which is higher than the industry price earnings ratio of 12.18 (Source: Capital Markets, Volume November 24 – December 7, 2003). This Offer Price is the higher of (a) the allocated price of Rs 288 per share (US$ 6.22 per share) (b) the highest price paid by the Acquirers for the acquisition by them of Shares of the Target Company in the last 12 months, including by way of allotment in a public or rights issue or by preferential allotment, if any, and (c) the aforesaid financial parameters of the Target Company. In light of the information contained in this paragraph, the Offer Price is justified in terms of regulation 20 of the Regulations.
8. The Acquirers, as on the date hereof, do not hold any Shares of the Target Company, except as described in paragraphs 2 and 3 above.
9. To the extent of the Offer Size, all the Shares of the Target Company that are validly tendered pursuant to this Offer are proposed to be acquired by Nalco Company, subject to the terms and conditions set out in this Public Announcement and in the Letter of Offer (as defined below) to be sent to the Shareholders.

Information about Acquirers

10. The details of Nalco Holdings are as follows:

Name of the Acquirer	Nalco Holdings LLC, a Delaware limited liability company ("Nalco Holdings").
Address	345 Park Avenue, New York – NY 10154, USA.
Listed on	Not listed.
Business group	Nalco Holdings is held 100% by Nalco Investment Holdings LLC which in turn is held by funds controlled by the Blackstone Group, Apollo Management, L.P. and GS Capital Partners 2000, L.P. Nalco Holdings does not belong to any specific group.
Relationship	Holding company of Nalco Company.
Primary Business	Newly formed holding company.
Experience	Recently formed on August 22, 2003.

11. The details of Nalco Company are as follows:

Name of the Acquirer	Nalco Company (formerly known as Ondeo Nalco Company), a corporation organized under the laws of the State of Delaware, USA ("Nalco Company").
Address	1601 W. Diehl Road, Naperville – IL 60563, USA.
Listed on	Not listed.
Business group	As above.
Relationship	Controlled by Nalco Holdings.
Primary Business	Provider of integrated water treatment and process improvement services, chemical and equipment programs for industrial and institutional applications.
Experience	Founded in 1928, Nalco Company operates in 130 countries with a staff of over 10,000 employees.

12. The financial details of the Acquirers are as follows:

Nalco Holdings	For the period ended November 4, 2003: the total revenue was US$ Nil (Rs. Nil) and loss after tax was US$ 33.3 million (Rs. 151.1 crores). As on November 4, 2003 Nalco Holdings had a networth of US$ 968.6 million equivalent to Rs. 4,393.3 crores (at an exchange rate of Rs. 45.36 = 1 US$ as on November 4, 2003. Source : Reserve Bank of India website - www.rbi.org.in). No other information of Nalco Holdings is available as it was recently formed on August 22, 2003.
Nalco Company	Financial details of Nalco Company are as follows:
	For the year ended December 31, 2002: the total revenue was US$ 2,533.3 million (Rs. 12,167.44 crores) and profit after tax was US$ 106.7 million (Rs. 512.48 crores). As on December 31, 2002, the total stock holders investment was US$ 3,592.3 million (Rs. 17,253.82 crore), the equity share capital was US$ 3,762.0 million (Rs. 18,068.89 crores), accumulated other comprehensive income (loss) was US$ (169.7) million (Rs. (815.07) crores), return on networth was 2.97%*. (1 US$ = Rs. 48.03 as on December 31, 2002. Source: Reserve Bank of India website - www.rbi.org.in).
	* Computed as Net Profit / Total Stockholder's investment

Information about the Target Company

Information about the Target Company has been compiled from publicly available sources viz. Capital Markets, and Annual Report of Target Company for the year ended March 31, 2003.

