DRAFT LETTER OF OFFER

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

This Draft Letter of Offer is sent to you as a Shareholder(s) of ***Surabhi Chemicals & Investments Limited.*** If you require any clarifications about the action to be taken, you may consult your stockbroker or investment consultant or Manager or Registrar to the Offer. In case you have recently sold your Shares in the Company, please hand over this Letter of Offer and the accompanying Form of Acceptance-cum-acknowledgement and Transfer Deed to the Member of the Stock Exchange through whom the said sale was effected.

OPEN OFFER

Pursuant to Regulations 3 and 4 and applicable provisions of the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 and amendments thereto.

BY

MAHADHAN VINCOM PRIVATE LIMITED

(Hereinafter referred as "MVPL"/ Acquirer)

having the Registered Office at Fortuna Chambers, Mezzanine floor, 6, Lyons Range, Kolkata - 700001 Tel No: 033- 40050782 Email: mahadhan2011@yahoo.com

AND

MR. BISHNU DUTT GOENKA, (PAC1)

having the residential address at at 29, Rojmery Lane, Howrah - 711101. Tel. No. 9007135606; Email:duttbishnu1234@yahoo.in

AND

MRS. BINA AGARWAL (PAC2)

2/1, Tollygung Circular Road, Kolkata - 700033. Tel. No. 9163550072; Email:agarwalbina1234@yahoo.com

AND

MR.SANTOSH SHARMA (PAC3)

369/10, Dakshindari Road Ward No. 34, Lake Town North 24 Parganas, Kolkata - 700048. Tel. No. 09831717733; Email: santosh.sharma251082@yahoo.com

(Hereinafter collectively referred as "PACs")

TO THE SHAREHOLDERS OF SURABHI CHEMICALS & INVESTMENTS LIMITED

(Hereinafter referred as "SCIL" or "the Target Company" or "TC" or "the Company")

Having the Registered Office at Ami Bungalow, 13-A/266, Near Umra Police Station, Athwalines, Surat-395007, Gujarat Phone No. +91-0261-2660555, 2669055, Email id: surabhichemin@gmail.com

TO ACQUIRE

Up to 3,05,006 Fully Paid-up Equity Shares of Rs. 10/- each, representing in aggregate 26% of the Paid up and Voting Equity Share Capital of SCIL, for cash, at a price of **Rs.232/-** (**Rupees Two Hundred and Thirty Two Only)** per Fully Paid-up Equity Share **("Offer Price")**.

1. This Offer is being made pursuant to the Regulations 3 & 4 of SEBI (Substantial Acquisition of Shares & Takeover) Regulations, 2011 and subsequent amendments thereof.
2. This Offer is not conditional upon any minimum level of acceptance by the shareholders of the Target Company.
3. No Statutory approvals are required to be obtained for the purpose of this offer.
4. **This offer is not a competing offer**
5. **There has been no competing offer or revision of Offer Price as on date of this Letter of Offer.**

6. Shareholders who have tendered shares in acceptance of the Open Offer by tendering the requisite documents, in terms of the Public Announcement / Detailed Public Statement/Letter of Offer, shall not be entitled to withdraw such acceptance during the tendering period.

7. If there is any upward revision in the Offer Price by the Acquirer at any time prior to commencement of the last three working days before the commencement of the tendering period viz., **Wednesday 8th February, 2012** you will be informed by way of another Announcement in the same newspapers in which the detailed Public Statement pursuant to Public Announcement was published. The Acquirer shall pay such revised price for all shares validly tendered any time during the Offer and accepted under the Offer or if the Offer is withdrawn pursuant to Regulation 23, the same would be communicated within two working days by an Announcement in the same newspapers in which the Detailed Public Statement was appeared.

8. A copy of the Public Announcement, detailed Public Statement and the Letter of Offer (including Form of Acceptance-cum-Acknowledgement) are also available on SEBI's Website: www.sebi.gov.in.

9.All correspondence relating to this offer, if any, should be addressed to the Registrar to the Offer, viz **MCS Ltd**.

MANAGER TO THE OFFER		REGISTRAR TO THE OFFER	
	Comfort Securities Limited SEBI Registration No. INM000011328 A-301, Hetal Arch, S V Road, Malad (W), Mumbai - 400064. Tel. No: +91-22-28449765/28449766 Fax No. +91-22-28892527 Contact Person: Mr. Sarthak Vijlani. Email: sarthak@comfortsecurities.co.in Website: www.comfortsecurities.co.in		**MCS LTD** SEBI Registration No. INR000000056. Neelam Apartments, 88, Sampatrao Colony, Behind Federation Bldg, Alkapuri, Baroda- 390007 Tel. No. 0265 –2339397/2314757 Fax no.: 0265 – 2341639 Contact Person : Mr. S M Gandhi Email: mcsltdbaroda@yahoo.com , mcsvadodara@rediffmail.com Website : www.mcsdel.com
OFFER OPENS ON: TUESDAY, FEBRUARY 14, 2012		**OFFER CLOSES ON: TUESDAY, FEBRUARY 28, 2012**	

SCHEDULE OF THE MAJOR ACTIVITIES OF THE OFFER

Sr. No.	Activity	Date	Day
1	Date of Public Announcement	22.12.2011	Thursday
2	Opening of Escrow Account	26.12.2011	Monday
3	Publication of Detailed Public Statement (DPS) in newspapers	29.12.2011	Thursday
4	Submission of Detailed Public Statement to BSE, ASE, Target Company & SEBI	30.12.2011	Friday
5	Filing of Draft Offer Document with SEBI along with soft copies of Public Announcement and Detailed Public Statement	05.01.2012	Thursday
6	Last Date for a competing Offer	19.01.2012	Thursday
7	Receipt of Comments from SEBI on Draft Letter of Offer	27.01.2012	Friday
8	Identified Date*	31.01.2012	Tuesday
9	Date by which Letter of Offer will be dispatched to the Shareholders	07.02.2012	Tuesday
10	Last date for revising the Offer Price	08.02.2012	Wednesday
11	Last date by which Board of Target Company shall give its recommendations	09.02.2012	Thursday
12	Advertisement of Schedule of activities for open Offer, status of statutory and other approvals in newspapers and sending to SEBI, Stock Exchanges and Target Company	13.02.2012	Monday
13	Date of Commencement of tendering period (Offer Opening Date)	14.02.2012	Tuesday
14	Date of Expiry of tendering period (Offer Closing Date)	28.02.2012	Tuesday
15	Date of communicating the rejection/ acceptance and payment of consideration for the acquired shares	14.03.2012	Wednesday
16	Final Report from Merchant Banker	21.03.2012	Wednesday

**** "Identified Date" is only for the purpose of determining the names of the Shareholders as on such date to whom the Letter of Offer would be sent. All owners (registered or unregistered) of equity shares of the Target Company (except the Acquirer and Sellers) are eligible to participate in the Offer any time before the closure of the Offer.***

Note: Duly Signed Application and Transfer Deed(s) together with share certificate(s) should be dispatched by Registered Post / Courier or hand delivered to the Registrar to the Offer at above address to arrive not later than 6.00 p.m. on 28th February 2012.

RISK FACTORS

A. RELATING TO THE OFFER

The risk factors set forth below pertain to the Offer and are not in relation to the present or future business operations of the Target Company or other related matters, and are neither exhaustive nor intended to constitute a complete analysis of the risks involved in participation or otherwise by a shareholder in the Offer. Shareholders of the Target Company are advised to consult their stockbroker or investment consultant, if any, for analyzing all the risks with respect to their participation in the Offer.

1) The Offer involves an offer to acquire up to 26% of the Paid Up Equity Share Capital of SCIL from the Eligible Persons for the Offer. In the case of over subscription in the Offer, acceptance would be determined on a proportionate basis and hence there is no certainty that all the shares tendered by the shareholders in the Offer will be accepted.

2) In the event that (a) a statutory and regulatory approval is not received in a timely manner, (b) there is any litigation leading to a "stay" of the Offer, or (c) SEBI instructing the Acquirer not to proceed with the Offer, and then the Offer process may be delayed beyond the schedule of activities indicated in this Letter of Offer. Consequently, the payment of consideration to the shareholders of SCIL whose Shares has been accepted in the Offer as well as the return of Shares not accepted by the Acquirer may be delayed. In case of the delay, due to non-receipt of statutory approvals, as per Regulation 18(11) of the SEBI (SAST) Regulations, 2011, SEBI may, if satisfied that the non-receipt of approvals was not due to wilful default or negligence or failure to diligently pursue such approvals on the part of the Acquirer, grant an extension for the purpose of completion of the Offer subject to the Acquirer paying interest to the shareholders for the delay, as may be specified by SEBI.

3) Shareholders should note that shareholders who have tendered shares in acceptance of the Open Offer shall not be entitled to withdraw such acceptance during the tendering period even if the acceptance of Shares under the Offer and dispatch of consideration gets delayed. The tendered shares and documents would be held by the Registrar to the Offer, till such time as the process of acceptance of tenders and the payment of consideration is completed.

4) The Offer is subject to the receipt of statutory and regulatory approvals by the Acquirer, and wherever applicable, by the Target Company, in connection with the Offer. The Acquirer may not to be able to proceed with the Offer in the event the approvals are not received in terms of Regulation 23 of the SEBI (SAST) Regulations, 2011. Delay, if any, in the receipt of these approvals may delay completion of the Offer.

5) The Shares tendered in the Offer will be held in trust by the Registrar to the Offer until the completion of the Offer formalities. During such period, there may be fluctuations in the market price of the equity shares of SCIL. Accordingly, the Acquirer makes no assurance with respect to the market price of the shares both during the Offer Period and upon the completion of the Offer, and disclaims any responsibility with respect to any decision by any shareholder of SCIL on whether to participate or not to participate in the Offer.

B. IN ASSOCIATION WITH THE ACQUIRER

The Acquirer makes no assurance with respect to the financial performance of the Target Company. They also make no assurance with respect to the market price of the Shares upon the completion of the Offer, and disclaim any responsibility with respect to any decision by the Shareholders on whether or not to participate in the Offer.

The Acquirer does not accept any responsibility for statements made otherwise than in the Letter of Offer / Public Announcement/ Detailed Public Statement, and anyone placing reliance on any other sources of information (not released by the Acquirer) would be doing so at his / her / its own risk.

C. RISK IN THE TRANSACTION

The Share Purchase Agreement (SPA) dated December 22, 2011 contains a clause that it is subject to the provisions of SEBI (SAST) Regulations and in case of non-compliance with any of the provisions of the Regulations, the Sellers or the Acquirer shall not act upon the agreement for such sale.

The Acquirer makes no assurance with respect to the market price of the Shares both during the Offer period and upon the completion of the Offer, and disclaims any responsibility with respect to any decision by any Shareholder on whether to participate or not to participate in the Offer.

