

## LETTER OF OFFER

**THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION**

*This Letter of Offer (LoF) is sent to you as an Equity Shareholder(s) of Best Steel Logistics Limited. If you require any clarifications about the action to be taken, you may consult your stock broker or investment consultant or Manager / Registrar to the offer. In case you have recently sold your shares in the Company, please hand over this LoF and the accompanying Form of Acceptance cum acknowledgement and Transfer Deed to the Member of Stock Exchange through whom the said sale was effected."*

OPEN OFFER BY

### **MR. RAHUL GUPTA ('ACQUIRER') ALONG WITH MR. SAMEER GUPTA ('PAC')**

Residing at 106, Hargobind Enclave, Vikas Marg, New Delhi – 110092;

Tel. No.: +91-9810086439, +91-9810280937;

To acquire upto 7,956,000 (Seventy Nine Lacs and Fifty Six Thousand) Equity Shares of face value of Rs. 2/- each representing 26.09% of the Expanded Share Capital of

### **BEST STEEL LOGISTICS LIMITED**

Registered Office: L-506, Agrasen Apartments, Plot No. 66, I.P. Extension, Delhi – 110092;



Tel. No.: +91-120-6401829; Website: [www.beststeel.co.in](http://www.beststeel.co.in); Email ID: [info@beststeel.co.in](mailto:info@beststeel.co.in);

At a price of Rs. 120/- (One Hundred and Twenty Only) per fully paid up equity share payable in cash, pursuant to Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 ('SEBI (SAST) Regulations, 2011') and subsequent amendments thereof.

1. This offer is being made by Acquirer along with PAC pursuant to Regulation 3(1) and Regulation 4 of Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 and subsequent amendments thereto for substantial acquisition of shares and control.
2. The Offer is not subject to any minimum level of acceptance.
3. The details of statutory approvals required is given in para 7.4 of this Letter of Offer.
4. **THIS OFFER IS NOT A COMPETING OFFER.**
5. If there is any upward revision in the Offer Price by the Acquirer along with PAC upto three working days prior to the commencement of the tendering period i.e. upto April 03, 2018, Tuesday or in the case of withdrawal of offer, the same would be informed by way of the Offer Opening Public Announcement in the same newspapers where the original Detailed Public Statement has appeared. Such revision in the Offer Price would be payable by the Acquirer along with PAC for all the shares validly tendered anytime during the offer.
6. **THERE IS NO COMPETING OFFER TILL DATE.**
7. A copy of Public Announcement, Detailed Public Statement, and Letter of Offer (including Form of Acceptance cum Acknowledgement) is also available on SEBI's web-site: [www.sebi.gov.in](http://www.sebi.gov.in).

**FOR PROCEDURE FOR ACCEPTANCE OF THIS OPEN OFFER PLEASE REFER SECTION 8 'PROCEDURE FOR ACCEPTANCE AND SETTLEMENT OF THE OFFER' (PAGE NO. 24 to 31). FORM OF ACCEPTANCE-CUM-ACKNOWLEDGEMENT IS ENCLOSED WITH THIS LETTER OF OFFER.**

All future correspondence, if any, should be addressed to the Manager / Registrar to the Offer at the following addresses:

MANAGER TO THE OFFER	REGISTRAR TO THE OFFER
 <p><b>CORPORATE PROFESSIONALS CAPITAL PRIVATE LIMITED</b> CIN: U74899DL2000PTC104508 D-28, South Extn., Part-I, New Delhi – 110049 <b>Contact Person:</b> Mr. Manoj Kumar/ Ms. Ruchika Sharma <b>Ph. No.:</b> +91-11-40622228/ +91-11-40622248 <b>Fax. No.:</b> 91-11-40622201 <b>Email ID:</b> <a href="mailto:manoj@indiacp.com">manoj@indiacp.com</a> / <a href="mailto:ruchika.sharma@indiacp.com">ruchika.sharma@indiacp.com</a> <b>SEBI Regn. No.:</b> INM000011435</p>	 <p><b>BIGSHARE SERVICES PRIVATE LIMITED</b> CIN: U99999MH1994PTC076534 1<sup>st</sup> Floor, Bharat Tinworks Building, Opp. Vasant Oasis, Makwana Road Marol, Andheri East, Mumbai - 400059 <b>Contact Person:</b> Mr. Jibu John <b>Ph. No.:</b> +91-22-62638200 <b>Fax. No.:</b> +91-22-62638299 <b>Email:</b> <a href="mailto:openoffer@bigshareonline.com">openoffer@bigshareonline.com</a> <b>SEBI Regn. No.:</b> INR000001385</p>
<b>OFFER OPENS ON: APRIL 09, 2018, MONDAY</b>	<b>OFFER CLOSES ON: APRIL 20, 2018, FRIDAY</b>

## SCHEDULE OF ACTIVITIES OF THE OFFER

ACTIVITY	ORIGINAL	REVISED
	DATE AND DAY	DATE AND DAY
Public Announcement (PA) Date	January 29, 2018, Monday	January 29, 2018, Monday
Detailed Public Statement (DPS) Date	February 05, 2018, Monday	February 05, 2018, Monday
Last date for a competing offer	February 28, 2018, Wednesday	February 28, 2018, Wednesday
Identified Date*	March 12, 2018, Monday	March 22, 2018, Thursday
Date by which LoF will be despatched to the shareholders	March 19, 2018, Monday	April 03, 2018, Tuesday
Issue Opening PA Date	March 23, 2018, Friday	April 06, 2018, Friday
Last date by which Board of TC shall give its recommendations	March 21, 2018, Wednesday	April 04, 2018, Wednesday
Date of commencement of tendering period (Offer opening Date)	March 26, 2018, Monday	April 09, 2018, Monday
Date of expiry of tendering period (Offer closing Date)	April 10, 2018, Tuesday	April 20, 2018, Friday
Date by which all requirements including payment of consideration would be completed	April 24, 2018, Tuesday	May 08, 2018, Tuesday

*(\*) Identified Date is only for the purpose of determining the names of the shareholders of the Target Company to whom the Letter of Offer would be sent. All owners (registered or unregistered) of equity shares of the Target Company (except the Acquirer along with PAC) are eligible to participate in the Offer any time before the closure of the Offer.*

### RISK FACTORS

**Given below are the risks related to the transaction, proposed Offer and those associated with Acquirer along with PAC:**

**(A) Relating to Transaction:**

The Offer is made pursuant to the Preferential Allotment of Equity Shares and Warrants convertible into equal number of Equity Shares to the Acquirer which is subject to the approval of shareholders of the Target Company as per the provisions of Companies Act, 2013 and SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009. In terms of Regulation 23(1) of SEBI (SAST) Regulations, 2011, there may be an event which warrants withdrawal of the Offer. Acquirer along with PAC 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. The Offer is subject to receipt of the statutory approvals as set out in Part VII (Terms and conditions of the Offer – Statutory and Other Approvals) of this LOF. Also, the Offer is not subject to any regulatory approval.

**Relating to the Offer:**

- 1) This Offer is subject to the provisions of SEBI (SAST) Regulations, 2011, and in case of non-compliance with any of the provisions of the SEBI (SAST) Regulations, 2011, the Acquirer along with PAC shall not act upon the acquisition of equity shares under the Offer.
- 2) In the event that either (a) the regulatory approvals are not received in a timely manner; (b) there is any litigation to stay the offer; or (c) SEBI instructs Acquirer along with PAC not to proceed with the Offer, then the Offer proceeds may be delayed beyond the schedule of activities indicated in this Letter of Offer. Consequently, the payment of consideration to the public shareholders of BSLL, whose shares have been accepted in the offer as well as the return of shares not accepted by Acquirer along with PAC, may be delayed. In case of delay in receipt of any statutory approval, SEBI has the power to grant extension of time to Acquirer along with PAC for payment of consideration to the public shareholders of the Target Company who have accepted the Offer within such period, subject to Acquirer along with PAC agreeing to pay interest for the delayed period if directed by SEBI in terms of Regulation 18(11) of the SEBI (SAST) Regulations, 2011.
- 3) In the event of over-subscription to the Offer, the acceptance will be on a proportionate basis.
- 4) The tendered physical shares and the documents would be held in trust by the Registrar to the Offer until the completion of Offer formalities and the public shareholders who will tender their equity shares would not be able to trade such equity shares held in trust by the Registrar to the Offer during such period. Accordingly, Acquirer along with PAC makes no assurance with respect to any decision by the shareholders on whether or not to participate in the offer. It is understood that the public shareholders will be solely responsible for their decisions regarding their participation in this Offer.
- 5) Acquirer along with PAC and the Manager to the Offer accept no responsibility for statements made otherwise than in the Letter of Offer (LOF)/ Detailed Public Statement (DPS)/ Public Announcement (PA) and anyone placing reliance on any other sources of information (not released by Acquirer along with PAC) would be doing so at his / her / its own risk.
- 6) Shareholders should note that those who have tendered shares in acceptance of the Open Offer shall not be entitled to withdraw such acceptance.
- 7) This LOF has not been filed, registered or approved in any jurisdiction outside India. Recipients of the LOF who are resident in jurisdictions outside India should inform themselves of and comply with all applicable legal requirements. This Offer is not directed towards any person or entity in any jurisdiction or country where the same would be contrary to applicable laws or regulations or would subject the Acquirer along with PAC or the Manager to the Offer to any new or additional registration requirements.