13. The Target Company was originally incorporated in India on 16 December, 1987 under the Companies Act, 1956, as amended, as Nalco Chemicals Limited, a subsidiary of Imperial Chemical Industries, UK. The Target Company acquired the water treatment chemicals business from ICI India Limited (formerly known as IEL Limited) in September 1988 with participation from Nalco Chemical Company, US (former name of Nalco Company). In 1995-96, Nalco Company acquired a majority stake in the Target Company. Nalco Company increased its stake to 80% in 1998-99. In 1999-2000 Nalco Company was acquired by Suez Lyonnaise des Eaux, a French conglomerate. The registered office of the Target Company is located at 20A, Park Street, Kolkata – 700 016, West Bengal, India.
14. As of March 31, 2003, the total issued, subscribed and paid up share capital of the Target Company was Rs.50,000,000 consisting of 5,000,000 fully paid up Shares. There are no partly paid up Shares in the Target Company.
15. The Target Company is engaged in the business of oil field chemicals, water treatment chemicals and industrial additives/process chemicals. The Target Company's manufacturing facilities are located at Rishra, West Bengal.
16. The Shares of the Target Company are listed on The Stock Exchange, Mumbai and The Calcutta Stock Exchange.
17. As per the audited financial results for the financial year ending March 31, 2003, the Target Company has a total income of Rs. 6,554.37 lakh; profit before tax of Rs. 891.25 lakh; profit after tax of Rs.802.85 lakh; paid up equity share capital of Rs. 500.00 lakh; reserves and surplus of Rs.1,720.81 lakh; book value of Rs. 44.42 per share and earnings per share of Rs. 16.06.

Reasons for the Acquisition and Offer and Future plans about Target Company

18. As stated in paragraphs 2 and 3 (see above), on November 4, 2003, Nalco Holdings, pursuant to the Global Acquisition, acquired from a subsidiary of Suez the entire equity capital of Nalco Company which directly holds 4,000,000 Shares of the Target Company, representing 80% of the voting equity capital of the Target Company. The Global Acquisition has resulted in Nalco Holdings indirectly acquiring 80% Shares of the Target Company.
19. As of date of this Public Announcement, the Acquirers do not have any plans to dispose of or otherwise encumber any assets of the Target Company in the next two years, except in the ordinary course of business of the Target Company and except to the extent required for the purpose of restructuring (including by way of amalgamations, mergers, demergers, etc.) and/or rationalization of operations, assets, investments, liabilities or otherwise of the Target Company. Notwithstanding the immediately preceding sentence, the Board of Directors of the Target Company will take appropriate decisions in these matters, as per the requirements of business and in line with the opportunities from time to time, provided further that the Acquirers shall not sell, dispose of or otherwise encumber any substantial asset of the Target Company except with the prior approval of the shareholders of the Target Company, in accordance with the provisions of the relevant regulations or any other applicable legislations or regulations at the relevant time.
20. As a result of the Global Acquisition, the Acquirers have the ability to cause changes to the composition of the Board of Directors of the Target Company, in accordance with the provisions of the Regulations.

Statutory Approvals and Other Approvals Required for this Offer

21. This Offer is subject to the Acquirers' obtaining the approval of the Foreign Investment Promotion Board, Ministry of Finance, Government of India (the "FIPB") and the Reserve Bank of India (the "RBI") under the Foreign Exchange Management Act, 1999 and the regulations thereunder, as amended, for the acquisition of the Shares tendered pursuant to this Offer. Nalco Company will make the requisite applications to the FIPB and the RBI to obtain their approval for the acquisition of the Shares validly tendered pursuant to this Offer.
22. The Offer is subject to the approval(s), if any, of the RBI under the Foreign Exchange Management Act, 1999 and the regulations thereunder, as amended, for acquiring Shares validly tendered by non-resident shareholders including NRIs/ OCBs and FIIs pursuant to the Offer.
23. As of the date of this Public Announcement, there are no other statutory approvals required to acquire the Shares that are validly tendered pursuant to this Offer.
24. It may be noted that in case of non-receipt of statutory approvals within time, SEBI has a power to grant an extension of time to the Acquirers for payment of consideration to shareholders subject to the Acquirers paying interest for the delay, as directed by SEBI under regulation 22(12) of the Regulations.