TABLE OF CONTENTS

1. DEFINITIONS

1.	Acquirer or The Acquirer / MVPL	Mahadhan Vincom Private Limited
2.	Acquisition Agreement or SPA	Share Purchase Agreement dated 22nd December 2011 for purchase of 6,40,400 paid up Equity Shares of Surabhi Chemicals & Investments Limited of Rs. 10/- each, representing up to 54.59% of total paid up capital of SCIL from the following Sellers by Acquirer at a price of Rs . 232/- each per fully paid up Share. a. Mr. Prakash A Shah (HUF) b. Mr. Rajen P Shah (HUF) c. Ms. Mita R Shah. d. Mr. Rajen P Shah
3.	ASE	Ahemedabad Stock Exchange Limited
4.	B.A.	Bachelor of Arts
5.	BSE	Bombay Stock Exchange Limited, Mumbai.
6.	B.Com	Bachelors in Commerce
7.	Detailed Public Statement or DPS	Public Statement of the Open Offer made by The Acquirer, which appeared in the newspapers on 29th December, 2011
8.	Effective Date	The date of certificate by the Merchant banker after filing the final Report with SEBI under SEBI (SAST) Regulations
9.	EGM	Extra Ordinary General Meeting
10.	EPS	Earnings Per Share which is Profit After Tax / No. of Equity Shares.
11.	FCA	Fellow Chartered Accountant
12.	FEMA	Foreign Exchange Management Act, 1999 including related rules and regulations
13.	Form of Acceptance or FOA	Form of Acceptance cum Acknowledgement.
14.	HDFC	HDFC Bank Limited
15.	Identified Date	Tuesday, 31st January 2012
16.	Listing Agreement	Listing agreement as entered by the Target Company with the Stock Exchanges
17.	LoO, or Letter of Offer	This Offer Document.
18.	Manager to the Offer or, Merchant Banker	Comfort Securities Limited
19.	M.S.	Master of Science
20.	Negotiated Price	Rs. 232/-(Rupees Two Hundred and Thirty Two Only) per fully paid-up Equity Share of face value of Rs.10/- each.
21.	Net Asset Value/ Book Value per Share	(Equity Capital + Free Reserve excluding of Revaluation reserve – Debit balance in Profit & Loss a/c – Misc expenditure not written off) / No. of Equity Shares.
22.	Offer/Open Offer/ The Offer	Offer to acquire up to 3,05,006 Equity Shares of Rs. 10/- each representing 26.00 % of the total paid up equity share capital of the Target Company, to be acquired by the Acquirer, at a price of Rs. 232/- per Equity share payable in cash
23.	Offer Price	Rs. 232/-(Rupees Two Hundred and Thirty Two Only) per fully paid up Share of Rs.10/- each payable in cash.
24.	PA	Public Announcement
25.	PAC/PACs	Person(s) Acting in Concert i.e Mr. Bishnu Dutta Goenka, Mrs. Bina Agarwal and Mr. Santosh Sharma
26.	Persons eligible to participate in the Offer/ Shareholders	Registered shareholders of Surabhi Chemicals & Investments Limited, and unregistered shareholders who own the Shares of Surabhi Chemicals & Investments Limited on or before the last date of tendering period is eligible to participate in the offer.

27.	Promoter/ Promoter Group	Mr. Prakash A Shah (HUF) Mr. Rajen P Shah (HUF) Ms. Mita R Shah. Mr. Rajen P Shah Ms. Rajita R Shah Ms. Archita R Shah
28.	Public Shareholding	The Shares held by Shareholders other than those classified as the promoters of the Company in the latest shareholding pattern filed with the stock exchange
29.	RBI	Reserve Bank of India.
30.	Registrar or Registrar to the Offer	MCS Ltd
31.	Return on Net worth	(Profit after Tax)/ (Equity Capital + Free Reserve excluding of Revaluation reserve– Debit balance in Profit & Loss a/c – Misc. expenditure not written off) *100.
32.	SEBI	Securities and Exchange Board of India
33.	SEBI (SAST) Regulations / the Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011.
34.	SEBI Act	Securities and Exchange Board of India Act, 1992.
35.	Sellers	Mr. Prakash A shah (HUF) Mr. Rajen P shah (HUF) Ms. Mita R Shah. Mr. Rajen P Shah
36.	Shares	Equity shares of Rs. 10 /- (Rupees ten only) each of the Target Company
37.	SCIL/Target Company/ TC	Surabhi Chemicals & Investments Limited

CURRENCY OF PRESENTATION

In this Letter of Offer, all references to "Rs." are to the reference of Indian National Rupees ("INR"). Throughout this Letter of Offer, all figures have been expressed in "Lacs" unless otherwise specifically stated. In this Letter of Offer, any discrepancy in any table between the total and sums of the amount listed are due to rounding off.

2. DISCLAIMER CLAUSE

"IT IS TO BE DISTINCTLY UNDERSTOOD THAT FILING OF DRAFT LETTER OF OFFER WITH SEBI SHOULD NOT IN ANY WAY BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED, VETTED OR APPROVED BY SEBI. THE DRAFT LETTER OF OFFER HAS BEEN SUBMITTED TO SEBI FOR A LIMITED PURPOSE OF OVERSEEING WHETHER THE DISCLOSURES CONTAINED THEREIN ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE REGULATIONS. THIS REQUIREMENT IS TO FACILITATE THE SHAREHOLDERS OF SURABHI CHEMICALS & INVESTMENTS LIMITED TO TAKE AN INFORMED DECISION WITH REGARD TO THE OFFER. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR FINANCIAL SOUNDNESS OF THE ACQUIRER, OR THE COMPANY WHOSE SHARES/CONTROL IS PROPOSED TO BE ACQUIRED OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE LETTER OF OFFER. IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE ACQUIRER ARE PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THIS LETTER OF OFFER, THE MANAGER TO THE OFFER IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT ACQUIRER DULY DISCHARGES THEIR RESPONSIBILITY ADEQUATELY. IN THIS BEHALF, AND TOWARDS THIS PURPOSE, THE MERCHANT BANKER TO THE OFFER, COMFORT SECURITIES LIMITED HAS SUBMITTED A DUE DILIGENCE CERTIFICATE DATED 04.01.2012 TO SEBI IN ACCORDANCE WITH THE SEBI (SUBSTANTIAL ACQUISITION OF SHARES & TAKEOVERS) REGULATIONS, 2011. THE FILING OF THE LETTER OF OFFER DOES NOT, HOWEVER, ABSOLVE THE ACQUIRER FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE OFFER."

3. DETAILS OF THE OFFER

3.1 Background of the Offer

3.1.1 This Open Offer ("Offer") is being made by **M/s. Mahadhan Vincom Private Limited (Acquirer),** a company incorporated and duly registered under the Companies Act, 1956 along with the Person Acting in Concert **Mr. Bishnu Dutt Goenka (PAC1), Mrs. Bina Agarwal (PAC2) and Mr. Santosh Sharma (PAC3)**(collectively referred as PACs) under the offer to the Equity Shareholders of **M/s. Surabhi Chemicals & Investments Limited *("SCIL" or the "Target Company")*** a company incorporated and duly registered under the Companies Act, 1956, and having its Registered office at Ami Bungalow, 13-A/266, Athwalines, Surat-395007, Gujarat Phone No. +91-0261-2669055/2660555, Email id: surabhichemin@gmail.com pursuant to the Regulation 3 and Regulation 4 and in compliance with the SEBI (SAST) Regulations, 2011. The Acquirer proposes to do a substantial acquisition of shares of SCIL pursuant to the SPA and also to takeover the management control of SCIL.

3.1.2 The Acquirer hereby makes this Offer to the Shareholders of the Target Company (other than the parties to the SPA) to acquire up to 3,05,006 fully paid up Equity Shares ("Shares") of the Target Company of Rs.10/- each, representing in aggregate 26.00% of the paid up Equity Share Capital and voting capital at a price of Rs. 232/- (Rupees Two Hundred and Thirty two only) per share ("Offer Price") payable in cash subject to the terms and conditions mentioned in the DPS and in this Letter of Offer.

3.1.3 Mr. Bishnu Dutt Goenka (PAC1), Mrs. Bina Agarwal (PAC2) and Mr. Santosh Sharma (PAC3) are the person acting in concert **(“PACs”)** with the Acquirer within the meaning of Regulation 2 (1) (q) of the SEBI (SAST) Regulations.

3.1.4 The Acquirer and PACs have entered into a SPA with Sellers on 22nd December 2011 for the purchase of 6,40,400 Equity Shares wherein it is proposed that MVPL shall purchase 5,80,300, Mr. Bishnu Dutt Goenka shall purchase 28,000, Mrs. Bina Agarwal shall purchase 26,400 and Mr. Santosh Sharma will purchase 6,000 fully paid up equity shares of the Target Company bearing a face value of Rs.10/- each (**“Sale Shares”**), which amounts to 49.44 %, 2.39%, 2.25% and 0.51% of the total paid-up equity share capital respectively and management control of **Surabhi Chemicals & Investments Limited**, which represents up to 54.59% of the total paid-up equity share capital of SCIL at a price of Rs. 232/- (Rupees Two Hundred and Thirty Two Only) per fully paid up Share (Negotiated Price) payable through cash. The total consideration payable in cash for the proposed acquisition will be Rs. 7,07,61,392/- The Sellers belongs to the Promoter group of the Target Company. Consequent changes in control of the Target Company contemplated under the SPA, this mandatory Open Offer is being made by the Acquirer in compliance with Regulation 3, 4 and other applicable provisions of SEBI (SAST) Regulations, 2011. This SPA has triggered the open offer requirement under SEBI (SAST) Regulations, 2011.

3.1.5 The details of the Sellers are as under:

Sr. No.	Name & Address of Sellers	Tel. No.	Fax No.	No. Of Shares sold	% of Paid up capital of Target Company
1.	**Mr. Prakash A Shah (HUF)** **Add**: 13A, 266, Ami Bunglow, Near New Umra Police Station Lane, Athwaline, Surat - 395007	0261 2669055/2660555	--	45,580	3.89
2.	**Mr. Rajen P Shah (HUF)** **Add:** 13A, 266, Ami Bunglow, Near New Umra Police Station Lane, Athwaline, Surat - 395007	0261 2669055/2660555	--	1,69,938	14.49
3.	**Ms. Mita R Shah** **Add:** 13A, 266, Ami Bunglow, Near New Umra Police Station Lane, Athwaline, Surat - 395007	0261 2669055/2660555	--	72,488	6.18
4.	**Mr. Rajen P Shah** **Add:** 13A, 266, Ami Bunglow, Near New Umra Police Station Lane, Athwaline, Surat - 395007	0261 2669055/2660555	--	3,52,394	30.04
	Total			**6,40,400**	**54.59**

3.1.6 The salient features of the SPA dated 22nd December 2011 are as under:

3.1.6.1 The SPA is subject to compliance of provisions of SEBI(SAST) Regulations and in case of non compliance with the provisions of SEBI(SAST) Regulations this SPA shall not be acted upon.

3.1.6.2 The obligations of the Sellers and the Acquirer under the SPA are subject to the satisfaction of, or, if applicable, waiver of the following conditions precedent:

- The SPA is subject to the compliances of provisions of SEBI (SAST) Regulations and in case of non compliances with the provisions of SEBI (SAST) Regulations, this SPA shall not be acted upon.
- This agreement shall be binding on the parties, their heirs, legal representatives, executors and successors.
- that the Sale Shares under the SPA are free from all charges, encumbrances or liens;
- The Sellers shall hand over to the Acquirer the original certificates relating to the Sale Shares together with transfer deeds duly executed by the Seller after the completion of sale.
- the Acquirer/Sellers agrees to diligently provide all information within his power and possession to give true and proper disclosures to SEBI, Stock Exchanges and to the shareholders
- All costs and expenses (including stamp duty on the agreement) shall be borne and padi by the acquirer.

