

# RHODIA SPECIALTY CHEMICALS INDIA LIMITED

(formerly known as Albright & Wilson Chemicals India Limited)  
Registered Office: "A" Wing, 4<sup>th</sup> Floor, Phoenix House, 462, Senapati Bapat Marg,  
Lower Parel-West, Mumbai-400013, India  
Tel: + 91 22 6663 7100; Fax: +91 22 2495 2834

This Corrigendum to the Public Announcement (**Second Corrigendum**) is being issued by Morgan Stanley India Company Private Limited (**Manager to the Offer**) on behalf of Solvay Participations France S.A.S. (the **Acquirer**), Solvay S.A. (**Solvay**), Solvay Finance France S.A. (**Solvay Finance**), (Solvay and Solvay Finance, individually, a **Person Acting in Concert / PAC** and collectively, the **Persons Acting in Concert / PACs**) pursuant to and in compliance with regulations 10 and 12 and other applicable provisions, if any, of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 1997 and subsequent amendments thereto (the **1997 Regulations**).

This Second Corrigendum is in continuation of and shall be read in conjunction with the original Public Announcement published on 8 September 2011 (**PA**) in the Financial Express (all editions), Jansatta (all editions) and Mumbai Lakshadeep (Mumbai edition), pursuant to which the Acquirer made an open offer to the equity shareholders (other than Rhodia UK) of Rhodia Specialty Chemicals India Limited (**Target Company**) to acquire 675,120 fully paid-up equity shares of ₹ 10/- each representing 20% of the paid-up equity share capital of the Target Company as on the date of the PA (the **Offer**), and the subsequent Corrigendum to the PA published on 20 October 2011 (**First Corrigendum**) in the Financial Express (all editions), Jansatta (all editions) and Mumbai Lakshadeep (Mumbai edition). Capitalized terms used but not defined in this Second Corrigendum shall, except to the extent modified hereunder, have the same meanings as assigned to such terms in the PA.

The shareholders of the Target Company are requested to kindly note the following:-

## 1. Update on Litigation

### 1.1. Background

As disclosed in paragraph 19 of the PA, on the basis that there was an indirect acquisition of equity shares of the Target Company by Rhodia S.A. (**Rhodia**) in March 2000, by an order dated 19 July 2001, the then Chairman of the Securities and Exchange Board of India (**SEBI**) had directed Rhodia to make a public offer to the shareholders of the Target Company under the 1997 Regulations at an offer price to be computed by taking the higher of the price arrived at by taking 14 March 2000 and the actual date of public announcement as the reference dates. By the same order, the Chairman of SEBI had also directed Rhodia to pay interest on the offer price from 14 July 2000 till the date of actual payment of consideration for the shares to be tendered in the offer to be made by Rhodia. On appeal by Rhodia, by an order dated 7 November 2001, the Securities Appellate Tribunal (**SAT**) upheld the abovementioned order of the Chairman of SEBI, but modified the order to the extent that only those shareholders of the Target Company as on 14 June 2000 who continue to be shareholders should be entitled to receive interest. Rhodia filed an appeal (SEBI Appeal No. 13 of 2001) against the order of the SAT before the High Court of Bombay on 3 December 2001 (**the Appeal**).

### 1.2. Consent Settlement

In the meanwhile, in an attempt to resolve the dispute, Rhodia filed an application with SEBI for consent settlement on 16 December 2011 followed by revised consent terms for settlement on 16 November 2012 in terms of SEBI circular No. EFD/ED/Cir-1/2007 dated 20 April 2007 read with SEBI circular No. CIR/EFD/1/2012 dated 25 May 2012. On 8 January 2013, SEBI approved the consent terms, which required Rhodia to pay an aggregate amount of ₹ 78,75,000/- (which includes the legal costs) to settle the dispute, and revise the offer size and offer price, details of which are provided in paragraph 2 below (the **Consent Terms**).

### 1.3. Disposal of pending appeal before the Bombay High Court

Rhodia and SEBI jointly approached the Hon'ble High Court of Judicature at Bombay for disposal of the Appeal in terms of the Consent Terms. The Hon'ble High Court by order dated 13 February 2013 was pleased to dispose off the Appeal in terms of the Consent Terms (**Bombay High Court Order**).

## 2. Offer and its Background

### 2.1. Upward revision in Size of the Offer

In accordance with Regulation 26 of the 1997 Regulations read with the Consent Terms and the Bombay High Court Order, the Acquirer and the PACs are making an upward revision in the size of the Offer from 675,120 Shares having a face value of ₹ 10/- each, representing 20% of the equity share capital of the Target Company to 913,626 Shares, representing 27.07% of the equity share capital of the Target Company (such revised size, henceforth referred to as the **Offer Size**) (i.e. the entire equity share capital of the Target Company other than the Shares held by Rhodia UK) (and such revised offer collectively, henceforth referred to as the **Offer**).

### 2.2. Offer Price

Category of Shareholders	Offer Price
Shareholders who were holding the Shares as on 14 March 2000 and continue to hold the same Shares as on date of tendering their Shares in the Offer ( <b>Original Shareholders</b> )	₹ 291.86 per Share plus interest on ₹ 291.86 at the rate of 15% per annum from 14 July 2000 till the actual date of payment less dividend paid of ₹ 19.50 per Share, payable in cash
All shareholders other than Original Shareholders ( <b>Other Shareholders</b> )	₹ 386.72 per Share, payable in cash

Under the Offer as revised above, the Offer Price of ₹ 386.72 per Share payable in cash will remain unchanged for the Other Shareholders. In respect of the Original Shareholders the Offer Price payable will be revised to ₹ 291.86 per Share, plus interest thereon at the rate of 15% per annum effective from 14 July 2000 till the actual date of payment, less dividend set-off of ₹ 19.50 per Share, payable in cash.

## 3. Addition to PACs

3.1. The following entities will be included as "Persons Acting in Concert" within the meaning of Regulation 2(1)(e)(1) of the 1997 Regulations in relation to the Offer:

- Rhodia
- Rhodia UK Limited (**Rhodia UK**)

Rhodia and Rhodia UK collectively referred to as the **New PACs**.

Other details such as Revised Offer Schedule, Procedure for identification of Original Shareholders, Information about the New PACs, Updated information about the Acquirer, PACs and Target Company, Financial Arrangements, etc. will be informed to the shareholders of the Target Company through an addendum to the PA separately.

The Acquirer accepts full responsibility for the information contained in this Second Corrigendum and its obligations under the 1997 Regulations. All other terms and conditions of the Offer remain unchanged.

This Announcement will also be available on the SEBI's website ([www.sebi.gov.in](http://www.sebi.gov.in))

Issued by the Manager to the Offer on behalf of the Acquirer and PACs

# Morgan Stanley

Morgan Stanley India Company Private Limited

18F / 19F, Tower 2, One Indiabulls Centre, 841, Senapati Bapat Marg, Mumbai 400 013

Tel No: (022) 6118 1000; Fax No: (022) 6118 1040

Email: [rhodiaindiaoffer@morganstanley.com](mailto:rhodiaindiaoffer@morganstanley.com)

Contact Person: Prashant Dugar