**(B) Relating to Acquirer along with PAC**

- 1) Acquirer along with PAC make no assurance with respect to the financial performance of the Target Company and expressly disclaims any responsibility with respect to any decision by the Shareholders on whether or not to participate in the Offer.
- 2) Acquirer along with PAC make no assurance with respect to their investment/ divestment decisions relating to their proposed shareholding in the Target Company.
- 3) Acquirer along with PAC will not be responsible in any manner for any loss of equity share certificate(s) and Offer acceptance documents during transit. The public shareholders of the Target Company are advised to adequately safeguard their interest in this regard.

**The risk factors set forth above, pertain to the Offer and are not in relation to the present or future business or operations of the Target Company or any 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 BSLL are advised to consult their stockbrokers or investment consultants, if any, for analysing all the risks with respect to their participation in the Offer.**

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## 1. DEFINITIONS

S. No.	Abbreviations	Particulars
1.	Acquirer or The Acquirer	Mr. Rahul Gupta
2.	Acquirer along with PAC	Mr. Rahul Gupta along with Mr. Sameer Gupta
3.	Board of Directors / Board	The Board of Directors of Best Steel Logistics Limited
4.	Book Value per equity share	Net worth / Number of equity shares issued
5.	BSE	BSE Limited
6.	Buying Broker	Integrated Master Securities (Private) Limited
7.	Companies Act	The Companies Act, 2013, as amended from time to time
8.	Detailed Public Statement or DPS	Detailed Public Statement which appeared in the newspapers on February 05, 2018, Monday
9.	LOO or Letter of Offer or LOF	This Letter of Offer
10.	EPS	Profit after Tax / Number of Equity Shares issued
11.	Escrow Agreement	Escrow Agreement dated January 30, 2018 between Acquirer along with PAC, Escrow Agent and Manager to the Offer
12.	Escrow Bank/ Escrow Agent	Yes Bank Limited having its branch office at D-12, South Extension, Part – II, New Delhi – 110049
13.	Expanded Share Capital	Rs. 61,000,000 (Rupees Six Crores and Ten Lacs Only) representing 30,500,000 (Three Crores and Five Lacs) Equity Shares of Rs. 2 (Rupees Two Only) each
14.	FEMA	The Foreign Exchange Management Act, 1999, as amended or modified from time to time
15.	Form of Acceptance	Form of Acceptance cum Acknowledgement
16.	Manager to the Offer or, Merchant Banker	Corporate Professionals Capital Private Limited
17.	N.A.	Not Available/Not Applicable
18.	NRI	Non Resident Indian
19.	Offer or The Offer or Open Offer	Open Offer for acquisition of upto 7,956,000 Equity Shares of face value of Rs. 2/- each being 26.09% of the Expanded Share Capital of Target Company at a price of Rs. 120/- per Equity share payable in cash
20.	Offer Period	January 29, 2018, Monday to May 08, 2018, Tuesday

21.	Offer Price	Rs. 120/- (Rupees One Hundred and Twenty Only) per fully paid up Equity Share payable in cash
22.	PAT	Profit After Tax
23.	Person Acting in Concert or PAC	Mr. Sameer Gupta
24.	Persons eligible to participate in the Offer	Registered shareholders of Best Steel Logistics Limited and unregistered shareholders who own the Equity Shares of Best Steel Logistics Limited any time prior to the closure of Offer, including the beneficial owners of the shares held in dematerialised form, for the sale of shares of the Target Company.
25.	Present Paid-up Share Capital	Rs. 37,000,000 (Rupees Three Crores and Seventy Lacs Only) representing 18,500,000 (One Crores and Eighty Five Lacs) Equity Shares of Rs. 2 (Rupees Two Only) each
26.	Paid-up Share Capital Post Preferential Allotment	Rs. 51,400,000 (Rupees Five Crores and Fourteen Lacs) representing 25,700,000 (Two Crores and Fifty Seven Lacs) Equity Shares of Rs. 2 (Rupees Two Only) each.
27.	Public Announcement or PA	Public Announcement submitted to BSE as well as to SEBI on January 29, 2018, Monday
28.	Registrar or Registrar to the Offer	Bigshare Services Private Limited, an entity registered with SEBI under the SEBI (Registrar to Issue and Share Transfer Agents) Regulations, 1993, as amended or modified from time to time
29.	RBI	The Reserve Bank of India
30.	Return on Net Worth	(Profit After Tax/Net Worth) *100
31.	INR or Rs.	Indian Rupees
32.	SEBI Act	Securities and Exchange Board of India Act, 1992
33.	SEBI	Securities and Exchange Board of India
34.	SEBI (LODR) Regulations, 2015	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and subsequent amendments thereto
35.	SEBI (SAST) Regulations, 2011	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 and subsequent amendments thereto
36.	Tendering Period	April 09, 2018, Monday to April 20, 2018, Friday
37.	Target Company or BSLL	Best Steel Logistics Limited

## **2. DISCLAIMER CLAUSE**

**“IT IS TO BE DISTINCTLY UNDERSTOOD THAT FILING OF LOF WITH SEBI SHOULD NOT IN ANY WAY BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED, VETTED OR APPROVED BY SEBI. THE LOF 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 BEST STEEL LOGISTICS LIMITED TO TAKE AN INFORMED DECISION WITH REGARD TO THE OFFER. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR FINANCIAL SOUNDNESS OF ACQUIRER ALONG WITH PAC OR THE TARGET 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 ALONG WITH PAC ARE PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THIS LETTER OF OFFER, THE MERCHANT BANKER IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT ACQUIRER ALONG WITH PAC DULY DISCHARGES ITS RESPONSIBILITY ADEQUATELY. IN THIS BEHALF, AND TOWARDS THIS PURPOSE, THE MERCHANT BANKER “CORPORATE PROFESSIONALS CAPITAL PRIVATE LIMITED” HAS SUBMITTED A DUE DILIGENCE CERTIFICATE DATED FEBRUARY 09, 2018 TO SEBI IN ACCORDANCE WITH THE SEBI (SUBSTANTIAL ACQUISITION OF SHARES AND TAKEOVERS) REGULATIONS, 2011 AND SUBSEQUENT AMENDMENT(S) THEREOF. THE FILING OF THE LOF DOES NOT, HOWEVER, ABSOLVE ACQUIRER ALONG WITH PAC FROM THE REQUIREMENT OF OBTAINING SUCH A STATUTORY CLEARANCES AS MAYBE REQUIRED FOR THE PURPOSE OF THE OFFER.”**

## **3. DETAILS OF THE OFFER**

### **3.1. Background of the Offer**

- 3.1.1. This Offer is being made under Regulation 3(1) and Regulation 4 of SEBI (SAST) Regulations, 2011 for substantial acquisition of shares and control over the Target Company.
- 3.1.2. On January 29, 2018, the Board of Directors in its meeting considered and approved the preferential allotment of 7,200,000 (Seventy Two Lacs) Equity Shares to the Acquirer, pursuant to which the shareholding of Acquirer increased from 4.49% of the Pre Preferential Paid-up Share Capital to 31.25% of the Paid-up Share Capital Post Preferential, which is an increase in the shareholding of Acquirer by 26.76%, and has triggered the obligation to make open offer in terms of Regulation 3(1) of SEBI (SAST) Regulations, 2011. Besides this the Target Company has also allotted 4,300,000 (Forty Three Lacs) Warrants convertible into equal number of equity shares to the Acquirer and 500,000 (Five Lacs) Warrants convertible into equal number of equity shares to five other person under the Non-Promoter categories, who are not connected to the Acquirer or PAC within the meaning of Regulation 7(6) of the



SEBI (SAST) Regulations. The exiting promoter, Mr. Saket Agarwal has also shown his intention to the Board of Directors of the Target Company to be reclassified as Public category shareholder subject to the compliances of the provisions of Regulation 31A of SEBI (LODR) Regulations, 2015.