- In consideration of the purchase of the Shares, the Acquirer has delivered the Sellers Demand Drafts/ Cheques for Rs. 50,00,000/- (Rupeees Fifty Lacs Only) being the part consideration for sale of 6,40,400 number of Equity Shares. The remaining amount of Rs. 14,35,72,800/- (Rupees Fourteen Crore Thirty Five Lacs Seventy Two Thousand and Eight hundred only) consideration shall be paid after the completion of all the required compliances as contemplated in the SEBI (SAST) Regulations.

3.1.7 Upon completion of this Open Offer in terms of the SEBI (SAST) Regulations, the change of control of Target Company shall be effected.

3.1.8 The Acquirer, PACs, Sellers and the Target Company have not been prohibited by SEBI from dealing in securities, in terms of direction issued under Section 11B of the SEBI Act or under any of the Regulations made under the SEBI Act.

3.1.9 M/s Mahadhan Vincom Private Limited is the Acquirer and Mr. Bishnu Dutt Goenka, Mrs. Bina Agarwal and Mr. Santosh Sharma are the PACs in this Offer.

3.1.10 The Shares of the Target Company are listed at ASE and BSE.

3.1.11 As per the Stock Exchanges latest filings made with the ASE and BSE, the Sellers and Ms. Rajita R Shah and Ms. Archita R Shah are the Promoters of the Target Company.

3.1.12 The Acquirer and the PACs have not acquired any Shares of the Target Company during the twelve (12) months period prior to the date of PA i. 22nd December 2011.

3.1.13 The Acquirer and the PACs does not hold any Shares/ Voting Rights of the Target Company other than the shares agreed and proposed to be acquired through the SPA.

3.1.14 The Manager to the Open Offer i.e. Comfort Securities Limited does not hold any Shares in the Target Company as on the date of appointment as Manager to the Open Offer. They declare and undertake that they shall not deal on their own account in the Shares of the Target Company during the Offer Period as per Regulation 27(6) of the SEBI (SAST) Regulations.

3.1.15 The Acquirer intends to control over the Target Company & make changes in the Board of Directors of the Target Company subsequent to the completion of this Open Offer in accordance hereof. Mr. Bishnu Dutt Goenka will be the proposed director on behalf of acquirer company after the Open offer.

3.1.16 There is no non-compete arrangement and/or agreement between the Acquirer and the Sellers.

3.1.17 The Board of the Target Company will come out with a recommendation for the Offer before the date of Commencement of the Offer.

3.2 Details of the Proposed Offer

3.2.1 The Acquirer has made a Detailed Public Statement pursuant to Public Announcement on 29th December 2011 in the following newspapers in accordance with the Regulation 14 (3) and pursuant to Regulation 3 and 4 of SEBI (SAST) Regulations.

Name of the Newspaper	Language	Editions
The Financial Express	English	All Editions
Jansatta	Hindi	All Editions
Gandhi Nagar Western Times	Gujarati	Surat
Navshakthi	Marathi	Mumbai

The Detailed Public Statement is also available on the SEBI website at www.sebi.gov.in.

3.2.2 The Acquirer is making this Open Offer under the SEBI (SAST) Regulations, to acquire up to 3,05,006 Shares of Rs. 10/- each representing up to 26.00 % of the total Paid up equity share capital from the Shareholders of SCIL on the terms and subject to the conditions set out in this Letter of Offer, at a price of Rs. 232/- (Rupees Two Hundred and Thirty Two only) payable in cash. These Shares are to be acquired by the Acquirer, free from all liens, charges and encumbrances and together with all voting rights attached thereto, including the right to all dividends, bonus and rights offer declared hereafter.

3.2.3 There are no partly paid up Shares in the Target Company.

3.2.4 The Offer is not subject to any minimum level of acceptances from the Shareholders i.e. it is not a conditional offer.

3.2.5 The Offer is not as a result of any exercise regarding global acquisition which culminates in the indirect acquisition of control over, or acquisition of equity shares or voting rights in, the Target Company.

3.2.6 The Acquirer and the PACs have not acquired any Shares in the Target Company since the date of PA i.e. 22nd December, 2011, up to the date of Letter of Offer.

3.2.7 The Offer is subject to the terms and conditions set out herein and the PA and the DPS made by the Acquirer from time to time in this regard.

3.3 Object of the Offer:

3.3.1 The Offer is being made pursuant to signing of the SPA as provided in Para 3.1.4 above and is being made in accordance with Regulations 3 and 4 of the SEBI (SAST) Regulations, 2011.

3.3.2 The Offer to the Shareholders of SCIL is for the purpose of acquiring up to 26.00% of the total paid up capital. After the proposed Offer, the Acquirer will achieve substantial acquisition of Shares and voting rights, accompanied with effective management control over the Target Company.

3.3.3 The Acquirer intends to continue the existing business of the Target Company and may diversify its business activities in future with prior approval of shareholders. The main purpose of takeover is to expand the Company's business activities in the same line through exercising the effective management and control over the Target Company.

3.3.4 The Acquirer intends seek a reconstitution of the Board of Directors of the Target Company after successful completion of the Takeover.

4. BACKGROUND OF THE ACQUIRER & PACs

(A) M/s Mahadhan Vincom Private Limited (the Acquirer Company):

4.1 MVPL was incorporated under the provisions of the Companies Act, 1956 on 27th September, 2010 as a Private Limited Company by Registrar of Companies, Kolkata, West Bengal having its present Registered Office at Fortuna Chambers, Mezzanine floor, 6, Lyons Range, Kolkata - 700001 Tel No: 033- 40050782 and the Email address of MVPL is mahadhan2011@yahoo.com

4.2 The MVPL is Company with the main object to carry on the business of distributors, agents, traders, merchants, contractors, brokers and otherwise deal in merchandise and articles of all kinds including clearing agents, freight contractors, forwarding agents, licensing agents, general brokers and to carry and kind of commercial business. To carry on all of any of the business as buyers, sellers, suppliers, growers, processors, traders, merchants, indentures brokers, agents, assemblers, stockiest of goods and commodities of any kind to work as commission agents, brokers, contractors, processors order suppliers and dealing agents.

4.3 The present promoters of the MVPL are Mr. Bishnu Dutt Goenka and Mr. Santosh Sharma.

4.4 Since MVPL does not hold any Shares as on date in the Target Company, the provisions of Chapter V of SEBI (SAST) Regulations and Chapter II of Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 1997 are not applicable to MVPL till date.

4.5 As per the latest audited financials for the year ended on March 31, 2011, MVPL had a Total Income of Rs. 38.63 (Rs. In Lacs) and a net worth of Rs. 2227.58 Lacs, while the book value per share stood at Rs. 678.79/-.

4.6 The Authorized Share Capital of MVPL as on March 31, 2011 is Rs. 33,00,000/- (Rupees Thirty three Lakhs only), comprising of 3,30,000 Equity Shares of Rs. 10/- (Rupees Ten only) each. The paid-up capital of the MVPL as on date of PA was Rs.32,81,700/- divided into 3,28,170 fully paid up Equity Shares of Rs. 10/- each.

4.7 Shareholding pattern of MVPL as on date of PA on 22nd December 2011 are as under: -

Sr. No.	Shareholders' Category	No. of Shares	% of Shares held
1.	Promoters/ Associates	10,000	3.05
2.	FII/ Mutual Funds/ FIS/ Banks	Nil	Nil
3.	Bodies Corporate and Others	3,18,170	96.95
4.	Public	Nil	Nil
	Total	**3,28,170**	**100.00**

4.8 The board of directors of MVPL as on the date of P.A. 22nd December 2011 is as follows:-

Sr. No	Name of the Director	Age	Designation	Residential Address	Date of Appointment	DIN No.	Qualification	Experience in years and field	No of Shares Held in the company
1.	Santosh Sharma	29 Years	Director	369/10, Dakshindari Road, Ward No. 34, Laketown, North 24, Parganas, Kolkata – 700048	01/09/2011	03358249	B.Com, (HONS)	6 years experience in Accounts and finance	5000
2.	Bishnu Dutt Goenka	82 Years	Director	29, Rojmery Lane, Howrah – 711101	14/11/2011	05125643	Graduate	55 years of experience in Accounts, Finance and Administration	5000
3.	Bina Agarwal	43 Years	Director	2/1 Tollygung Circular Road, Kolkata – 700033	14/11/2011	05124687	Graduate	20 Years of experience in finance	Nil

4.9 None of above directors is on the board of directors of Target Company.

4.10 The Company is a Private Company and is not listed on any Stock Exchanges.

4.11 The Company, its Promoters and its Directors have not acquired any Shares of the Target Company during the Twelve (12) months period prior to the date of PA.

4.12 MVPL has not undergone for any merger/de-merger, spin-off during the past three years.

4.13 MVPL was incorporated in September 2010, the audited financials of 31.03.2011 and unaudited financials for the quarter ended 30.09.2011 are as under: -

(Rs. in Lacs)

Profit & Loss Statement	Year Ended 31.03.2011	Quarter Ended 30.09.2011
	(Audited)	(Un audited& Certified)
Income from Operations	38.63	0.30
Other Income	--	--
Total Income	38.63	0.30
Total Expenditure(excl Depreciation and Interest)	38.63	0.13
Profit / (Loss) before Depreciation, Interest and Tax	--	0.13
Depreciation	--	--
Interest	--	--
Profit before Tax	--	0.17
Provision for Tax	--	0.07
Earlier Year Provision written Back	--	--
Deferred Tax Liability/(Asset)	--	--
Profit after Tax	--	0.10

Balance Sheet Statement	Year Ended 31.03.2011	Quarter Ended 30.09.2011
	(Audited)	(Un audited & Certified)
Sources of Funds		
Paid up Share Capital	32.82	32.82
Reserves & Surplus (Excluding Revaluation Reserve)	2195.37	2195.47
Secured Loan	--	--
Unsecured Loan	--	--
Current Liabilities	0.32	0.45
Deferred Tax Liability	--	--
Total	**2228.51**	**2228.74**

Balance Sheet Statement	Year Ended 31.03.2011	Quarter Ended 30.09.2011
	(Audited)	(Un audited & Certified)
Uses of Funds		
Net Fixed Assets	--	--
Deferred Tax Asset	--	--
Investments	2227.50	2227.50
Current Assets, Loans and Advances	0.40	0.71
Miscellaneous Expenses not written off/ Preliminary Expenses	0.61	0.53
Profit & Loss A/c (Dr. Bal)	--	--
Total	**2228.51**	**2228.74**

Other Financial Data	Year Ended 31.03.2011	Quarter Ended 30.09.2011
	(Audited)	(Un audited& Certified)
Net Worth (Amount in Rs.)	2227.58	2227.76
Dividend (%)	--	--
Earning Per Share	--	--
Return on Networth (%)	--	--
Book Value Per Share	678.79	678.84

4.14 MVPL is not a sick company.

4.15 There is no contingent Liabilities as on 31.03.2011 as well as on the date of PA.

4.16 **Significant Accounting Policies adopted by the Acquirer:**

1.1 Accounting Convention

The Accounts of the Company are prepared on historical cost convention in accordance with applicable accounting standards and relevant presentational requirement under Companies Act, 1956

1.2 Recognition of Income & Expenditure

Items of Income and Expenditure are recognised on accrual basis except dividend.