Delisting Option To the Acquirers

25. Following the successful closing of this Offer, in case that, subsequent to this Offer, the public shareholding of the Target Company falls to 10% or less, then the Acquirers shall in accordance with regulation 21(3) of the Regulations, make an offer to buy out the outstanding Shares, which are remaining with the public shareholders of the Target Company in accordance with the SEBI (Delisting of Securities) Guidelines, 2003 as specified by the SEBI.

Financial Arrangements

26. The total financial resources for this Offer, assuming full acceptance will be Rs. 28.80 crore (Rupees Twenty Eight crores and Eighty lakhs Only) ("Maximum Consideration"). In accordance with Regulation 28 of the Regulations, the Acquirer has created an escrow with Bank Of America, Mumbai Branch having its offices at 16th Floor, Express Towers, Nariman Point, Mumbai, India (the "Guarantor Bank") in the form of a Bank Guarantee in favour of the Manager to the Offer (the "Guarantee") for an amount exceeding Rs. 7,20,00,000 (Rupees Seven Crores Twenty lakhs only) in accordance with the Regulations. The Manager to the Offer is duly authorised by the Acquirers to realise the value of the escrow in terms of the Regulations.

    The Acquirers have deposited in an account with Kotak Mahindra Bank Limited, 5C/2 Mittal Court, Nariman Point, Mumbai 400021 ("Deposit Bank"), Rs. 29,77,000 (Rupees Twenty Nine Lakhs Seventy Seven Thousand Only) in cash (the "Cash Deposit") representing more than 1% of the Maximum Consideration in accordance with the Regulations. The Manager to the Offer has been authorized to realize the value of the bank account in terms of the Regulations.
27. The Acquirers have made firm financial arrangements for the Maximum Consideration by way of a letter of credit provided by Bank Of America, NA, 231 S. LaSalle Street, 17th Floor, Chicago, IL 60697 (the "Bank"), for meeting the obligations of the Offer, which has been certified as such by the Bank. The Acquirers have undertaken to utilize the said arrangements exclusively for the purpose of meeting their obligations under the Offer. Deloitte Haskins & Sells, Chartered Accountants ("Chartered Accountants"), have confirmed vide their letter dated November 27, 2003 that the Acquirers have firm financing arrangements for meeting their obligations under the Regulations. Based on the letter of credit and the certificate from the Chartered Accountants, the Manager to the Offer confirms that adequate funds are available with the Acquirers to implement this Offer in full.

Other Terms of this Offer

28. A letter of offer (the "Letter of Offer") specifying the detailed terms and conditions of this Offer along with the Form of Acceptance cum Acknowledgement (the "Form of Acceptance") will be mailed to all the shareholders of the Target Company whose names appear on the register of members of the Target Company, and to the beneficial owners of the Shares of the Target Company, whose names appear as beneficiaries on the records of the respective Depositories, except the Acquirers, at the close of business hours on December 5, 2003 (the "Specified Date"). A copy of the Letter of Offer (including Form of Acceptance) is expected to be available on SEBI's website (http://www.sebi.gov.in) during the period the Offer is open and may also be downloaded from the site.
29. The Offer Programme is as under:

Activity	Date and Day
Specified Date	December 5, 2003, Friday
Last date for dispatch of letter of offer to the shareholders of the Target Company	January 9, 2004, Friday
Offer Opens on	January 15, 2004, Thursday
Offer Closes On	February 13, 2004, Friday
Last date for competitive bid	December 19, 2003, Friday
Last date for revising the offer price/ number of Shares	February 3, 2004, Tuesday
Last date for withdrawal of acceptance	February 10, 2004, Tuesday
Last date for communicating acceptance (in full or part) and rejection of application by registered post and payment of consideration for application accepted	March 13, 2004, Saturday