- 3.1.3. Pursuant to the proposed Preferential Allotment of Equity Shares and Warrants convertible into equal number of Equity Shares, the shareholding of Acquirer will increase from 830,000 (Eight Lacs and Thirty Thousand) Equity Shares representing 2.72% of the Expanded Share Capital of the Target Company to 12,330,000 (One Crore Twenty Three Lacs and Thirty Thousand) Equity Shares representing 40.43% of the Expanded Share Capital of the Target Company assuming full conversion of warrants, pursuant to which the Acquirer triggered the obligation to make an Open Offer in terms of Regulation 13(1)(g) read with Regulation 3(1) of SEBI (SAST) Regulations. Acquirer is also intending to become the Promoter of the Target Company subsequent to completion of Takeover Open Offer which triggers the requirement to make an Open Offer under Regulation 4 of SEBI (SAST) Regulations. Pursuant to triggering event, Acquirer has made this Offer to acquire upto 7,956,000 (Seventy Nine Lacs and Fifty Six Thousand) Equity Shares at a price of Rs. 120.00 (Rupees One Hundred and Twenty Only) constituting 26.09% of the Expanded Share Capital of the Target Company, payable in cash, in accordance with Regulation 9(1)(a) of the SEBI (SAST) Regulations, subject to the terms and conditions as set out in PA, this DPS and the Letter of Offer, that will be sent to the shareholders of the Target Company. Before conversion of warrants into equal number of equity shares, the shareholding of Acquirer will increase from 830,000 (Eight Lacs Thirty Thousand) Equity Shares representing 3.23% of the Paid-up Equity Shares Post Preferential Allotment of the Target Company to 8,030,000 (Eighty Lacs and Thirty Thousand) Equity Shares representing 31.25% of Paid-up Equity Shares Post Preferential Allotment of the Target Company. This Offer is not pursuant to any global acquisition resulting in an indirect acquisition of shares of the Target Company.
- 3.1.4. As on the date of PA, neither the Acquirer nor the PAC have 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, 1992.
- 3.1.5. As on the date of PA, neither the Acquirer nor the PAC are in the list of wilful defaulters of any bank, financial institution, or consortium thereof in accordance with guidelines on wilful defaulters issued by Reserve Bank of India.
- 3.1.6. Acquirer proposes himself as well as some of his representatives to be appointed on the Board of the Target Company.
- 3.1.7. The recommendation of the committee of Independent Directors as constituted by the Board of Directors of the Target Company on the Offer will be published at least two working days before the commencement of the tendering period, in the same newspapers where the DPS

was published and a copy whereof shall be sent to SEBI, BSE and Manager to the Offer and in case of a competing offer/s to the manager/s to the open offer for every competing offer.

### 3.2. Details of the proposed offer

3.2.1. In accordance with Regulations 13(1) and 14(3) of SEBI (SAST) Regulations, 2011, Acquirer along with PAC made a PA on January 29, 2018 to SEBI, BSE and TC and DPS on February 05, 2018 which was published in the following newspapers:

Publication	Editions
Business Standard (English)	All Editions
Business Standard (Hindi)	All Editions
Mumbai Lakshadeep (Marathi)	Mumbai Edition

The Detailed Public Statement is also available on the SEBI website at [www.sebi.gov.in](http://www.sebi.gov.in); BSE website at [www.bseindia.com](http://www.bseindia.com); and the website of Manager to the Offer [www.corporateprofessionals.com](http://www.corporateprofessionals.com);

3.2.2. Acquirer along with PAC have made this Takeover Open Offer in terms of SEBI (SAST) Regulations, 2011 to the shareholders of BSLL to acquire upto 7,956,000 (Seventy Nine Lacs and Fifty Six Thousand) fully paid up Equity Shares of Rs. 2/- (Rupees Two Only) each representing 26.09% of the Expanded Share Capital of the Target Company at a price of Rs. 120/- (Rupees One Hundred and Twenty Only) per fully paid up equity share ('Offer Price'), payable in cash subject to the terms and conditions set out in the PA, DPS and this Letter of Offer.

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

3.2.4. There is no differential pricing in the Offer.

3.2.5. This is not a Competitive Bid in terms of Regulation 20 of the SEBI (SAST) Regulations.

3.2.6. The Offer is not a conditional offer and is not subject to any minimum level of acceptance from the shareholders. Acquirer along with PAC will accept the Equity Shares of BSLL those are tendered in valid form in terms of this offer upto a maximum of 7,956,000 (Seventy Nine Lacs and Fifty Six Thousand) Equity Shares representing 26.09% of the Expanded Share Capital of the Target Company.

3.2.7. Acquirer along with PAC have not acquired any shares of Target Company after the date of PA i.e. January 29, 2018 and upto the date of this LoF, except for the allotment made on March 15, 2018 of 7,200,000 (Seventy Two Lacs) Equity Shares and 4,300,000 (Forty Three Lacs) warrants convertible into equal number of Equity Shares, which was the trigger event for this Open Offer.

3.2.8. The Equity Shares of the Target Company will be acquired by Acquirer along with PAC free from all liens, charges and encumbrances together with all rights attached thereto, including the right to all dividends, bonus and rights offer declared hereafter.

3.2.9. As on the date of LoF, Acquirer holds 8,030,000 (Eighty Lacs and Thirty Thousand) Equity Shares representing 31.25% of the Paid-up Share Capital Post Preferential Allotment of the

Target Company and 26.33% of the Expanded Share Capital, assuming full conversion of warrants. Other than the shares held by the Acquirer, Acquirer along with PAC does not hold any other interest in the Target Company. SEBI may initiate appropriate action against the Acquirer in terms of the Regulations and provisions of the SEBI Act for non-compliance, if any, of Chapter V of SEBI (SAST) Regulations, 2011.

3.2.10. Upon completion of the Offer, assuming full acceptances in the Offer and conversion of warrants into equal number of Equity Shares, Acquirer along with PAC will hold 20,286,000 (Two Crores Two Lacs and Eighty Six Thousand) Equity Shares representing 66.51% of the Expanded Share Capital of the Target Company as on the tenth working day after the closure of the Tendering Period. Before conversion of warrants into equal number of equity shares, but assuming full acceptances in the Offer the Acquirer along with PAC will hold 15,986,000 (One Crore Fifty Nine Lacs and Eighty Six Thousand) Equity Shares representing 62.20% of the Paid-up Share Capital Post Preferential Allotment of the Target Company. Pursuant to this Open Offer, the public shareholding in the Target Company will not reduce below the Minimum Public Shareholding required as per the Securities Contracts (Regulation) Rules, 1957 as amended and the Listing Agreement. The exiting promoter, Mr. Saket Agarwal has also shown his intention to the Board of Directors of the Target Company to be reclassified as Public category shareholder subject to the compliances of the provisions of Regulation 31A of SEBI (LODR) Regulations, 2015.

3.2.11. The Manager to the Offer, Corporate Professionals Capital Private Limited does not hold any Equity Shares in the Target Company as at the date of DPS and this LoF. The Manager to the Offer further declares and undertakes that it will not deal on its own account in the Equity Shares of the Target Company during the Offer Period.

### **3.3. Object of the Acquisition/ Offer**

3.3.1. On January 29, 2018, the Board of Directors in its meeting considered and approved the Preferential Allotment of 7,200,000 (Seventy Two Lacs) Equity Shares and 4,300,000 (Forty Three Lacs) Warrants convertible into equal number of equity shares to the Acquirer, pursuant to which the shareholding of Acquirer increased from 4.49% of the Pre Preferential Paid-up Share Capital to 31.25% of the Paid-up Share Capital Post Preferential, which is an increase in the shareholding of Acquirer by 26.76%, and has triggered the obligation to make open offer in terms of Regulation 3(1) of SEBI (SAST) Regulations, 2011. Besides this the Target Company has also allotted 4,300,000 (Forty Three Lacs) Warrants convertible into equal number of equity shares to the Acquirer and 500,000 (Five Lacs) Warrants convertible into equal number of equity shares were allotted to five other person under the Non-Promoter categories, who are not connected to the Acquirer or PAC within the meaning of Regulation 7(6) of the SEBI (SAST) Regulations. Pursuant to the proposed preferential allotment, the shareholding of Acquirer will increase from 830,000 (Eight Lacs and Thirty Thousand) Equity Shares representing 2.72% of the Expanded Share Capital of the Target Company to

12,330,000 (One Crore Twenty Three Lacs and Thirty Thousand) Equity Shares representing 40.43% of the Expanded Share Capital of the Target Company assuming full conversion of warrants, pursuant to which the Acquirer triggered the obligation to make an Open Offer in terms of Regulation 13(1)(g) read with Regulation 3(1) of SEBI (SAST) Regulations. Acquirer is also intending to become the Promoter of the Target Company in compliance of SEBI (SAST) Regulations, 2011 of Takeover Open Offer which triggers the requirement to make an Open Offer under Regulation 4 of SEBI (SAST) Regulations, 2011. Pursuant to triggering event, Acquirer has made this Offer to acquire upto 7,956,000 (Seventy Nine Lacs and Fifty Six Thousand) Equity Shares at a price of Rs. 120.00 (Rupees One Hundred and Twenty Only) constituting 26.09% of the Expanded Share Capital of the Target Company, payable in cash, in accordance with Regulation 9(1)(a) of the SEBI (SAST) Regulations, subject to the terms and conditions as set out in PA, this DPS and the Letter of Offer, that will be sent to the shareholders of the Target Company. Before conversion of warrants into equal number of equity shares, the shareholding of Acquirer will increase from 830,000 (Eight Lacs Thirty Thousand) Equity Shares representing 3.23% of the Paid-up Share Capital Post Preferential of the Target Company to 8,030,000 (Eighty Lacs and Thirty Thousand) Equity Shares representing 31.25% of Paid-up Share Capital Post Preferential of the Target Company.