1.3 Taxes on Income

Provision for current tax is determined on the basis of taxable income for the current accounting period and in accordance with provision of Income tax Act 1961.

1.4 Investments

Investment are stated at cost.

4.17. There are no pending litigations against the MVPL company and its directors or promoters of the company as on the date of PA and this Letter of offer.

B. MR. BISHNU DUTT GOENKA (PAC1)

4.18 Mr. Bishnu Dutt Goenka aged 82 years, S/o Late Mr. Basudeo Goenka is residing at 29, Rojmery Lane, Howrah - 711101. Tel. No. 09007135606; Email: duttbishnu1234@yahoo.in

4.19 Mr. Bishnu Dutt Goenka is Graduate by qualification

4.20 Mr. Bishnu Dutt Goenka is almost having experience of 55 years in Accounts, Finance and Administration work.

4.21 Mr. Bishnu Dutt Goenka is holding a Permanent Account Number (PAN) is AGEPG5167G. His Voter identity Card no. is WB/24/162/435756 issued by Election Commission of India.

4.22 The Networth of Mr. Bishnu Dutt Goenka as on 1st December, 2011 is Rs. 72.33 lacs and the same is certified by Mr. Niranjan Behera (Membership No. 069888) proprietor of M/s. N Behera & Company, Chartered Accountants having his office at 7/1A Grant Lane , 2nd floor, Room No. 12, Kolkata - 700012 Tel. No. +91-33-30290919; Email: caniranjanbehera@gmail.com

4.23 Mr. Bishnu Dutt Goenka has not been prohibited by SEBI from dealing in securities, in terms of directions issued under Section 11B of the SEBI Act, 1992, as amended (the "SEBI Act") or under any other Regulation made under the SEBI Act.

4.24 Mr. Bishnu Dutt Goenka is not promoted any other company and he does not hold any directorship in other companies.

4.25 Mr. Bishnu Dutt Goenka is not related to the Target Company its Directors and Promoters in any manner whatsoever except the SPA dated 22nd December 2011

4.26 Compliance with requirements of Chapter II of SEBI (SAST) Regulations, 1997 and Chapter V of SEBI (SAST) Regulations, 2011 is not applicable to Mr. Bishnu Dutt Goenka since he does not hold any shares of SCIL as on the date of PA

C. MRS. BINA AGARWAL (PAC2)

4.27 Mrs. Bina Agarwal aged 43 years, W/o Mr. Jagdish Agarwal is residing at 2/1, Tollygung Circular Road, Kolkata - 700033. Tel. No. 09163550072; Email: agarwalbina1234@yahoo.com

4.28 Mrs. Bina Agarwal is a Graduate by qualification

4.29 Mrs. Bina Agarwal is almost having experience of 20 years in Finance.

4.30 Mrs. Bina Agarwal is holding Permanent Account Number (PAN) is AEBPA7963D.

4.31 The Networth of Mrs. Bina Agarwal as on 1st December, 2011 is Rs. 54.65 lacs and the same is certified by Mr. Niranjan Behera (Membership No. 069888) proprietor of M/s. N Behera & Company, Chartered Accountants having his office at 7/1A Grant Lane , 2nd floor, Room No. 12, Kolkata - 700012 Tel. No. +91-33-30290919; Email: caniranjanbehera@gmail.com

4.32 Mrs. Bina Agarwal has not been prohibited by SEBI from dealing in securities, in terms of directions issued under Section 11B of the SEBI Act, 1992, as amended (the "SEBI Act") or under any other Regulation made under the SEBI Act.

4.33 Mrs. Bina Agarwal is not promoted any company and he does not hold any directorship in other companies.

4.34 Mrs. Bina Agarwal is not related to the Target Company its Directors and Promoters in any manner whatsoever except the SPA dated 22nd December 2011

4.35 Compliance with requirements of Chapter II of SEBI (SAST) Regulations, 1997 and Chapter V of SEBI (SAST) Regulations, 2011 is not applicable to Mrs. Bina Agarwal since she does not hold any shares of SCIL as on the date of PA

D. MR. SANTOSH SHARMA (PAC3)

4.36 Mr. Santosh Sharma aged 29 years, S/o Mr. Gopal Sharma is residing at 369/10, Dakshindari Road, Ward No. 34, Lake Town North 24 Parganas, Kolkata - 700048. Tel. No. 09831717733; Email: santosh.sharma251082@yahoo.com

4.37 Mr. Santosh Sharma is a Commerce Graduate by qualification.

4.38 Mr. Santosh Sharma is almost having experience of 6 years in Accounts and Finance.

4.39 Mr. Santosh Sharma is holding Permanent Account Number (PAN) is BFAPS7597Q and Voter Identity card no. DKN4963633 issued by Election Commission of India.

4.40 The Networth of Mr. Santosh Sharma as on 1st December, 2011 is Rs. 10.32 lacs and the same is certified by Mr. Niranjan Behera (Membership No. 069888) proprietor of M/s. N Behera & Company, Chartered Accountants having his office at 7/1A Grant Lane , 2nd floor, Room No. 12, Kolkata - 700012 Tel. No. +91-33-30290919; Email: caniranjanbehera@gmail.com

4.41 Mr. Santosh Sharma has not been prohibited by SEBI from dealing in securities, in terms of directions issued under Section 11B of the SEBI Act, 1992, as amended (the "SEBI Act") or under any other Regulation made under the SEBI Act.

4.42 Mr. Santosh Sharma is holding the directorships in Dignity Vincom Private Limited, Conception Suppliers Private Limited, M.K. Agro Products Private Limited, Adyama Sales Private Limited, Parrot Suppliers Private Limited, Respect Marketing Private Limited, Manimala Suppliers Private Limited, Panchshul Marketing Limited, Inspiration Dealtrade Private Limited and Kakrania Trading Private Limited.

4.43 Mr. Santosh Sharma is not related to the Target Company its Directors and Promoters in any manner whatsoever except the SPA dated 22nd December 2011.

4.44 Compliance with requirements of Chapter II of SEBI (SAST) Regulations, 1997 and Chapter V of SEBI (SAST) Regulations, 2011 is not applicable to Mr. Santosh Sharma since he does not hold any shares of SCIL as on the date of PA

4.45. Other details about acquirer

4.45.1 As per Regulation 17 of SEBI (SAST) Regulations, Acquirer has opened an Escrow Account bearing no. 00600350102120 with the Escrow Agent, i.e. HDFC Bank Limited, having address at 2nd Floor, Maneckji Wadia Building, Nanik Motwani Marg, Fort, Mumbai 400 001 and has deposited a cash of Rs. 1,77,00,000/- (Rupees One Crore Seventy Seven Lacs only), being more than 25% of the amount required for the Open Offer.

4.45.2 The Acquirer has adequate resources to meet the financial requirements of the Open Offer. No funds are being borrowed from any bank or financial institution for the purpose of this Open Offer by the Acquirer. As per certificate dated 1st December, 2011 from M/s. N Behera & Company, Chartered Accountants. (Proprietor: Mr. Niranjan Behera, Membership No. 069888 and Firm Regn No. 327287E), having office at 7/1A, Grant Lane, 2nd floor, Room No. 12, Kolkata - 700012 Tel: 033-30290919 Email Id : caniranjanbehera@gmail.com., the Net Worth of MVPL, Mr. Bishnu Dutt Goenka, Mr. Bina Agarwal and Mr. Santosh Sharma is Rs. 2227.58, 72.33, 54.65 and 10.32 lacs respectively.

The composition of Net Worth of MVPL as on 31st March 2011 is as follows:

Particulars	Rs.in Lacs
Paid Up Equity Capital	32.82
Add: Reserves & Surplus	2195.37
Less: Miscellaneous Exp not written off	0.61
Net worth	**2227.58**

4.45.3 As per the Regulation 25(2) of the SEBI (SAST) Regulations, the Acquirer do not have any plans to alienate any material assets of the Target Company or otherwise sale, lease, encumber any assets of the Target Company in the next 2 (two) years, except in the ordinary course of business of the Company, Other than in the ordinary course of business, the Acquirer undertakes that it shall not alienate whether by sale, lease or encumber any material assets of the Target Company except with the prior approval of shareholders.

4.45.4. The Acquirer intends to continue the existing business of the Target Company and may diversify its business activities in future with prior approval of shareholders. The main purpose of takeover is to expand the Company's business activities in the same line through exercising the effective management and control over the Target Company. However, no firm decision in this regard has been taken or proposes so far.

4.45.5. Pursuant to this offer, the public shareholding in the Target Company may reduce to less than the minimum public shareholding required as per the Securities Contracts (Regulation) Rules, 1957 as amended and Listing Agreement. The Acquirer undertakes that if the public shareholding is reduced to below such minimum level they will take necessary steps to facilitate compliances of the Target Company with the relevant provisions of the Listing Agreement and other provisions of applicable laws, within the time period mentioned therein.

5. BACKGROUND OF THE TARGET COMPANY

5.1 SCIL was originally incorporated on 4th April 1985 with the Registrar of Companies, Mumbai, Maharashtra, as Surabhi Chemicals Limited vide Certificate of Incorporation No. 35851 and received the Certificate of Commencement on 10th May 1985. The Registered office of the company was shifted from state of Maharashtra to State of Gujarat by Company Law Board order dated 15th November 1989 and obtained the certificate from Registrar of Companies, Gujarat on 18th January 1990. There after the company name has been changed from Surabhi Chemicals Limited to Surabhi Chemicals and investments limited and obtained the fresh certificate of incorporation consequent to change of name from Registrar of Companies, Gujarat on 20th September 1995. Presently the Registered Office of the company is situated at 13-A/266, Ami Bungalow, Annexed, Police Parade Ground, Athwalines, Surat, Gujarat-395007 Phone No.: . +91-0261-2660555, 2669055 Email: surabhichemin@gmail.com

5.2 The Sellers and Ms. Rajita R Shah and Ms. Archita R Shah are the current Promoters of SCIL and collectively holds 74.59% of the total paid up Equity Share Capital of SCIL.

5.3 SCIL has been incorporated with the object of engaging in to the operations of chemicals etc. and at present the SCIL is carrying out investment activities.

5.4 The authorized share capital of SCIL as on date of PA is Rs. 2,00,00,000 (Rupees Two Crores Only), comprising of 20,00,000 Equity Shares bearing a face value of Rs 10/- (Rupees Ten only) each. As on date of PA Paid-up Equity Share capital of the SCIL is Rs. 1,17,31,000/- (Rupees One Crore Seventeen Lacs Thirty One Thousand Only) divided into 11,73,100 Equity Shares of Rs. 10/- each.