30. All shareholders, except the Acquirers, who own Shares of the Target Company anytime before the closure of the Offer are eligible to participate in the Offer.
31. The shareholders of the Target Company who wish to tender their Shares pursuant to this Offer will be required to communicate their acceptance in the form and manner specified in the Letter of Offer together with their share certificate(s), transfer deed and or such other documents as may be specified in the Letter of Offer and the Form of Acceptance to the Registrar to the Offer (as defined in Paragraph 33 below) in accordance with the instructions contained in the Letter of Offer and the Form of Acceptance. In case of non-receipt of the Letter of Offer, shareholders may obtain a copy of the same from the Manager or the Registrar to the Offer on providing suitable documentary evidence of acquisition of the said Shares.
32. Shareholders of the Target Company who hold the Shares in dematerialized form and are desirous of participating in the Offer may send their application to the Registrar to the Offer (as defined in Clause 33 below), such that the applications are received by the Registrar to the Offer, on or before the closing date of the Offer, stating the name, address, number of Shares held, number of Shares offered, Depository Participant ("DP") name, DP ID number, beneficiary account number along with a photocopy of the Delivery instruction in "off-market" mode, duly acknowledged by the DP, in favour, "MCS LIMITED – ONIL Open Offer Account" filled in as per instructions given under :

DP Name	Kotak Securities Limited
DP ID Number	IN 300214
Beneficiary Account Number	10495784
Market	Off-Market

33. Persons who have acquired Shares of the Target Company (irrespective of the date of purchase) but whose names do not appear in the register of members of the Target Company, or as beneficiaries on the records of the respective Depositories, on the Specified Date, may also participate in this Offer by submitting an application on a plain paper giving details regarding their shareholding and confirming their agreement to participate in the Offer as per the terms and conditions of the Offer. This is to be sent to MCS Limited, Sri Venkatesh Bhavan, Plot No. 27, Road No.11, MIDC, Andheri (E), Mumbai 400093, acting as the Registrar to the Offer (the "Registrar to the Offer") together with the relevant share certificate(s) and transfer deeds if the Shares are held in physical form, photocopy of the DP Instruction slip duly acknowledged by the DP in case of Shares held in dematerialized form, the original contract note issued by a registered share broker of a recognized stock exchange through whom such Shares were acquired and/or such other documents as may be specified. No indemnity would be required from unregistered shareholders.

    In addition to the above address, shareholders can also hand deliver their documents to the Registrar to the Offer, between 10.00 am to 1.00 pm & 2.00 pm to 4.00 pm on weekdays and between 10.00 am to 1.00 pm on Saturdays at any of the collection centres mentioned below:

No	Name & Address of the Collection Centre	Contact Person	Mode of Delivery	Tel. No	Fax No.
1	MCS Limited 77-2A, Hazra Road 3rd & 5th Floor **Kolkata 700 029**	Mr. S K Jhanwar	Hand Delivery	033-24767350	033-24747674
2	MCS Limited Sri Venkatesh Bhavan Plot No.27, Road No.11 MIDC Area, Andheri East **Mumbai 400 093**	Mr. Ashok Gupta	Registered Post / Hand Delivery	022-28215235	022-28350456
3	MCS Limited C/o Ghia Textile Products Co. Agra Building, 1st Floor, Room 5 Above Bank of Baroda University Branch 121, M G Road, Fort **Mumbai 400 001**	Mr. Rajendra G	Hand Delivery	022-22691266	022-22691567