3.3.2. This Open Offer is for acquisition of 26.0% of the Expanded Share Capital of the Target Company. Mr. Saket Agarwal, the existing promoter of the Target Company has intended to reclassify himself from 'Promoter Group' category to 'Public' category subject to the compliances of Regulation 31A of SEBI (LODR) Regulations, 2015. After the completion of this Open Offer and pursuant to allotment of equity shares and conversion of warrants into Equity Shares, the Acquirer will become the single largest Equity Shareholder, by virtue of which he would try to exercise control over the management and affairs of Target Company.

3.3.3. The Acquirer is a budding entrepreneur having an experience in Steel Tubes Manufacturing business with an in-depth knowledge of steel industry and its work flow, accordingly, the Acquirer found this listed company as a good business opportunity on valuation terms. Acquirer would carry the business of Steel Tubes Manufacturing in the Target Company and would expand the existing line of business by exploring the new markets for the Target Company in long run and may infuse new business line. PAC is acting in concert with Acquirer for the financial assistance for the Takeover Open Offer.

#### **4. BACKGROUND OF ACQUIRER ALONG WITH PAC**

##### **4.1. MR. RAHUL GUPTA ('ACQUIRER')**

4.1.1. Mr. Rahul Gupta ('Acquirer') S/o Shri Sanjay Gupta R/o 106, Hargobind Enclave, Vikas Marg, Delhi – 110092, India, Ph. No.: +91-9810086439; Email: [rahulgupta@aplapollo.com](mailto:rahulgupta@aplapollo.com). Acquirer has done B.Com (Hons) from Delhi University and executive courses in the field of Management from reputed B-Schools like London School of Economics, Indian Institute of Management, Ahmedabad (IIMA). He has worked in Operational Management in steel tubes

manufacturing plant wherein he handled marketing and OEM Sales of Steel Tubes. He is a budding entrepreneur with an experience of around 3 years in steel tubes manufacturing business. He has been awarded with Young Achiever Award for Organisation Building in Global HR Summit 2017.

4.1.2. The Net Worth of Acquirer as on January 25, 2018 is Rs. 232,210,186 (Rupees Twenty Three Crores Twenty Two Lacs Ten Thousand One Hundred and Eighty Six) as certified by Mr. P.K. Jain (Membership No.: 082515), Partner of M/s. VAPS & Co., Chartered Accountants having office at C-42, South Extension, Part – II, New Delhi – 110049; Tel. No.: +91-11-41645051, Fax. No.: +91-11-41644896; Email ID: [vapscompany@gmail.com](mailto:vapscompany@gmail.com) vide its certificate dated January 29, 2018.

4.1.3. The details of the Companies/ Firms where Acquirer is Director/ Whole Time Director/ Partner are as follows:

Name of the Company/ Firm	Designation/ Status (whether director/ whole time director/ M.D. / Partner/ Proprietor etc.)	Listed At
APL Infrastructure Private Limited	Director	NA
Blue Ocean Projects Private Limited	Director	NA
Greenera Farm Villas Private Limited	Additional Director	NA
<b>Companies/ Firms Promoted/ Controlling Stake by Acquirer:</b>		
Name of the Company/ Firm	Listed At	
NA		

*Acquirer does not hold the position of Whole Time Director in any of the above mentioned Companies.*

#### **4.2. MR. SAMEER GUPTA ('PAC')**

4.2.1. Mr. Sameer Gupta ('PAC') S/o Late Shri Sudesh Kumar Gupta R/o 106, Hargovind Enclave, Vikas Marg, Delhi – 110092, Ph. No.: +91-9810280937; Email ID: [sameergupta@aplapollo.com](mailto:sameergupta@aplapollo.com). PAC has done B.Com (Hons) from Delhi University and joined the family business in year 2000. Since, then he is involved in the matters dealing with PVC pipes and holds an experience of more than 15 years in that business. He is the Promoter and Managing Director of Apollo Pipes Limited, a company listed at BSE.

4.2.2. The Net worth of PAC as on January 25, 2018 is Rs. 1,775,988,006 (Rupees One Hundred Seventy Seven Crores Fifty Nine Lacs Eighty Eight Thousand and Six Only) as certified by Mr. P.K. Jain (Membership No.: 082515) Partner of M/s. VAPS & Co., Chartered Accountants having office at C-42, South Extension, Part – II, New Delhi – 110049; Tel. No.: +91-11-41645051, +91-11-41644896; Email ID: [vapscompany@gmail.com](mailto:vapscompany@gmail.com) vide certificate dated January 29, 2018.

4.2.3. The details of the Companies/ Firms where PAC is Director/ Whole Time Director/ Partner are as follows:

Name of the Company/ Firm	Designation/ Status (whether director/ whole time director/ M.D. / Partner/ Proprietor etc.)	Listed At
Apollo Pipes Limited	Managing Director	BSE
APL Infrastructure Private Limited	Director	NA
Companies/ Firms Promoted/ Controlling Stake by PAC:		
Name of the Company/ Firm		Listed At
Apollo Pipes Limited		BSE

*PAC is Whole Time Director in Apollo Pipes Limited, but does not hold the position of Whole Time Director in APL Infrastructure Private Limited.*

4.3. Acquirer is the nephew of PAC.

#### 5. BACKGROUND OF THE TARGET COMPANY – BEST STEEL LOGISTICS LIMITED ('BSLL')

5.1. BSLL (CIN: L74900DL1983PLC014972) was incorporated as a public limited company on January 12, 1983 under the provisions of Companies Act, 1956 with the name and style of 'Potential Investments and Finance Limited'. The Certificate for Commencement of Business was issued by the Registrar of Companies, NCT of Delhi & Haryana on February 25, 1983. The registered office of the Target Company is situated at L-506, Agrasen Apartments, Plot No. 66, I.P. Extension, Delhi – 110092 and the corporate office of the Target Company is situated at Shop No. 29, Sudesh Square, Plot No. 92, Prakash Industrial Estate, Sahibabad, Ghaziabad – 201005, Uttar Pradesh. The Target Company was engaged in the business of buying the material from various manufacturers like SAIL, APL Apollo, Rathi, Supreme and other manufacturers and then selling and distributing the material to various consumers like real estate developers, capital goods manufacturers, scrap holding manufacturers, etc. On January 21, 2016, Mr. Saket Agarwal, the existing promoter acquired the Target Company by way of open offer in terms of SEBI (SAST) Regulations and then on September 06, 2016, the name of the Target Company was changed from 'Potential Investments and Finance Limited' to 'Best Steel Logistics Limited'. With the change of name of the Target Company and for the purpose of expansion and performance improvement, the Target Company in Financial Year 2016-17 inserted one more business of Warehousing and Logistics as its main business in the Object clause. Presently, the major areas of operation of the Target Company are Warehousing and Logistics Business along with Trading Activity.

5.2. Share capital structure of the Target Company as on the date of draft LoF is as follows-

Paid up Equity Shares of Target Company	No. of Shares/voting rights	% of voting rights
Fully paid up equity shares	18,500,000 Equity Shares of Rs. 2 each	100.00

Partly paid up equity shares	Nil	Nil
Total paid up equity shares	18,500,000 Equity Shares of Rs. 2 each	100.00
Total voting rights in TC	18,500,000 Equity Shares of Rs. 2 each	100.00

- 5.3. The equity shares of Target Company are listed and traded on BSE and are frequently traded within the meaning of definition of 'frequently traded shares' under clause (j) of Sub-Regulation (1) of Regulation (2) of the SEBI (SAST) Regulations as on the date of PA.
- 5.4. The authorized share capital of the Target Company is Rs. 40,000,000 (Rupees Four Crores Only) representing 20,000,000 (Two Crores) Equity Shares of Rs. 2/- (Rupees Two Only) each. In the Board meeting held on January 29, 2018, the Board of the Target Company has considered and approved the decision to increase its authorized share capital of the Target Company to Rs. 65,000,000 (Rupees Six Crores and Fifty Lacs Only) representing 32,500,000 (Three Crores and Twenty Five Lacs) Equity Shares of Rs. 2 (Rupees Two Only) each. The issued, subscribed and the present paid-up equity shares capital of the Target Company is Rs. 37,000,000 (Rupees Three Crores and Seventy Lacs Only) representing 18,500,000 (One Crore and Eighty Five Lacs) Equity Shares of Rs. 2/- (Rupees Two Only) each.
- 5.5. Presently, there are currently no outstanding partly paid up shares.
- 5.6. The equity shares of the Target Company are not currently suspended for trading on any Stock Exchange.
- 5.7. As on the date of this draft LoF, the composition of the Board of Directors of BSLL is as under:

S. No.	Name and Address of Director	Designation	Date of Appointment
1.	Mr. Bharat Bhushan Sahny <b>DIN:</b> 00014334 <b>Address:</b> B-22, Dayanand Colony, Lajpat Nagar – 4, New Delhi – 110024	Director	28/02/2014
2.	Ms. Gunjan Agarwal <b>DIN:</b> 00202902 <b>Address:</b> L-506, Aggarsain Apartments, I.P. Extension, Patpar Ganj, Delhi – 110092	Director	18/01/2017
3.	Mr. Saket Agarwal <b>Address:</b> L-506, Aggarsain Apartments, I.P. Extension, Patpar Ganj, Delhi – 110092	Director	28/05/2016
4.	Mr. Rajeev Kohli <b>Address:</b> 9/2879, Main Road, Gali Gurudwara, Gandhi Nagar, Delhi – 110031	Director	22/12/2015

- 5.8. There has been no merger/de-merger, spin off during last 3 years involving the Target Company.