Paid up Equity Shares of SCIL	No. of Equity Shares/ Voting rights	% of Shares / voting rights
Fully paid-up Equity Shares	11,73,100	100.00
Partly paid-up Equity Shares	NIL	NIL
Total Equity Shares	11,73,100	100.00
Total Voting Rights in the Target Company	11,73,100	100.00

5.5 The current capital structure of the Company has been build up since inceptions are as under:

Date of allotment	No. of shares issued	No. of shares issued in % (of then capital)	Face Value	Cumulative paid up capital (in Rs.)	Mode of Acquisition (Memorandum/IPO/FPO/Market Purchase/Preferential Allotment/Rights Issue/Bonus Shares/Inter-se-transfer etc.,)	Identity of allottees (whether promoters or public, in case both separate figures to be given)	Status of Compliance
04.04.1985	70	100.00	10	700	Memorandum	Promoters	Provisions of Companies Act, 1956 & other provisions of applicable laws complied with. SEBI(SAST) and other SEBI Regulations not applicable
11.12.1985*	999930	99.99	10	10000000	Initial Public Offer	Public	Provisions of Companies Act, 1956 & other provisions of applicable laws complied with. SEBI(SAST) and other SEBI Regulations not applicable
05.02.2009	173100	14.76	10	11731000	Pursuant to Amalgamation	Promoters	Exempted under Regulation 3 (j) (ii) of SEBI (SAST) Regulations, 1997

* IPO Opening date

5.6 The Equity Shares of the SCIL are listed only on ASE and BSE and are not suspended for trading by ASE and BSE.

5.7 There are no partly paid-up Shares in the Company.

5.8 There are no outstanding convertible instruments / warrants.

5.9 SCIL has complied with all the requirements of the Listing Agreement with ASE and BSE and further no penal action is initiated by the ASE and BSE, where the Equity Shares of the Company are listed.

5.10 The composition of the board of directors of SCIL as the date of P.A i.e. 22nd December 2011 is as follows:

Sr. No.	Name of Director	Designation	Residential Address	Date of Appointment	Qualification	DIN No.	Experience in years
1	Ms. Mita R Shah	Director	Ami Bunglow 13A/266, Arthwalines, Surat-395007, Gujarat, India	02.08.1994	B.A (Economics)	00023973	22 years of experience in administration
2	Mr. Rajen Prakash Shah	Director	Ami Bunglow 13A/266, Arthwalines, Surat-395007, Gujarat, India	25.04.1988	M.S. (University of S.Carolina)	00023974	Experience in the field of Textiles
3	Mr. Ketan M Jhaveri	Director	"Arihant" 25, Anand Vatika, Below Sardar Bridge Adajan, Surat – 395009, Gujarat, India	30.07.2010	B.Com	00023981	20 years of experience in Insurance and Investment consultancy
4	Yatish Chandrakant Parekh	Director	Sunayan Bunglow-2, Adarsh Society, Athwalines, Surat –	12.01.1995	B.Com., F.C.A	00168488	Having experience in the field of Accounts, Finance,

Sr. No.	Name of Director	Designation	Residential Address	Date of Appointment	Qualification	DIN No.	Experience in years
			395001, Gujarat, India				Audit and Tax matters

5.11 The Shareholding pattern of the SCIL, as on the date of PA is as follows:

Shareholder Category	Number Of Equity Shares Of The Target Company	Percentage of Equity Share Capital (%)
Promoter	8,75,021	74.59
Public	2,98,079	25.41
Total	**11,73,100**	**100.00**

5.12 There has been Amalgamation between Paami Textiles & Investment Limited with SCIL and the petition was filed with the High court of Gujarat at Ahmedabad vide petition no. 131 of 2008 and for this the Order was passed by the High court on 14th October 2008 and SCIL filed the return of allotment with the ROC on 05/02/2009 and further there has been no de-merger, spin-off during the past three years in SCIL. There are no pending litigations against SCIL.

5.13 Audited financial information of SCIL for the financial year ended on March 31, 2009, 2010, 2011 and audited financial information for the quarter ended 30th September, 2011 is given below:

(Rs. in Lacs)

Profit & Loss Statement	Year Ended 31.03.2009 (Audited)	Year Ended 31.03.2010 (Audited)	Year Ended 31.03.2011 (Audited)	Quarter Ended 30.09.2011 (Audited)
Income from Operations	3.78	449.76	125.50	69.39
Other Income	-	-	-	-
Total Income	3.78	449.76	125.50	69.39
Total Expenditure (Excl Depreciation and Interest)	4.25	27.33	17.41	13.28
Profit (Loss) before Depreciation, Interest and Tax	(0.47)	422.43	108.08	56.11
Depreciation	0.88	3.10	0.82	-
Interest	-	-	-	-
Profit / (Loss) before Tax	(1.35)	419.33	107.26	56.11
Provision for Tax (including prior period taxes)	8.15	67.72	13.25	0.44
Deferred Tax	-	(64.65)	-	-
Profit /(Loss) after Tax	(9.50)	416.26	94.01	55.67

(Rs. in Lacs)

Balance Sheet Statement	Year Ended 31.03.2009 (Audited)	Year Ended 31.03.2010 (Audited)	Year Ended 31.03.2011 (Audited)	Quarter Ended 30.09.2011 (Audited)
Sources of Funds				
Paid up Share Capital	117.31	117.31	117.31	117.31
Reserves & Surplus (Excluding Revaluation Reserve)	876.65	1292.91	1386.92	1442.59
Secured Loan	-	-	-	-
Unsecured Loan	-	-	-	-
Current Liabilities	2.86	68.06	62.10	38.32
Deferred Tax Liability	-	-	-	-
TOTAL	**996.83**	**1478.28**	**1566.33**	**1598.22**
Uses of Funds				
Net Fixed Assets	37.99	34.89	24.91	24.91
Deferred Tax Asset (net)	0.53	65.18	-	-
Investments	950.65	1302.39	1430.93	1481.17
Current Assets, Loans and Advances	7.66	75.82	110.49	92.14
Miscellaneous Expenses not written off/ Preliminary Expenses	-	-	-	-
Profit & Loss A/c (Dr. Bal)	-	-	-	-
TOTAL	**996.83**	**1478.28**	**1566.33**	**1598.22**

Other Financial Data	Year Ended 31.03.2009 (Audited)	Year Ended 31.03.2010 (Audited)	Year Ended 31.03.2011 (Audited)	Quarter Ended 30.09.2011 (Audited)
Net Worth (Rs.)	993.43	1345.04	1433.90	1489.57
Dividend (%)	-	-	-	-
Earning Per Share (Rs.)	-	35.48	8.01	4.75
Return on Networth (%)	(0.96)	26.14	6.55	3.73
Book Value Per Share	84.68	114.65	122.23	126.98

There is no contingent liabilities for the year ended 31st March, 2011 as well as on the date of this Letter of Offer.

Reason for fall/rise in total income and profit after tax are as follows:

FY 2008-09 Compared to 2009-2010

In the fiscal 2009, the total income of Rs. 3.78 lacs earned by the company attributes dividend income, profit on sale of mutual fund whereas in fiscal 2010 the rise in total income to Rs. 449.76 Lacs attributes mainly due to sale of shares and mutual fund , dividend income and other miscellaneous income. Consequently the company has made a huge profit of Rs. 416.26 lacs for 2010.

FY 2009-2010 Compared to 2010-2011

In the fiscal 2010, the total income of Rs. 449.76 Lacs attributes mainly due to sale of shares and mutual fund, dividend income and other miscellaneous income whereas in the fiscal 2011 there is a fall of 27.90% i.e the total income is Rs. 125.50 lacs, the fall is mainly due to the nil earnings by sale of shares and decreased earnings in sale of mutual fund. Consequently the profit after tax has decreased from Rs. 416.26 lacs for 2010 to Rs. 94.01 lacs for 2011

5.14 **Pre- and Post-Offer shareholding pattern of the SCIL is as per the following table:**

Sr. No.	**Shareholder category**	**Shareholding & voting rights prior to the agreement/acquisition and offer (A)**		**Shares/voting rights acquired which triggered off the Regulations (B)**		**Shares/Voting rights to be acquired in the open offer (assuming full acceptance) (C)**		**Shareholding/voting rights after the acquisition and Offer**	
		No.	%	No.	%	No.	%	No.	%
1.	**Promoter Group**								
	a. Parties to agreement	6,40,400	54.59	(6,40,400)[1]	(54.59)	Nil	Nil	Nil	Nil
	b. Promoters other than (a) above	2,34,621	20.00	Nil	Nil	Nil	Nil	Nil	Nil
	Total 1 (a+b)	**8,75,021**	**74.59**	**Nil**	**Nil**	**Nil**	**Nil**	**Nil**	**Nil**
2.	**Acquirer**								
	a. Mahadhan Vincom Private Limited	Nil	Nil	5,80,300	49.44	3,05,006	26.00	9,45,406	80.59
	b. Mr. Bishnu Dutt Goenka	Nil	Nil	28,000	2.39				
	C. Mrs. Bina Agarwal	Nil	Nil	26,400	2.25				
	d. Mr. Santosh Sharma	Nil	Nil	6,000	0.51				
	Total	**Nil**	**Nil**	**6,40,400**	**54.59**	**3,05,006**	**26.00**	**9,45,406**	**80.59**
3.	Public (other than Parties to agreement Acquirer & PAC's)					(3,05,006)	(26.00)	2,27,694	19.41
a.	**FIs/MFs/FIIs/ Bank** Central Bank of India	Nil	Nil	Nil	Nil				
b.	Others	2,98,079	25.41	Nil	Nil				
	Total no. of shareholders i.e 252 in "Public Category" 3(a+b)	**2,98,079**	**25.41**	Nil	Nil				
	Total	**11,73,100**	**100.00**	**6,40,400**	**54.59**	**Nil**	**Nil**	**11,73,100**	**100.00**

Notes:

1 *The data within bracket indicates sale of Equity Shares.*

2 *Ms Rajita R Shah and Ms Archita R Shah, Promoters of target company who collectively hold 18600 shares is not forming part of the SPA can participate in the Open offer.*

5.15 The number of Shareholders in SCIL in public category is 252 as on date of PA. There are no NRI Shareholders in the Company.

5.16 The Company is not a sick Company.

5.17 There is change in shareholding of Promoters group. The details of change in shareholding of Promoters as per reporting u/r. 8(3) of the SEBI (SAST) Regulations, 1997 filed with the Stock Exchange since 1997 to 22nd December 2011 (Date of Public Announcement) are as under.

Year ended 31st March	Opening Balance (No. of Shares)	Opening % holding promoter group	Net purchase/ (sale)	Mode of Acquisiton/sale	Closing holding promoter group (No. of Shares)	Closing % holding promoter group	Increase/decrease in percentage holding (+/- %)	Compliance
1997	978200	97.82	Nil	---	978200	97.82	---	NA
1998	978200	97.82	(171200)	Transmission of shares to Non promoters	807000	80.70	(17.12)	Complied
1999	807000	80.70	Nil	---	807000	80.70	----	NA
2000	807000	80.70	Nil	---	807000	80.70	---	NA
2001	807000	80.70	Nil	---	807000	80.70	---	NA
2002	807000	80.70	500	Off Market Acquisition*	807500	80.75	0.05	Not Complied
2003	807500	80.75	Nil	---	807500	80.75	---	NA
2004	807500	80.75	Nil	---	807500	80.75	---	NA
2005	807500	80.75	Nil	---	807500	80.75	---	NA
2006	807500	80.75	Nil	---	807500	80.75	---	NA
2007	807500	80.75	Nil	---	807500	80.75	---	NA
2008	807500	80.75	173100	Amalgamation	980600	83.59	2.84	Exempted under Regulation 3 (j) (ii) of SEBI (SAST) Regulations 1997
2009	980600	83.59	Nil	--	980600	83.59	---	NA
2010	980600	83.59	105579	Off Market Sale	875021	74.59	(9.00)	Complied
2011	875021	74.59	Nil	---	875021	74.59	---	NA

* In the past, the promoters of the Target Company have violated Regulation 11(2) of the Regulations, 1997. SEBI may initiate suitable action against them for non- compliance.

