

ARONI COMMERCIALS LIMITED

Regd. Off.: 209-210, Arcadia Building, 2nd Floor, 195, Nariman Point, Mumbai - 400 021.
Tel : 6670 8600 **Fax :** 6670 8650 **E-mail :** aroni.investor@gcvl.in **Web :** www.aronicommercials.com
CIN : L74999MH1985PLC035047

April 09, 2016

To,
Listing Department,
BSE Limited
P. J. Towers, 1st Floor,
Dalal Street,
Mumbai - 400 023

Dear Sir,

Sub: Details required to be disclosed as per SEBI Circular No. CIR/CFD/CMD/4/2015 dated September 9, 2015

Ref: Outcome of Board Meeting held on 09th April, 2016

With reference to the Outcome of Board Meeting held on 09th April, 2016, submitted by us, where the Board of Directors have inter-alia, considered and approved the draft Scheme of Amalgamation of Aroni Commercials Limited with Saraswati Commercial (India) Limited, below are the details as required to be disclosed as per SEBI Circular No. CIR/CFD/CMD/4/2015 dated September 9, 2015:

- a) Name of the entities forming part of the merger: Aroni Commercials Limited (Transferor Company- "**Aroni**") and Saraswati Commercial (India) Limited (Transferee Company- "**Saraswati**").
- b) Brief Details:
 - i. Aroni Commercials Limited – Net worth Rs. 64.36 Crores as on 31.03.2015
 - ii. Saraswati Commercial (India) Limited – Net worth Rs. 21.36 Crores as on 31.03.2015
- c) Whether the transaction would fall within related party transactions- Yes. The same is done at arm's length.
- d) Area of business of the entities – Aroni is a Sub-broker registered with BSE Limited and engaged in Sub-broking and Investment activity. Saraswati is a Non-Banking Finance Company registered with the Reserve Bank of India and engaged into the business of Investment and lending activity.
- e) Rationale for amalgamation/ merger –
 1. The amalgamation will enable the Transferee Company to consolidate the businesses and lead to synergies in operation and create a stronger financial base.
 2. It would be advantageous to combine the activities and operations of both companies into a single Company for synergistic linkages and the benefit of combined financial resources. This will be reflected in the profitability of the Transferee Company.
 3. This Scheme of amalgamation would result in merger and thus consolidation of business of the Transferor Company and the Transferee Company in one entity, all the shareholders of the merged entity will be benefited by result of the amalgamation of Business and availability of a common operating platform.

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4. The Amalgamation of the Transferor Company with the Transferee Company will also provide an opportunity to leverage combined assets and build a stronger sustainable business. Specifically, the merger will enable optimal utilization of existing resources and provide an opportunity to fully leverage strong assets, capabilities, experience, expertise and infrastructure of both the companies. The merged entity will also have sufficient funds required for meeting its long term capital needs as provided for in the scheme.
 5. The Scheme of amalgamation will result in cost saving for both the companies as they are capitalizing on each other's core competency and resources which is expected to result in stability of operations, cost savings and higher profitability levels for the Amalgamated Company
- f) Share exchange ratio: The share exchange ratio will be 9:1 (i.e. One equity share of Saraswati will be allotted for every Nine equity shares held in Aroni as on a record date to be fixed by the Board of Saraswati). No fractional entitlements shall be issued by the Transferee Company, in respect of the fractional entitlements, if any, to which the members of the Transferor Company may be entitled on issue of allotment of the shares. In lieu of the fractional entitlements, the Transferee Company shall pay cash by way of cheque/demand draft or in electronic mode for such value calculated by multiplying the fractional entitlement with value per share of transferee company i.e Rs. 729.69 per share arrived as per valuation report of independent valuer.
- g) Brief details of change in shareholding pattern: Pursuant to the amalgamation, Shareholders of Aroni will be allotted shares in Saraswati. Aroni Commercials Limited will cease to exist.

Kindly take the same on your record.

Thanking You,

Yours faithfully,

FOR ARONI COMMERCIALS LIMITED


Shreya Dhende
Company Secretary & Compliance Officer