- 5.9. The financial information of Target Company based on the audited standalone financial statements for the financial year ended March 31, 2015, March 31, 2016 and March 31, 2017 and for the half year ended September 30, 2017 are as follows:

(Rs. In Lacs)

<b>Profit &amp; Loss Statement</b>	<b>Year Ended 31.03.2015 (Audited)</b>	<b>Year Ended 31.03.2016 (Audited)</b>	<b>Year Ended 31.03.2017 (Audited)</b>	<b>Half year ended 30.09.2017 (Un-audited)</b>
Income from Operations	6,018.25	1,669.08	6,124.44	1,5125.25
Other Income	74.29	83.13	66.37	3.34
Increase/ (Decrease) in Stock	-	-	-	-
<b>Total Income</b>	<b>6,092.54</b>	<b>1,752.21</b>	<b>6,190.81</b>	<b>15,128.59</b>
<b>Total Expenditure (Excluding Depreciation and Interest)</b>	<b>5,955.51</b>	<b>1,649.57</b>	<b>5,960.07</b>	<b>14,062.70</b>
Profit Before Depreciation, Interest and Tax	137.03	102.63	403.16	920.89
Depreciation	0.88	0.39	8.16	9.12
Interest	126.82	98.99	172.42	131.14
<b>Profit/ (Loss) Before Tax</b>	<b>9.33</b>	<b>3.25</b>	<b>222.58</b>	<b>780.63</b>
Provision for Tax	(17.18)	4.10	81.47	349.23
<b>Profit/ (Loss) After Tax</b>	<b>26.51</b>	<b>(0.85)</b>	<b>141.11</b>	<b>431.40</b>

<b>Balance Sheet Statement</b>	<b>Year Ended 31.03.2015 (Audited)</b>	<b>Year Ended 31.03.2016 (Audited)</b>	<b>Year Ended 31.03.2017 (Audited)</b>	<b>Half year ended 30.09.2017 (Un-audited)</b>
<b>Sources of funds</b>				
Paid up share capital	370.00	370.00	370.00	370.00
Reserves and Surplus (Excl. Revaluation Reserve)	(53.08)	(53.93)	87.17	507.09
Secured loans	747.61	1,092.47	3,176.25	3,052.5
Unsecured loans	-	-	-	-
Deferred Tax Liability (Net)	(0.04)	(0.04)	14.16	13.35
<b>Total</b>	<b>1,064.49</b>	<b>1,408.46</b>	<b>3,647.58</b>	<b>3,942.94</b>
<b>Uses of funds</b>				
Net fixed assets	0.89	1,502.19	2,571.02	2,949.60
Investments	2.02	-	-	-
Net Current Assets	1,061.58	(93.70)	1,076.56	999.34



Total miscellaneous expenditure not written off	-	-	-	-
<b>Total</b>	<b>1,064.49</b>	<b>1,408.49</b>	<b>3,647.58</b>	<b>3,942.94</b>
<b>Other Financial Data</b>	<b>Year Ended 31.03.2015 (Audited)</b>	<b>Year Ended 31.03.2016 (Audited)</b>	<b>Year Ended 31.03.2017 (Audited)</b>	<b>Half year ended 30.09.2017 (Un-audited)</b>
Dividend (%)	-	-	-	-
Earnings Per Share (Rs.)	0.14	(0.004)	0.76	2.33
Networth (Rs. In Lacs)	316.92	316.07	457.17	877.09
Return on Networth (%)	0.08	(0.002)	0.31	0.49
Book Value Per Equity Share (Rs.)	1.71	1.71	2.47	4.74

As certified by Mr. Vipin Aggarwal (Membership No.: 082498) Partner of M/s. VAPS & Co., Chartered Accountants having office at C-42, South Extension, Part – II, New Delhi – 110049, Tel. No.: +91-11-41645051, +91-11-41644896; Email ID: [vapscompany@gmail.com](mailto:vapscompany@gmail.com); vide certificate dated January 29, 2018.

**5.10.** Pre and Post- Offer shareholding pattern of the Target Company as on the date of draft LoF is as follows:

**On the basis of Paid-up Share Capital Post Preferential**

Sr. No.	Shareholder Category	Shareholding & voting rights prior to the Agreement/ acquisition and Offer (A)		Shares/voting rights agreed to be 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 i.e. (A+B+C)	
		No.	%	No.	%	No.	%	No.	%
<b>1.</b>	<b>Promoter Group</b>								
	a. Parties to agreement, if any	Nil	NA	Nil	NA	Nil	NA	Nil	NA
	b. Promoters other than (a) above	6,800,910	36.76*	Nil	NA	Nil	NA	Nil	NA
	<b>Total 1 (a+b)</b>	<b>6,800,910</b>	<b>36.76*</b>	<b>Nil</b>	<b>NA</b>	<b>Nil</b>	<b>NA</b>	<b>Nil</b>	<b>NA</b>
<b>2.</b>	<b>Acquirer</b>								
	Mr. Rahul Gupta	830,000	4.49*	7,200,000	28.02#	7,956,000	30.96#	15,986,000	62.20#

	Mr. Sameer Gupta	Nil	NA	Nil	NA	Nil	NA	Nil	NA
	<b>Total 2</b>	<b>830,000</b>	<b>4.49*</b>	<b>7,200,000</b>	<b>28.02#</b>	<b>7,956,000</b>	<b>30.96#</b>	<b>15,986,000</b>	<b>62.20#</b>
3.	Parties to the agreement other than 1(a) & 2	Nil	NA	Nil	NA	Nil	NA	Nil	NA
4.	<b>Public</b>								
a.	FIs / MFs / FIIIs / Banks, SFIs	Nil	NA	Nil	NA	Nil	NA	Nil	NA
b.	Others	10,869,090	58.75*	Nil	NA	(7,956,000)	(30.96)#	9,714,000	37.80#
	<b>Total (4)(a+b)</b>	<b>10,869,090</b>	<b>58.75*</b>	<b>Nil</b>	<b>NA</b>	<b>(7,956,000)</b>	<b>(30.96)#</b>	<b>9,714,000</b>	<b>37.80#</b>
	<b>Total (1+2+3+4)</b>	<b>18,500,000</b>	<b>100.00</b>	<b>7,200,000</b>	<b>28.02#</b>	<b>Nil</b>	<b>NA</b>	<b>25,700,000</b>	<b>100.00</b>

(\*) These percentages have been calculated on the basis of present paid-up share capital of the Target Company i.e. 18,500,000 (One Crore and Eighty Five Lacs) Equity Shares of Rs. 2 (Rupees Two Only) each.

(#) These percentages have been calculated on the basis of Paid-up Share Capital Post Preferential Allotment of the Target Company i.e. 25,700,000 (Two Crores and Fifty Seven Lacs) Equity Shares of Rs. 2 (Rupees Two Only) each.

Note: The exiting promoter, Mr. Saket Agarwal has also shown his intention to the Board of Directors of the Target Company to be reclassified as Public category shareholder subject to the compliances of the provisions of Regulation 31A of SEBI (LODR) Regulations, 2015.

#### On the basis of Expanded Share Capital

Sr. No.	Shareholder Category	Shareholding & voting rights prior to the Agreement/ acquisition and Offer (A)		Shares/voting rights agreed to be 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 i.e. (A+B+C)	
		No.	%	No.	%	No.	%	No.	%
1.	<b>Promoter Group</b>								
	a. Parties to agreement, if any	Nil	NA	Nil	NA	Nil	NA	Nil	NA
	b. Promoters other than (a) above	6,800,910	36.76*	Nil	NA	Nil	NA	Nil	NA
	<b>Total 1 (a+b)</b>	<b>6,800,910</b>	<b>36.76*</b>	<b>Nil</b>	<b>NA</b>	<b>Nil</b>	<b>NA</b>	<b>Nil</b>	<b>NA</b>
2.	<b>Acquirer</b>								
	Mr. Rahul Gupta	830,000	4.49*	11,500,000**	37.70#	7,956,000	26.09#	20,286,000	66.51#

	Mr. Sameer Gupta	Nil	NA	Nil	NA	Nil	NA	Nil	NA
	<b>Total 2</b>	<b>830,000</b>	<b>4.49*</b>	<b>11,500,000**</b>	<b>37.70#</b>	<b>7,956,000</b>	<b>26.09#</b>	<b>20,286,000</b>	<b>66.51#</b>
3.	Parties to the agreement other than 1(a) & 2	Nil	NA	Nil	NA	Nil	NA	Nil	NA
<b>4.</b>	<b>Public</b>								
a.	FIs / MFs / FIIIs / Banks, SFIs	Nil	NA	Nil	NA	Nil	NA	Nil	NA
b.	Others	10,869,090	58.75*	Nil	NA	(7,956,000)	(26.09)#	10,214,000	33.49#
	<b>Total (4)(a+b)</b>	<b>10,869,090</b>	<b>58.75*</b>	<b>Nil</b>	<b>NA</b>	<b>(7,956,000)</b>	<b>(26.09)#</b>	<b>10,214,000</b>	<b>33.49#</b>
	<b>Total (1+2+3+4)</b>	<b>18,500,000</b>	<b>100.00</b>	<b>11,500,000**</b>	<b>37.70#</b>	<b>Nil</b>	<b>NA</b>	<b>30,500,000</b>	<b>100.00</b>

(\*) These percentages have been calculated on the basis of present paid-up share capital of the Target Company i.e. 18,500,000 (One Crore and Eighty Five Lacs) Equity Shares of Rs. 2 (Rupees Two Only) each.