The details of off market purchase in the year 2002 are as under:

Date of acquisition	Name of Purchaser	No. of shares purchased	% to total capital	Price (Rs.)	Compliance Status
7-4-2001	Rajen P Shah	500	0.05	Nil	Not complied

5.18 Status of corporate governance compliances by SCIL: -

Provisions of Clause 49 of the Listing Agreement are not applicable to the Company as its present paid up share capital is Rs. 1,17,31,000/- only. **As per Circular No SEBI/CFD/DIL/CG/1/2004/12/10** dated October 29, 2004, issued by SEBI, the provisions under Clause 49 of the Listing Agreement is not applicable to the Target Company since the paid up capital is less than Rs. 3 Crores and net worth has been less than Rs. 25 crores at any time in the history of the Target Company

5.19 Mr. Jigar Kamlesh Vyas is the Compliance Officer of the Company, his address is 201, Poonam Palace, Opp. Old Umra Police Station, Athwalines, Surat-395001, Gujarat, India, Tel No.: +91-9824147449, Email : surabhichemin@gmail.com

6 OFFER PRICE AND FINANCIAL ARRANGEMENTS

6.1 Justification of Offer Price

6.1.1 The Equity Shares of the Target Company are listed on the Ahemadabad Stock Exchange Limited (ASE) and Bombay Stock Exchange Limited, Mumbai (BSE). The shares are placed under **Group 'T'** having a Scrip Code of **"512311"** & Scrip Id: **SURCHIN** on the BSE

6.1.2 There has been no active trading in the shares of Target Company as per the data maintained on the website of the BSE i.e. www.bseindia.com during twelve calendar months preceding the month in which this PA is made. The Equity Shares of SCIL are not frequently traded shares within the meaning of explanation provided in Regulation 2(j) of the SEBI (SAST) Regulations.

6.1.3 The Offer Price of Rs. 232/- (Rupees Two Hundred and Thirty Two only) is justified in terms of Regulation 8 (2) of the SEBI (SAST) Regulations on the basis of the following:

SR. NO.	PARTICULARS	PRICE (IN RS. PER SHARE)	
(a)	Negotiated price under the Shares Purchase Agreement	232.00	
(b)	The volume- weighted average price paid or payable for acquisitions by the acquirer during 52 weeks immediately preceding the date of PA.	Not applicable	
(c)	Highest price paid or payable for acquisitions by the acquirer during 26 weeks immediately preceding the date of PA.	Not applicable	
(d)	the volume-weighted average market price of shares for a period of sixty trading days immediately preceding the date of the public announcement as traded on the stock exchange where the maximum volume of trading in the shares of the target company are recorded during such period.	Not applicable	
(e)	Other Financial Parameters as at:	**31.03.2011**	**30.09.2011**
	(i) Return on Net Worth	6.55	3.73
	(ii) Book Value Per Share	122.23	126.98
	(iii) Earning Per Share	8.01	4.75

In view of the parameters considered and presented in table above, in the opinion of the Acquirer and Manager to the Offer, the Offer Price of Rs. 232/- (Rupee Two Hundred and Thirty Two Only) per share being the highest of the prices mentioned above is justified in terms of Regulation 8 of the SEBI (SAST) Regulations, 2011.

The Fair Value of SCIL, is Rs. 129.80/- (Rupees One Hundred and Twenty Nine and Eighty Paise Only) as certified vide Valuation certificate dated 15th December 2011, by Mr. Shrigopal R Rathi (Membership No. 045302) of M/s. S R Rathi & Associates., Chartered Accountants having its office situated at 42/3, Jawahar Nagar, Road No. 4, Goregaon (W), Mumbai Tel. No.: 022-28780445, Email ID: srrathica@gmail.com

6.2 Financial Arrangements

6.2.1 Assuming full acceptance under the offer, the maximum consideration payable by the Acquirer under the offer would be Rs. 7,07,61,392/- (Rupees Seven Crores Seven Lacs Sixty One Thousand Three Hundred and Ninety Two Only) ("maximum consideration") i.e. consideration payable for acquisition of 3,05,006 equity shares of the target Company at offer price of Rs. 232/- per Equity Share.

6.2.2 The Acquirer have adequate resources to meet the financial requirements of the Open Offer. No funds are being borrowed from any bank or financial institution for the purpose of this Open Offer by the Acquirer.

6.2.3 Assuming the full acceptance of 26% i.e. acquisition of 3,05,006 equity shares of the target Company, the total requirement of funds for the Open Offer is Rs. 7,07,61,392/- (Rupees Seven Crores Seven Lacs Sixty One Thousand Three Hundred and Ninety Two Only). In compliance of Regulation 17 of SEBI (SAST) Regulations, the Acquirer have opened an Escrow Account bearing no. 00600350102120 with the Escrow Agent, i.e. HDFC Bank Limited, having address at 2nd floor, Maneckji Wadia Building, Nanik Motwani Marg, Fort, Mumbai 400 001, and have deposited cash of Rs. 1,77,00,000/- (Rupees One Crore Seventy Seven Lakhs Only), being more than 25% of the total amount required for the Open Offer. The Acquirer has passed the resolution for empowering M/s Comfort Securities Limited, Manager to the Offer, to instruct the bank to issue demand draft or to make payment of the amounts to the shareholders who tendered their shares in the open offer and realise the value of the escrow account in terms of Regulation 17(5) of the SEBI (SAST) Regulations, 2011.

6.2.4 The Acquirer have duly empowered M/s Comfort Securities Limited, Manager to the Offer, to realise the value of the escrow account in terms of the SEBI (SAST) Regulations, 2011.

6.2.5 The Manager to the Offer, M/s Comfort Securities Limited, hereby confirms that firm arrangements for funds and money for payment through verifiable means are in place to fulfil the Offer obligation under the SEBI (SAST) Regulations.

6.2.6 M/s. N Behera & Company, Chartered Accountants. (Proprietor: Mr. Niranjan Behera, Membership No. 069888 and Firm Regn No. 327287E), having office at 7/1A Grant Lane, 2nd floor, Room No. 12, Kolkata - 700012 Tel: 033-30290919, Email Id : caniranjanbehera@gmail.com certified that the total Net Worth of Acquirer as on 1st December, 2011 is Rs. 2364.88 Lacs and Acquirer have sufficient means to fulfil the obligations under this open offer.

6.2.7 The Manager to the Offer, M/s. Comfort Securities Limited, hereby confirms that the Acquirer are capable to implement the Offer obligations in accordance with the SEBI (SAST) Regulations.

7 TERMS AND CONDITIONS OF THE OFFER

7.1 Persons eligible to participate in the Offer

7.1.1 Registered Shareholders of SCIL and unregistered Shareholders who own the Equity Shares of SCIL on or before the last date of tendering period, other than the parties to the SPA, i.e. the Acquirer and Sellers.

7.1.2 43,275 Equity Shares (i.e. 3.69%) of SCIL are under lock-in requirements as per SEBI Regulations. There shall be no discrimination in the acceptance of locked in and non-locked in shares in the Offer. And all these Equity Shares belong to Promoter Group.

7.2 Statutory Approvals

7.2.1 NRI/OCB Shareholders who wish to tender their Shares in the Offer will be required to submit all the previous RBI approvals (Specific and general) that they would have obtained for acquiring the Shares of Target Company. In case the previous RBI approvals are not being submitted, the Acquirer reserves the right to reject the Shares tendered in the Offer.

7.2.2 No approval from any bank or financial institutions is required for the purpose of this Offer.

7.2.3 As on the date of PA, no other statutory approvals are required to be obtained for the purpose of this Offer.

7.2.4 The Open Offer would be subject to all other statutory approvals that may become applicable at a later date before the completion of the Open Offer.

7.2.5 In case of delay in receipt of any statutory approval, Regulation 18(11) of SEBI (SAST) Regulations, 2011, will be adhered to, i.e. SEBI have power to grant extension of time to Acquirer for payment of consideration to Shareholders subject to Acquirer agreeing to pay interest for delayed period as directed by SEBI.

7.2.6 The Acquirer shall complete all procedures relating to the Open Offer including payment of consideration to the shareholders who have accepted the open offer within 10 working days from the last date of the tendering period.

8 PROCEDURE FOR ACCEPTANCE AND SETTLEMENT

8.1.1 The Acquirer have appointed MCS Ltd as the Registrar to the Offer.

8.1.2 The Target Company has not dematerialized its shares and all the shares are in physical form. Hence, no special depository account has been opened for the purpose of this offer

8.1.3 All eligible Equity Shareholders of fully paid Equity Shares of SCIL, registered or unregistered who wish to avail and accept the Offer will be required to communicate their acceptance along with all relevant documents in the form and manner specified in the LoO/FoA at below mentioned collection centre on or before closure of the Offer i.e. Tuesday, 28th February 2012. The documents shall be tendered at below mentioned collection centre on all working days i.e. from Monday to Friday between 10.00 a.m. to 6.00 p.m. and on Saturday from 10.00 a.m. to 1.00 p.m. The centre will be closed on Sundays and Public holidays.

Address of Collection Centre	Name of the Contact Person, Tel. No., Fax No. and Email	Mode of Delivery
MCS LTD SEBI Registration No. INR000000056. Neelam Apartments, 88, Sampatrao Colony, Behind Federation Bldg, Alkapuri, Baroda- 390007	Mr. S M Gandhi Email : mcsltdbaroda@yahoo.com , mcsvadodara@rediffmail.com Website : www.mcsdel.com Tel. No. 0265 –2339397/2314757 Fax no.: 0265 – 2341639	Hand Delivery / Registered Post

Shareholders are advised to ensure that the Form of Acceptance cum Acknowledgement and other documents are complete in all respects; otherwise the same are liable to be rejected.

8.1.4 Shareholders should send all the relevant documents mentioned herein.
Documents to be delivered

i. For Equity shares held in physical form:

Registered Shareholders should enclose:

- Form of Acceptance cum Acknowledgement duly completed and signed in accordance with the instructions contained therein, by all shareholders whose names appear on the share certificates.
- Original Share Certificate(s).
- Valid Share Transfer form(s) duly signed as transferors by all registered shareholders (in case of joint holdings) in the same order and as per specimen signatures registered with SCIL and duly witnessed at the appropriate place. A blank Share Transfer form is enclosed along with this LoO.
- Self attested copy of the PAN card.

Unregistered owners should enclose:

- Form of Acceptance cum Acknowledgement duly completed and signed in accordance with the instructions contained therein.
- Original Share Certificate(s).
- Original Broker Contract Note.
- Valid Share Transfer form(s) as received from the market.
- Self attested copy of the PAN card of all the proposed transferees.

The details of buyer should be left blank failing which the same will be invalid under the Offer. The details of buyer will be filled upon verification of the Form of Acceptance and the same being found valid. All other requirements for valid transfer will be preconditions for valid acceptance.

Applicants may send their documents only by Registered Post, at their own risk, if not hand delivered at the designated collection centre, to the Registrar at the addresses as mentioned here-in-above during business hours indicated above other than on holidays. Please note that the Share Certificates and other documents in relation to the acceptance of the Offer should not be sent to the Acquirer or the Target Company. Such documents should not be sent to the Manager to the Offer.