34. The Registrar will hold in trust, the Shares/share certificates, Acceptance Form, if any, and the transfer deed(s) on behalf of the shareholders of the Target Company who have accepted the Offer, till the cheques/drafts for the consideration are despatched and unaccepted share certificates/ Shares, if any are despatched/ returned to the relevant Shareholders.
35. To the extent of the Offer Size, all the Shares of the Target Company that are validly tendered pursuant to this Offer are proposed to be acquired by Nalco Company.
36. The payment of consideration for accepted applications will be made by the Acquirers in cash through account payee cheques, drafts, warrants, etc. sent by registered post for amount exceeding Rs. 1,500 and otherwise by UPC in accordance with the Regulations.
37. The unaccepted share certificates, transfer forms and other documents, if any, would be returned by registered post at the shareholders' sole risk. Unaccepted Shares (to the extent unaccepted) held in dematerialized form will be credited back to the beneficial owners' depository account with the respective depository participant as per details furnished in the Form of Acceptance.
38. While tendering Shares under the Offer, NRI/OCBs/foreign shareholders (excluding FIIs) will be required to submit a Tax Clearance Certificate from the Income Tax authorities, indicating the amount of tax to be deducted by the Acquirers under the Income Tax Act, 1961, before remitting the consideration. In case the aforesaid Tax Clearance Certificate is not submitted, the Acquirers will arrange to deduct tax at the rate as may be applicable to the category of the shareholder under the Income Tax Act, 1961, on the entire consideration amount payable to such shareholder.

General

39. As per the Regulations, the Acquirers can revise the Offer Price upwards up to 7 working days prior to the closure of this Offer and the revision, if any, in the Offer Price would be announced in the same newspaper where this Public Announcement has appeared and the revised price would be paid to all shareholders who tender their Shares in this Offer.
40. Shareholders who have accepted the Offer by tendering the requisite documents, in terms of the Public Announcement/Letter of Offer, can withdraw the same up to three working days prior to the date of closure of the Offer.
41. **If there is a competitive bid:**
    - **(i) The public offers under all the subsisting bids shall close on the same date.**
    - **(ii) As the offer price cannot be revised during 7 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 price of each bid and tender their acceptance accordingly**.
42. None of the Acquirers have been prohibited by SEBI from dealing in securities, in terms of direction issued u/s 11B of the SEBI Act.
43. A copy of this Public Announcement is expected to be available at SEBI's website: www.sebi.gov.in
44. Pursuant to Regulation 13 of the Regulations, the Acquirers have appointed ICICI Securities Ltd. as the Manager to the Offer (contact person: Mr. Mehul Savla, 41/ 44, Minoo Desai Marg, Colaba, Mumbai 400005, and Tel No.+91-22-22882460, Fax no. +91-22-22837045, email: onil_offer@isecltd.com). The Acquirers have appointed MCS Limited as the Registrar to the Offer (contact person Mr. Ashok Gupta, Sri Venkatesh Bhavan, Plot No. 27, Road No.11, MIDC, Andheri (E), Mumbai 400093 and Tel No.+91-22-28215235, Fax no. +91-22-28350456, email: mcsmum@vsnl.com).
45. The Boards of Directors of the Acquirers accept full responsibility for the information (except that which pertains to the Target Company and has been compiled from publicly available sources) contained in this Public Announcement and also accept responsibility for the obligations of Acquirers laid down in the Regulations.

Issued by the Manager to the Offer

For and on behalf of Nalco Holdings LLC and Nalco Company

Manager to the Offer

ICICI Securities Limited
41/44, Minoo Desai Marg, Colaba, Mumbai – 400005
Phone: +91 22 22882460 Fax: +91 22 22837045
Contact Person: Mr. Mehul Savla
Email: onil_offer@isecltd.com

Financial Advisors to the Offer

Kotak Mahindra Capital Company Limited
Bakhtawar 3rd Floor, 229 Nariman Point
Mumbai – 400 021 Tel. No.:+91-22-56341100

Registrars to the Offer

MCS Ltd.,
Sri Venkatesh Bhavan, Plot No. 27,
Road No.11, MIDC, Andheri (E), Mumbai – 400093
Phone: .+91-22-28215235, Fax: +91-22-28350456
Contact Person: Mr. Ashok Gupta
Email: mcsmum@vsnl.com

Dated: November 28, 2003

Place: Mumbai