(#) These percentages have been calculated on the basis of Expanded Share Capital of the Target Company i.e. 30,500,000 (Three Crores and Five Lacs) Equity Shares of Rs. 2 (Rupees Two Only) each.

(\*\*) These shares also include Equity Shares which will be allotted on conversion of 4,300,000 warrants to Acquirer.

(\*\*\*) These shares also include the 500,000 Warrants which are convertible into equal number of Equity Shares, allotted to persons belonging to non-promoter category and not related to Acquirer.

Note: The exiting promoter, Mr. Saket Agarwal has also shown his intention to the Board of Directors of the Target Company to be reclassified as Public category shareholder subject to the compliances of the provisions of Regulation 31A of SEBI (LODR) Regulations, 2015.

## 6. OFFER PRICE AND FINANCIAL ARRANGEMENTS

### 6.1. Justification of Offer Price

6.1.1. The Offer is made pursuant to the Preferential Allotment of Equity Shares and Warrants convertible into equal number of Equity Shares to Acquirer. This Offer is not pursuant to any global acquisition resulting in an indirect acquisition of shares of the Target Company.

6.1.2. The Equity Shares of the Target Company are listed and traded on BSE. The annualized trading turnover in the Equity Shares of the Target Company based on trading volume during the twelve calendar months prior to the month of PA (January, 2017 to December, 2017) is as given below:

Stock Exchange	Total No. of equity shares traded during the Twelve calendar months prior to the month of PA	Total No. of Equity Shares	Annualised Trading Turnover (as % of Total Equity Shares)
BSE	16,212,057	18,500,000	87.63

<b>Total</b>	<b>16,212,057</b>	<b>18,500,000</b>	<b>87.63</b>
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(Source: [www.bseindia.com](http://www.bseindia.com))

- 6.1.3. The equity shares of the Target Company are listed and traded on BSE and are frequently traded within the meaning of definition of 'frequently traded shares' under clause (j) of Sub-Regulation (1) of Regulation 2 of the SEBI (SAST) Regulations).
- 6.1.4. The Offer Price of Rs. 120.00/- (Rupees One Hundred and Twenty Only) is justified, in terms of Regulation 8(2) of the SEBI (SAST) Regulations, being the highest of the following:

<b>S. No.</b>	<b>Particulars</b>	<b>Price</b>
(a)	The price at which the Preferential Allotment as determined in terms of Regulations 76 of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 of equity shares and allotment of Warrants convertible into equal number of equity shares are proposed to be allotted to the Acquirer as approved by the Board of Directors in the meeting held on January 29, 2018	Rs. 120.00
(b)	The volume-weighted average price paid or payable for acquisition by the Acquirer along with PAC during 52 weeks immediately preceding the date of PA	Not Applicable
(c)	The highest price paid or payable for any acquisition by the Acquirer along with PAC during 26 weeks immediately preceding the date of the 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	Rs. 110.60

In view of the parameters considered and presented in table above, in the opinion of the Acquirer along with PAC and Manager to the Offer, the Offer Price of Rs. 120/- (Rupees One Hundred and Twenty Only) per share is justified in terms of Regulation 8 of the SEBI (SAST) Regulations.

- 6.1.5. There have been no corporate actions in the Target Company warranting adjustment of relevant price parameters under Regulation 8(9) of the SEBI (SAST) Regulations.
- 6.1.6. In the event of further acquisition of Equity Shares of the Target Company by the Acquirer along with PAC during the Offer Period, whether by subscription or purchase, at a price higher than the Offer Price, then the Offer Price will be revised upwards to be equal to or more than the highest price paid for such acquisition in terms of Regulation 8(8) of the SEBI (SAST) Regulations. However, it shall not be acquiring any equity shares of the Target Company after

the third working day prior to the commencement of the tendering period and until the expiry of the tendering period.

- 6.1.7. If the Acquirer along with PAC acquires equity shares of the Target Company during the period of twenty-six weeks after the tendering period at a price higher than the Offer Price, then the Acquirer along with PAC shall pay the difference between the highest acquisition price and the Offer Price, to all shareholders whose shares have been accepted in Offer within sixty days from the date of such acquisition. However, no such difference shall be paid in the event that such acquisition is made under an open offer under the SEBI (SAST) Regulations, or pursuant to SEBI (Delisting of Equity Shares) Regulations, 2009, or open market purchases made in the ordinary course on the stock exchanges, not being negotiated acquisition of shares of the Target Company in any form.
- 6.1.8. As on date, there is no revision in Open Offer Price or Open Offer Size. In case of any revision in the Open Offer Price or Open Offer Size, Acquirer along with PAC shall comply with Regulation 18 of SEBI (SAST) Regulations and all the provisions of SEBI (SAST) Regulations which are required to be fulfilled for the said revision in the Open Offer Price or Open Offer Size.
- 6.1.9. If there is any revision in the offer price on account of future purchases / competing offers, it will be done only up to the period prior to three (3) working days before the date of commencement of the tendering period and would be notified to the shareholders.

## **6.2. Financial Arrangement**

- 6.2.1. The total fund requirement for the Offer (assuming full acceptances) i.e. for the acquisition upto 7,956,000 (Seventy Nine Lacs and Fifty Six Lacs) Equity Shares from the public shareholders of the Target Company at an Offer Price of Rs. 120.00/- (Rupees One Hundred and Twenty Only) per fully paid up equity share is Rs. 954,720,000 (Rupees Ninety Five Crores Forty Seven Lacs and Twenty Thousand Only) (the '**Maximum Consideration**').
- 6.2.2. Acquirer along with PAC have adequate resources and made firm financial arrangements for financing the acquisition of the Equity Shares under the Offer in terms of Regulation 25(1) of the SEBI (SAST) Regulations. The acquisition will be financed through internal resources of Acquirer along with PAC.
- 6.2.3. Acquirer along with PAC, the Manager to the Offer and Yes Bank Limited, a company incorporated under the Companies Act, 1956, and carrying on business as a banking company under Banking Regulations Act, 1949 having one of its branch offices at D-12, South Extension Part – II, New Delhi – 110049, have entered into an Escrow Agreement dated January 30, 2018 for the purpose of the Offer (the '**Offer Escrow Agreement**') in accordance with Regulation 17 of the SEBI (SAST) Regulations. In terms of the Escrow Agreement dated January 30, 2018 for the purpose of the Offer (the "Offer Escrow Agreement") and in accordance with Regulation 17 of the SEBI (SAST) Regulations, the Acquirer along with PAC has deposited cash of Rs. 9,547,200 (Rupees Ninety Five Lacs Forty Seven Thousand and

Two Hundred Only) (**'Security Deposit'**) being 1% of the Maximum Consideration in an Escrow Account bearing name and style as '**CPCPL-BSLL-OPEN OFFER ESCROW ACCOUNT**', (the '**Escrow Account**') opened with YES Bank Limited.

- 6.2.4. The Acquirer along with PAC has furnished a Bank Guarantee of an amount of Rs. 238,680,000 (Rupees Twenty Three Crores Eighty Six Lacs and Eighty Thousand Only) issued by YES Bank Limited, a Banking Company registered under Companies Act, 1956 and having its registered office at Nehru Centre, 9<sup>th</sup> Floor, Discovery of India Bldg., Dr. Annie Besant Road, Worli, Mumbai – 400018 and one of its branch offices at D-12, South Extension – II, New Delhi – 110049 in favor of Manager to the Offer (**'Bank Guarantee'**) being equal to 25% of the Maximum Consideration. The Manager to the Offer has been duly authorized to realize the value of aforesaid Bank Guarantee in terms of the regulations. The Bank Guarantee is valid upto 30 days after the closure of offer or May 30, 2018, whichever is later.
- 6.2.5. The Acquirer along with PAC has authorized the Manager to the Offer to realize the value of the Escrow Account and Bank Guarantee in terms of the SEBI (SAST) Regulations, 2011.
- 6.2.6. Mr. P.K. Jain (Membership No.: 082515) Partner of M/s. VAPS & Co., Chartered Accountants having office at C-42, South Extension, Part-II, New Delhi – 110049; Tel. No.: +91-11-41645051; Fax: +91-11-41644896; Email ID: [vapscompany@gmail.com](mailto:vapscompany@gmail.com); vide certificate dated January 29, 2018 certified that the Acquirer along with PAC have sufficient resources to meet the fund requirement for the Takeover of Target Company.
- 6.2.7. Based on the above and in the light of the escrow arrangement, the Manager to the Offer is satisfied that firm arrangements have been put in place by Acquirer along with PAC to fulfill their obligations through verifiable means in relation to the Offer in accordance with the Regulations.