8.1.5 In case of non-receipt of the Letter of Offer, Shareholders may obtain a copy of the same by writing to the Registrar to the Offer collection centres mentioned at 8.1.3 marking the envelope "Surabhi Chemicals & Investments Limited-Open Offer". Alternatively, eligible Shareholders may send their acceptance to the Registrar to the Offer, on a plain paper stating their name, address, folio nos., distinctive nos. no. of Shares held, No. of Shares tendered, along with documents as mentioned at para 8.1.3 so as to reach the Registrar to the Offer on or before 6.30 p.m on the Closure of the Offer i.e. Tuesday, 28th February 2012. Unregistered owners should not sign the transfer deed and the transfer deed should be valid for transfer. Alternatively, the LoO and Form of Acceptance cum Acknowledgement will be available on SEBI's website (www.sebi.gov.in), from the date of Opening of the Offer. The eligible persons can download the Form of Acceptance cum Acknowledgement from the SEBI's website and apply using the same.

8.1.6 No Indemnity is needed from Unregistered Shareholders.

8.2 If the aggregate of the valid responses to the Offer exceeds 3,05,006 fully paid up Equity Shares, then the Acquirer shall accept the valid applications received on a proportionate basis in such a way that acquisition from a shareholder shall not be less than the market lot or the entire holding, if it is less than the market lot. The marketable lot of SCIL is **100 (Hundred) Equity Shares**.

8.3 In case of delay in receipt of any statutory approval, Regulation 18(11) of SEBI (SAST) Regulations, 2011, will be adhered to, i.e. SEBI have power to grant extension of time to Acquirer for payment of consideration to Shareholders of SCIL, subject to Acquirer agreeing to pay interest for delayed period as directed by SEBI. If the delay in payment consideration is not due to the above reasons, then the amount held in the Escrow Account shall be subject to forfeiture as per Regulation 17(9) and dealt in the manner provided in Regulation 17(10) of the SEBI (SAST) Regulations, 2011.

8.4 Unaccepted share certificates, transfer deeds and other documents, if any, will be returned by registered post at the shareholders' sole risk to the sole/ first shareholder.

8.5 The Registrar to the Offer will hold in trust the shares/share certificates, Form of Acceptance cum Acknowledgment, if any, and the transfer form(s) on behalf of the shareholders of the Target Company who have accepted the Offer, till the cheques/drafts for the consideration and/ or the unaccepted shares/ share certificates are despatched/ returned.

8.6 Payment of consideration for the applications accepted in the Offer shall be made within 10 working days from the last date of the tendering period. Credit for the consideration will be given to the shareholders whose Equity Shares have been accepted in the Open Offer by ECS, or crossed account payee cheques/pay orders/demand drafts, RTGS and NEFT.

8.7 The consideration received by the shareholders for Equity Shares accepted in the Offer will be subject to the capital gains tax / deduction of tax at source applicable as per the Income Tax Act, 1961. Further, the securities transaction tax will not be applicable on Equity Shares accepted in this Offer.

8.8 Dispatches involving payment of a value in excess of Rs. 1,500/- will be made by registered post/speed post at the shareholder's sole risk. In the case shareholders residing in any of the centres specified by the SEBI and have opted an option to get payment consideration through electronic transfer of funds by using ECS (Electronic Clearing Service), Direct Credit, RTGS (Real Time Gross Settlement) or NEFT (National Electronic Funds Transfer), as is for the time being permitted by the Reserve Bank of India should provide all the necessary Bank details including MICR code or RTGS code or IFSC code in Form of Acceptance-cum-Acknowledgement and the payment intimation will be sent to the sole / first named shareholder of SCIL whose equity shares are accepted by the Acquirer at his address registered with SCIL. Rejected documents will be sent by registered post/speed post. All other despatches will be made by ordinary post at the shareholder's sole risk. All cheques / demand drafts will be crossed Account Payee and will be drawn in the name of the first holder, in case of joint holder(s). In case of unregistered owners of shares, payment will be made in the name of the person stated in the contract note. It will be desirable if the shareholders provide bank account details in the Form of Acceptance-cum-Acknowledgement for incorporation in the cheque / demand draft.

8.9 Non Resident Shareholders

8.9.1 Non-Resident Shareholders may tender their Shares in accordance with the Procedure mentioned at 8.3 (as applicable) above. In case the RBI approvals are not submitted, the Acquirer reserves the right to reject such equity shares.

8.9.2 While tendering the shares under the Offer, NRIs / OCBs / foreign shareholders will be required to submit the previous RBI Approvals (specific or general) that they would have been required to submit to acquire the shares of the Target Company. In case the previous RBI approvals are not submitted, Acquirer reserves the right to reject such shares tendered.

8.9.3 While tendering shares under the Offer, NRIs / OCBs / foreign shareholders will be required to submit a Tax Clearance Certificate from the Income Tax authorities, indicating the amount of tax to be deducted by Acquirer under the Income Tax Act, 1961 (the "Income Tax Act"), before remitting the consideration. In case the aforesaid Tax Clearance certificate is not submitted, Acquirer will arrange to deduct tax at the rate as may be applicable to the category of the shareholder under the Income Tax Act, on the entire consideration amount payable to such shareholder.

8.9.4 The above documents should not be sent to the Acquirer or to SCIL or to the Manager to the Offer. The same should be sent to the Registrar to the Offer only at the collection centres given above in 8.1.3.

8.10 General

a. The Form of Acceptance and instructions contained therein are integral part of this LoO.

b. Neither the Acquirer nor the Manager nor the Registrar nor the Target Company will be responsible for any loss in transit or delay in receipt of the completed Form of SCIL.

c. The Offer Price is denominated and payable in Indian Rupees only.

d. All the communication in connection with the Form of Acceptance should be addressed to the Registrar to the Offer as mentioned above, with full name of the sole/first applicant, folio number, Number of Equity Shares tendered, date of lodgement of the Form of Acceptance and other relevant particulars.

e. If there is any upward revision in the Offer Price by the Acquirer at any prior to commencement of the last three working days before the commencement of the tendering period viz., Wednesday, 8th February, 2012 the same would be informed by way of another Public Announcement in the same newspapers in which the detailed Public Statement pursuant to Public Announcement was published as per Regulation 18(7) of SEBI (SAST) Regulations, 2011.

f. If there is Competing Offer:

- The Public Offers under all the subsisting bids shall close on the same date.

- The Offer Price can be revised at any time prior to the commencement of the last three working days before the commencement of the tendering period to know the final Offer Price of each bid and tender their acceptance accordingly.

9 DOCUMENTS FOR INSPECTION

The following documents are regarded as material documents and are available for inspection at the office of the Manager to the Offer at Comfort Securities Limited A-301, Hetal Arch, Opp Natraj Market, S. V. Road, Malad (West), Mumbai – 400 064 from 10.30 a.m. to 1.00 p.m. on any working day, except Saturdays, Sundays and Holidays until the closure of the Offer.

9.1 Certificate of Incorporation, Memorandum and Articles of Association of Surabhi Chemicals & Investments Limited.

9.2 Certificate of Incorporation, Memorandum and Articles of Association of Mahadhan Vincom Private Limited.

9.3 M/s. N Behera & Company., Chartered Accountants., certifying the Net worth of Acquirer and PACs as on 01/12/2011.

9.4 Annual Reports of SCIL for years ended on March 31, 2009, 2010 and 2011

9.5 Annual Reports of MVPL for year ended on March 31, 2011

9.6 Certificate from HDFC Bank Limited having office at 2nd floor, Maneckji Wadia Building, Nanik Motwani Marg, Fort, Mumbai- 400001 confirming the amount kept in Escrow Account opened as per SEBI (SAST) Regulation.

9.7 A copy of the Share Purchase Agreement between the Acquirer and the Sellers dated 22nd December 2011 for Acquisition of upto 6,40,400 (54.59%) which triggered the Open Offer.

9.8 Copy of Public Announcement dated 22nd December, 2011.

9.9 Published copy of the Detailed Public Statement, which appeared in the newspapers on Thursday, 29th December, 2011 for acquisition of 3,05,006 Equity Shares.

9.10 Copy of Recommendation made by SCIL Board of Directors dated (.)

9.11 Observation letter no (.) dated (.) on the draft Letter of Offer filed with the Securities and Exchange Board of India.

9.12 Copy of Board Resolution of M/s. Mahadhan Vincom Private Limited authorising Mr. Santosh Sharma, Director or Mr. Bishnu Dutt Goenka, Director of the Company to sign the documents on behalf of the company.

9.13 Memorandum of Understanding between Lead managers i.e. Comfort Securities Limited. & Acquirer.

9.14 Undertaking from the Acquirer, stating full responsibility for all information contained in the P.A., Detailed Public Statement and the Letter of Offer.

9.15 Certificate from Statutory Auditors for financial data audited for the purpose of Open Offer of SCIL, the Target Company.

9.16 Certificate from Statutory Auditors for financial data audited and Unaudited for the purpose of Open Offer of MVPL.

9.17 Undertaking from the Acquirer that if they acquire any shares of the target company during the Offer Period, they shall inform Stock Exchange, the Target Company and the Manager to the Offer within 24 hours as per Regulation 18(6) of SEBI (SAST) Regulations, 2011.

9.18 Undertaking from the Acquirer for unconditional payment of the consideration within 10 working days from the last date of the tendering period to all Shareholders of the Target Company whose applications are accepted in the Open Offer.

9.19 Undertaking from the Acquirer with regard to merger/de-merger, spin-off during the past three years.

9.20 Undertaking from the Acquirer with regard to Directors Responsibility under Regulation 2(o) and Regulation 7(4) of SEBI (SAST) Regulations.

10. DECLARATION BY THE ACQUIRER

10.1 The Acquirer Company i.e MVPL and its Directors, Mr. Bishnu Dutt Goenka, Mrs. Bina Agarwal and Mr. Santosh Sharma, PACs accept full responsibility for the information contained in this Letter of Offer and also accept responsibility for the obligations of the Acquirer laid down in the SEBI (SAST) Regulations. All the information contained in this document is as on date of the Public Announcement, unless stated otherwise.

10.2 We have made all reasonable inquiries, accept responsibility for, and confirm that this Letter of Offer contains all information with regard to the Offer, which is material in the context of the issue, that the information contained in this Letter of Offer is true and correct in all material respects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which makes this document as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect.

10.3 We hereby declare and confirm that all the relevant provisions of Companies Act, 1956 and all the provisions of SEBI (SAST) Regulations, 2011 have been complied with and no statements in the Offer document is contrary to the provisions of Companies Act, 1956 and SEBI (SAST) Regulations.

For and on behalf of Board of Directors of
Mahadhan Vincom Private Limited

Director

Mr. Bishnu Dutt Goenka (PAC1)

Mrs. Bina Agarwal (PAC2)

Mr. Santosh Sharma (PAC3)

Place: Kolkata
Date: 04.01.2012

ENCLOSURES :

1. Form of Acceptance cum Acknowledgement
2. Blank Share Transfer Deed(s) in the case of shares held in physical mode.

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

(Please send this Form with enclosures to **MCS Ltd**, Registrar to the Offer at their address given overleaf)

FORM OF ACCEPTANCE – CUM – ACKNOWLEDGEMENT

(All terms and expressions used herein shall have the same meaning as described thereto in the Letter of Offer)

OFFER OPENS ON : Tuesday, 14th February, 2012
OFFER CLOSES ON : Tuesday, 28th February, 2012

FOR OFFICE USE ONLY	
Acceptance Number:	
Number of Equity Shares offered:	
Number of Equity Shares accepted:	
Purchase Consideration (Rs.):	
Cheque/ Demand Draft/Pay Order No/ECS:	

PLEASE READ THE INSTRUCTIONS OVERLEAF BEFORE FILLING-IN THIS FORM OF ACCEPTANCE

From: -

Name:

Address:

Status: Resident/ Non Resident

Folio No.:	Sr. No:	No of Shares Held:
Tel. No:	Fax No:	E-Mail:

To,
M/s. Mahadhan Vincom Private Limited
C/o. MCS LTD
SEBI Registration No. INR000000056.
Neelam Apartments, 88,
Sampatrao Colony,
Behind Federation Bldg,
Alkapuri, Baroda- 390007

Dear Sir,

Sub.: Cash Offer for purchase of 3,05,006 (Three Lacs Five Thousand and Six Only) Equity Shares of Surabhi Chemicals & Investments Limited at a price of Rs. 232.00 (Rupees Two Hundred and Thirty Two Only) per Share under SEBI (SAST) Regulations, 2011.

I/We refer to the Letter of Offer dated 04.01.2012 for acquiring the Equity Shares held by me/us in SCIL.

I/We, the undersigned, have read the Letter of Offer, Detailed Public Statement and understood their contents including the terms and conditions and procedure as mentioned therein.

FOR SHARES HELD IN PHYSICAL FORM

I/We, hold the following shares in physical form and accept the Offer and enclose the original Share certificate (s) and duly signed share transfer deed (s) in respect of my/our Shares as detailed below:

Sr. No.	Certificate No.	Distinctive No(s)		No. of Equity Shares
		From	To	
Total Number of Equity Shares				

(Please attach authenticates additional sheets, if required)

I/We confirm that the equity shares of SCIL which are being tendered herewith by me/us under this Offer, are free from liens, charges and encumbrances of any kind whatsoever.

I/We note and understand that the original share certificate(s) and the valid share transfer deed(s) will be held in trust for me/us by the Registrar to the Offer until the time the Acquirer makes payment of the purchase consideration as mentioned in the Letter of Offer.

I/We also note and understand that the Acquirer will pay the consideration only after verification of the documents and signatures.

I / We authorize the Acquirer to accept the equity shares so offered or such lesser number of equity shares that the Acquirer may decide to accept in consultation with the Manager to the Offer and in terms of the said Letter of Offer and I / we further authorise the Acquirer to apply and obtain on our behalf split of share certificate(s) as may be deemed necessary by them for the said purpose. I further authorize the Acquirer to return to me / us, equity share certificate(s) in respect of which the Offer is not found / not accepted, specifying the reason thereof.

My / Our execution of this Form of Acceptance shall constitute my / our warranty that the equity shares comprised in this application are owned by me / us and are transferred by me / us free from all liens, charges, claims of third parties and encumbrances. If any claim is made by any third party in respect of the said equity shares, I / we will hold the Acquirer, harmless and indemnified against any loss they or either of them may suffer in the event of the Acquirer acquiring these equity shares. I / We agree that the Acquirer may pay the Offer Price only after due verification of the document(s) and signature(s) and on obtaining the necessary approvals as mentioned in the said Letter of Offer.

I / We also note and understand that the shares/ Original Share Certificate(s) and Transfer Deed(s) will be held by the Registrar to the Offer in trust for me / us till the date the Acquirer makes payment of consideration or the date by which Shares/ Original Share Certificate(s), Transfer Deed(s) and other documents are dispatched to the shareholders, as the case may be.

I/We undertake to execute such further document(s) and give such further assurance(s) as may be required or expedient to give effect to my / our agreeing to sell the said equity shares.

I / We irrevocably authorise the Acquirer to send by Registered Post at my / our risk, the Cheque(s) / Demand Draft(s) / Pay Order(s) in settlement of consideration payable and excess share certificate(s), if any, to the Sole / First holder at the address given hereunder and if full address is not given below the same will be forwarded at the address registered with SCIL/DP:

Name and complete address of the Sole/ First holder (in case of member(s), address as registered with SCIL:

Name

Address

Place: ———————— Date: ————————— Tel. No(s). : ———————— Fax No.: ——————

So as to avoid fraudulent encashment in transit, the shareholder(s) are requested to kindly provide the following bank details of the first/sole shareholder and the consideration will be payable by way of ECS Mode/ cheque or demand draft will be drawn accordingly. In case of shareholders holding Shares in electronic mode, bank particulars noted with the Depository Participant (DP) and forming part of the beneficial download will be incorporated in the cheque/demand draft. In case of any change in bank particulars recorded with the DP, new bank particulars duly attested by the DP should be furnished. In order to receive payment consideration through ECS mode, the shareholders are requested to compulsorily provide their following bank details:-

Bank Account No.: --
Type of Account: ------------------------------- (Savings / Current / Other (please specify))
Name of the Bank: ---
Name of the Branch and Address: ---

MICR Code of Bank———--
IFSC Code of Bank--

The Permanent Account No. (PAN / GIR No.) allotted under the Income Tax Act, 1961 is as under:

PAN / GIR No.	**1st Shareholder**	**2nd Shareholder**	**3rd Shareholder**

Enclosure (Please tick)

- Power of Attorney, if any person apart from the shareholder, has signed the acceptance from or transfer deed(s)
- Duly attested Death certificate/succession certificate (in case of single shareholders) in case the original shareholders has expired
- RBI approval (for NRI/OCB/Foreign shareholders)
- Corporate Authorisation in case of companies along with Board resolutions and specimen signature of authorized signatory
- No objection certificate & Tax clearance certificate under Income Tax Act, 1961 (for NRI/OCB/Foreign shareholders)
- Other (please specify)

Yours faithfully,

Signed and Delivered:

PARTICULARS	FULL NAME (S) OF THE HOLDERS	SIGNATURE (S)
First/Sole Shareholder		
Joint Holder 1		
Joint Holder 2		

Note: In case of joint holdings, all the holders must sign. In case of body corporate, stamp of the company should be affixed and necessary Board Resolution should be attached.

INSTRUCTIONS

1. Please read the enclosed Letter of Offer carefully before filling-up this Form of Acceptance.
2. The Form of Acceptance should be filled-up in English only.
3. Signature(s) other than in English, Hindi, Gujarathi, and thumb impressions must be attested by a Notary Public under his Official Seal.

Mode of tendering the Equity Shares Pursuant to the Offer:

I. The acceptance of the Offer made by the Acquirer is entirely at the discretion of the equity shareholder of SCIL.

II. Shareholders of SCIL to whom this Offer is being made, are free to offer his / her / their shareholding in SCIL for sale to the Acquirer, in whole or part, while tendering his / her / their equity shares in the Offer.

Business Hours: Monday to Friday: 10.00 hours to 18.00 hours
Saturday: 10.00 to 13.00 hours
Holidays: Sundays, Public Holidays and Bank Holidays

- - - - - - - - - - - - ---- - - - - - - - - - - - - - - - - - - Tear along this line - - - - - - -- - - ---- - -- - - - - - - - - - - - -- - - - --------------------

For Future Correspondence, if any, should be addressed to Registrar to the Offer at the following address

M/s. Mahadhan Vincom Private Limited
C/o. MCS LTD
SEBI Registration No. INR000000056.
Neelam Apartments, 88,
Sampatrao Colony,
Behind Federation Bldg,
Alkapuri, Baroda- 390007
Tel. No. 0265 –2339397/2314757
Fax no.: 0265 – 2341639
Contact Person : Mr. S M Gandhi
Email : mcsltdbaroda@yahoo.com , mcsvadodara@rediffmail.com

ACKNOWLEDGEMENT SLIP

SURABHI CHEMICALS & INVESTMENT LIMITED - CASH OFFER

Folio No.: Serial No.

Received from Mr. / Ms. ____Address:______________________

____Form of Acceptance for ___________________________________ Shares along with a copy of ______________________

_______________________ Share Certificate(s) __________________ Transfer Deed folio number (s)_____________

For accepting the Offer made by the Acquirer

Signature of Official and Date of Receipt	Stamp of Registrar to the Offer	Date of Receipt

INSTRUCTIONS

1. Shareholders should enclose the following:-.

For Equity shares held in physical form: -

Registered Shareholders should enclose:

- ❖ Form of Acceptance cum Acknowledgement duly completed and signed in accordance with the instructions contained therein, by all shareholders whose names appear on the share certificates.
- ❖ Original Share Certificate(s).
- ❖ Valid Share Transfer form(s) duly signed as transferors by all registered shareholders (in case of joint holdings) in the same order and as per specimen signatures registered with SCIL and duly witnessed at the appropriate place. A blank Share Transfer form is enclosed along with this LoO.
- ❖ Self attested copy of the PAN card.

Unregistered owners should enclose:

- ❖ Form of Acceptance cum Acknowledgement duly completed and signed in accordance with the instructions contained therein.
- ❖ Original Share Certificate(s).
- ❖ Original Broker Contract Note.
- ❖ Valid Share Transfer form(s) as received from the market.
- ❖ Self attested copy of the PAN card of all the proposed transferees.

3. The share certificate(s), share transfer form(s) and the Form of Acceptance should be sent only to the Registrar to the Offer and not to the Manager to the Offer or the Acquirer or SCIL.

4. Non resident shareholders/FII/OCB should enclose a copy of the permission received from RBI for the equity shares held by them in SCIL. If, the shares are held under General Permission of RBI, the non resident shareholder should state that the shares are held under General Permission and whether on repatriable basis or non repatriable basis.

5. Non resident shareholders/FII should enclose No Objection certificate/ Tax Clearance certificate from the Income Tax Authorities under Income-Tax Act, 1961, indicating the tax to be deducted by the Acquirer before remittance of consideration otherwise tax will be deducted at marginal rate as may be applicable to the category of the shareholder on the consideration payable by the Acquirer.

6. Shareholders who wish to accept the Offer and tender their Equity Shares pursuant to this Offer will be required to communicate their acceptance along with all relevant documents in the form and manner specified in the LoO to the Registrar to the Offer on or before closure of the Offer i.e. **Tuesday, 28th February, 2012,** The documents shall be tendered at the above centre between **10.00 am to 6.00 pm from Monday to Friday and between 10.00 am to 1.00 pm on Saturday.** The centre will be closed on Sundays and Public holidays.

8. Applicants may send their documents only by Registered Post/Courier, at their own risk, if not hand delivered at the designated collection centre, to the Registrar during business hours indicated above other than Sunday and public holidays.

THE SHAREHOLDERS ARE REQUESTED TO NOTE THAT THE FORM OF ACCEPTANCE/SHARES ARE RECEIVED BY THE REGISTRAR TO OFFER AFTER THE CLOSURE OF THE OFFER I.E 6.00 P.M ON TUESDAY, 28TH FEBRUARY 2012 SHALL NOT BE ACCEPTED UNDER ANY CIRCUMSTANCES AND HENCE LIABLE TO BE REJECTED.