## **7. TERMS AND CONDITIONS OF THE OFFER**

### **7.1. Operational terms and conditions**

- 7.1.1. The Offer is not subject to any minimum level of acceptances from shareholders.
- 7.1.2. LoF will be dispatched to all the equity shareholders of BSLL, whose names appear in its Register of Members on March 22, 2018, Thursday, the Identified Date.
- 7.1.3. The Offer is subject to the terms and conditions set out in this Letter of Offer, the Form of Acceptance, the PA, the DPS and any other Public Announcements that may be issued with respect to the Offer.
- 7.1.4. The LoF along with the Form of Acceptance cum acknowledgement would also be available at SEBI's website, [www.sebi.gov.in](http://www.sebi.gov.in), and shareholders can also apply by downloading such forms from the website.
- 7.1.5. This Offer is subject to the receipt of the statutory and other approvals as mentioned in paragraph 7.4 of this draft LOF. In terms of Regulation 23(1) of the Regulations, if the statutory approvals are refused, the Offer would stand withdrawn.

- 7.1.6. While it would be ensured that the Letter of Offer is despatched by the due date to all the eligible shareholders as on the Identified Date, non-receipt of this Letter of Offer by any member entitled to this Open Offer shall not invalidate the Open Offer in any manner whatsoever.
- 7.1.7. The acceptance of the Offer must be unconditional and should be on the enclosed Form of Acceptance and sent along with the other documents duly filled in and signed by the applicant shareholder(s).
- 7.1.8. Any equity shares that are subject matter of litigation or are held in abeyance due to pending court cases/attachment orders/ restriction from other statutory authorities wherein the shareholder may be precluded from transferring the equity shares during pendency of the said litigation are liable to be rejected if directions/orders regarding these equity shares are not received together with the equity shares tendered under the Offer.
- 7.2. Locked in shares:** There are no lock-in shares in the Target Company. The pre-preferential shareholding of Acquirer will be under lock-in in terms of Regulation 78(6) of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009. Post to the allotment, the lock-in provisions of Regulation 78 of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 would be applicable on the allottees.

### **7.3. Persons eligible to participate in the Offer**

Registered shareholders of BSSL and unregistered shareholders who own the Equity Shares of BSSL any time prior to the Closure of Offer, including the beneficial owners of the shares held in dematerialised form, except the Acquirer along with PAC, for the sale of shares of the Target Company.

### **7.4. Statutory and other Approvals:**

- 7.4.1. Shareholder of the Target Company who are either Non-Resident Indians ('NRIs') or Overseas Corporate Bodies ('OCBs') and wish to tender their Equity Shares in this Open Offer shall be required to submit all the applicable approvals (specific and general) from the Reserve Bank of India ('RBI') that they have obtained at the time of their acquisition of the Equity Shares of the Target Company. In the event such approvals from the RBI are not submitted, the Acquirer along with PAC reserve the sole right to reject the Equity Shares tendered by such shareholders in the Open Offer. This Open Offer is subject to receipt of the requisite RBI approvals, if any, for acquisition of Equity Shares by the Acquirer along with PAC from NRIs and OCBs.
- 7.4.2. As of the date of this LOO, there are no statutory approvals required to acquire the equity shares tendered pursuant to this Open Offer. If any statutory approvals become applicable, the Open Offer would be subject to the receipt of such statutory approvals. Acquirer along with PAC will not proceed with the Open Offer in the event such statutory approvals that are required are refused in terms of Regulation 23 of SEBI (SAST) Regulations. This Open Offer

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

- 7.4.3. No approval from any bank or financial institutions is required for the purpose of this Offer.
- 7.4.4. In case of delay in receipt of any statutory approval(s), SEBI has the power to grant extension of time to Acquirer along with PAC for payment of consideration to the public shareholders of the Target Company who have accepted the Offer within such period, subject to the Acquirer along with PAC agreeing to pay interest for the delayed period if directed by SEBI in terms of Regulation 18(11) of the SEBI (SAST) Regulations.
- 7.4.5. Acquirer along with PAC shall complete all procedures relating to the Open Offer including payment of consideration to the shareholders whose shares are accepted in the open offer within 10 working days from the last date of the tendering period.

## **8. PROCEDURE FOR ACCEPTANCE AND SETTLEMENT**

- 8.1. The Open Offer will be implemented by the Acquirer along with PAC through Stock Exchange Mechanism made available by the Stock Exchanges in the form of separate window (**'Acquisition Window'**) as provided under the SEBI (SAST) Regulations and SEBI circular CIR/CFD/POLICY/CELL/1/2015 dated April 13, 2015 issued by SEBI as amended via SEBI circular dated December 09, 2016.
- 8.2. BSE shall be the Designated Stock Exchange for the purpose of tendering Equity Shares in the Open Offer.
- 8.3. The facility for acquisition of shares through Stock Exchange Mechanism pursuant to the Offer shall be available on the BSE in the form of a separate window (**'Acquisition Window'**).
- 8.4. Acquirer along with PAC have appointed **Integrated Master Securities (Private) Limited ('Buying Broker')** for the Open Offer through whom the purchases and settlement of Open Offer shall be made during the Tendering Period. The Contact details of the Buying Broker are as mentioned below:  
**Name:** Integrated Master Securities (Private) Limited;  
**CIN:** U74899DL1995PTC070418;  
**SEBI Registration Number:** INB010838332;  
**Communication Address:** 303, New Delhi House, 27, Barakhama Road, New Delhi – 110001;  
**Contact Person:** Ms. Pooja Chhabra;  
**Tel. No.:** +91-11-43074317;  
**Fax. No.:** +91-11-43074315;  
**Email ID:** [ceo@integratedmaster.com](mailto:ceo@integratedmaster.com)
- 8.5. Shareholders who desire to tender their Shares under the Open Offer would have to approach their respective stock brokers (**"Selling Broker"**), during the normal trading hours of the secondary market during the Tendering Period.
- 8.6. Separate Acquisition window will be provided by BSE to facilitate placing of sell orders. The Selling Brokers can enter orders for demat Equity Shares as well as physical Equity Shares.



- 8.7.** The cumulative quantity tendered shall be displayed on the exchange website throughout the trading session at specific intervals by the Stock Exchange during the Tendering Period.
- 8.8.** Modification/cancellation of orders will not be allowed during the tendering period of the Open Offer.
- 8.9.** Shareholders can tender their shares only through a broker with whom the Shareholder is registered as client (KYC Compliant).
- 8.10. Procedure for tendering Equity Shares held in dematerialised Form:**
- a) Equity Shareholders who desire to tender their Equity Shares in the electronic/dematerialized form under the Open Offer would have to do so through their respective Selling Broker by giving the details of Equity Shares they intend to tender under the Open Offer.
  - b) The Selling Broker would be required to place an order/bid on behalf of the Equity Shareholders who wish to tender Equity Shares in the Open Offer using the Acquisition Window of the BSE. Before placing the order/bid, the Shareholder would be required to transfer the tendered Equity Shares to the Clearing Corporation, by using the early pay in mechanism as prescribed by the BSE or the Clearing Corporation, prior to placing the order/bid by the Selling Broker.
  - c) Upon placing the order, the Selling Broker shall provide TRS generated by the stock exchange bidding system to the Equity Shareholder. TRS will contain details of order submitted like bid ID No., DP ID, Client ID, no. of Equity Shares tendered, etc.
  - d) Modification/cancellation of orders will not be allowed during the tendering period of the Open Offer.
  - e) For custodian participant, orders for demat equity shares early pay-in is mandatory prior to confirmation of order by the custodian. The custodians shall either confirm or reject orders not later than time provided by the Stock Exchange on the last day of the offer period. Thereafter, all unconfirmed orders shall be deemed to be rejected.
  - f) The details of settlement number for early pay-in of equity shares shall be informed in the issue opening circular that will be issued by the Stock Exchanges / Clearing Corporation, before the opening of the Offer.
  - g) The Shareholders will have to ensure that they keep the DP account active and unblocked to receive credit in case of return of the Equity Shares due to rejection or due to prorated Open Offer.
  - h) The cumulative quantity tendered shall be made available on the website of the BSE ([www.bseindia.com](http://www.bseindia.com)) throughout the trading sessions and will be updated at specific intervals during the Tendering Period.
- 8.11. Procedure to be followed by registered Shareholders holding Equity Shares in the physical form:**
- a) The Public Shareholders holding physical shares and who wish to tender their Equity Shares in this Offer shall approach the relevant Selling Broker and submit the following set of documents for verification:

- i. Form of Acceptance duly completed and signed in accordance with the instructions contained therein, by sole/joint shareholders whose name(s) appears on the share certificate(s) and in the same order and as per the specimen signature lodged with the Target;
  - ii. Original share certificates;
  - iii. Valid share transfer form(s) duly filled and signed by the transferors (i.e. by all registered Shareholders in same order and as per the specimen signatures registered with the Target Company and duly witnessed at the appropriate place;
  - iv. Self-attested copy of the Shareholder's PAN Card (in case of joint holders, PAN card copy of all transferors);
  - v. Any other relevant document such as powers of attorney and/or corporate authorizations (including board resolution(s)/specimen signature(s)); and
  - vi. Self-attested copy of proof of address such as valid Aadhar card, voter ID, passport or driving license.
- b) The Selling Broker(s) should place bids on the exchange platform including the relevant details as specified on the physical share certificate(s). The Selling Broker (s) shall print the TRS generated by the exchange bidding system. The TRS will contain the details of order submitted such as Folio No., Certificate No., Dist. Nos. and number of Equity Shares.
- c) The Selling Broker(s)/Public Shareholder must deliver the share certificates relating to its Equity Shares and other documentation listed in paragraph (a) above along with the TRS to the Registrar i.e. Bigshare Services Private Limited at the address mentioned on the cover page. The envelope should be superscribed '**Best Steel Logistics Limited - Open Offer**'. Share certificates for physical shares must reach the Registrar within 2 (two) days of bidding by the Selling Broker.
- d) The Public Shareholders holding physical shares should note that their Equity Shares will not be accepted unless the complete set of documents specified in paragraph (a) above are submitted. Acceptance of the physical shares in this Offer shall be subject to verification by the Registrar. On receipt of the confirmation from the Registrar, the bid will be accepted or rejected (as applicable) and accordingly depicted on the exchange platform.
- e) In case any person has submitted physical shares for dematerialisation, such Public Shareholders should ensure that the process of getting the Equity Shares dematerialised is completed well in time so that they can participate in this Offer by or before the closure of the Tendering Period.

**The Public Shareholders holding Shares in Demat mode are not required to fill any Form of Acceptance. The Public Shareholders holding Equity Shares in physical mode will be required to fill the respective Form of Acceptance. Public Shareholders holding Equity Shares in physical mode will be sent respective Form of Acceptances along with the Letter of Offer. Detailed procedure for tendering such Equity Shares will be included in**

**the Form of Acceptance. Form of Acceptance will not be sent to the Public Shareholders holding Equity Shares in Demat mode.**

**8.12. Procedure for tendering the shares in case of non-receipt of Letter of Offer (Holders of Physical shares):**

Persons who have acquired Equity Shares but whose names do not appear in the register of members of the Target Company on the Identified Date, or unregistered owners or those who have acquired Equity Shares after the Identified Date, or those who have not received the Letter of Offer, may also participate in this Offer. A Shareholder may participate in the Offer by approaching their broker and tender Equity Shares in the Open Offer as per the procedure mentioned in this Letter of Offer or in the Form of Acceptance–cum-Acknowledgement. The Letter of Offer along with Form of Acceptance cum-Acknowledgement will be dispatched to all the eligible shareholders of the Target Company as of the Identified Date. In case of non-receipt of the Letter of Offer, such eligible shareholders of the Target Company may download the same from the SEBI website ([www.sebi.gov.in](http://www.sebi.gov.in)) or BSE website ([www.bseindia.com](http://www.bseindia.com)) or Merchant Banker website ([www.corporateprofessionals.com](http://www.corporateprofessionals.com)) or obtain a copy of the same from the Registrar to the Offer on providing suitable documentary evidence of holding of the Equity Shares of the Target Company. Alternatively, in case of non-receipt of the Letter of Offer, shareholders holding shares may participate in the Offer by providing their application in plain paper in writing signed by all shareholder, stating name, address, number of shares held, client ID number, DP name, DP ID number, number of shares tendered and other relevant documents such as physical share certificate and Form SH-4 in case of shares being held in physical form. Such shareholders have to ensure that their order is entered in the electronic platform to be made available by BSE before the closure of the Offer.

**8.13. Acceptance of Shares**

Registrar to the Offer shall provide details of order acceptance to Clearing Corporation within specified timelines. In the event that the number of Equity Shares (including demat shares, physical) validly tendered by the Public Shareholders under this Offer is more than the number of Offer Shares, the Acquirer along with PAC shall accept those Equity Shares validly tendered by the Public Shareholders on a proportionate basis in consultation with the Manager, taking care to ensure that the basis of acceptance is decided in a fair and equitable manner and does not result in non-marketable lots, provided that acquisition of Equity Shares from a Public Shareholder shall not be less than the minimum marketable lot, or the entire holding if it is less than the marketable lot.

**8.14. Procedure for tendering the shares in case of non-receipt of Letter of Offer:**

- a) Persons who have acquired the Equity Shares but whose names do not appear in the register of members of the Target Company on the Identified Date, or unregistered owners or those who have acquired the Equity Shares after the Identified Date, or those who have not received the Letter of Offer, may also participate in this Offer.

- b) A Shareholder may participate in the Offer by approaching their broker / Selling Broker and tender the Equity Shares in the Open Offer as per the procedure mentioned in this Letter of Offer or in the relevant Acceptance Form.
- c) The Letter of Offer along with Form of Acceptance will be dispatched to all the eligible shareholders of the Target Company. In case of non-receipt of the Letter of Offer, such eligible shareholders of the Target Company may download the same from the SEBI website ([www.sebi.gov.in](http://www.sebi.gov.in)) or obtain a copy of the same from the Registrar to the Offer on providing suitable documentary evidence of holding of the Equity Shares of the Target Company.
- d) The Letter of Offer along with the Form of Acceptance would also be available at SEBI's website, [www.sebi.gov.in](http://www.sebi.gov.in), and shareholders can also apply by downloading such forms from the said website.
- e) Alternatively, in case of non-receipt of the Letter of Offer, shareholders holding the Equity Shares may participate in the Offer by providing their application in plain paper in writing signed by all shareholder(s), stating name, address, number of shares held, client ID number, DP name, DP ID number, number of shares tendered and other relevant documents as mentioned in paragraphs 9 and 10 above along with Form SH 4 (in case of Equity Shares being held in physical form). Such Public Shareholders have to ensure that their order is entered in the electronic platform to be made available by BSE before the closure of the Offer.

#### **8.15. Settlement Process**

- a) On closure of the Offer, reconciliation for acceptances shall be conducted by the Manager and the Registrar to the Offer and the final list shall be provided to the Stock Exchanges to facilitate settlement on the basis of the shares transferred to the Clearing Corporation.
- b) While it would be ensured that the Letter of Offer is dispatched by the due date to all the eligible shareholders as on the Identified Date, non-receipt of this Letter of Offer by any member entitled to this Open Offer shall not invalidate the Open Offer in any manner whatsoever.
- c) For Equity Shares accepted under the Open Offer, the Clearing Corporation will make direct funds payout to respective eligible Equity Shareholders. If shareholders' bank account details are not available or if the funds transfer instruction are rejected by RBI/Bank, due to any reason, then such funds will be transferred to the concerned Selling Broker settlement bank account for onward transfer to their respective shareholders.
- d) In case of certain client types viz. NRI, Foreign Clients etc. (where there are specific RBI and other regulatory requirements pertaining to funds pay-out) who do not opt to settle through custodians, the funds pay-out would be given to their respective Selling Broker's settlement accounts for releasing the same to their respective Shareholder's account onwards. For this purpose, the client type details would be collected from the Registrar to the Open Offer.

- e) The Equity Shareholders will have to ensure that they keep the depository participant ('DP') account active and unblocked to receive credit in case of return of Equity Shares, due to rejection or due to non –acceptance of the shares under the Offer.
- f) Excess demat Equity Shares or unaccepted demat Equity Shares, if any, tendered by the Equity Shareholders would be returned to them by the Clearing Corporation. Any excess physical Equity Shares pursuant to proportionate acceptance/ rejection will be returned back to the Equity Shareholders directly by the Registrar. The Company is authorized to split the share certificate and issue new consolidated share certificate for the unaccepted Equity Shares, in case the Equity Shares accepted by the Company are less than the Equity Shares tendered in the Open Offer by the Equity Shareholders holding Equity Shares in the physical form.
- g) Company's Broker would also issue a contract note to the Company for the Equity Shares accepted under the Open Offer. If Equity Shareholders bank account details are not available or if the fund transfer instruction is rejected by Reserve Bank of India or bank, due to any reasons, then the amount payable to Equity Shareholders will be transferred to the Selling Broker for onward transfer to the Equity Shareholder.
- h) Equity Shareholders who intend to participate in the Open Offer should consult their respective Selling Broker for any cost, applicable taxes, charges and expenses (including brokerage) that may be levied by the Selling Broker upon the selling shareholders for tendering Equity Shares in the Open Offer (secondary market transaction). The Open Offer consideration received by the Equity Shareholders, in respect of accepted Equity Shares, could be net of such costs, applicable taxes, charges and expenses (including brokerage) and the Company accepts no responsibility to bear or pay such additional cost, charges and expenses (including brokerage) incurred solely by the Equity Shareholders.
- i) Once the basis of acceptance is finalised, the Clearing Corporation would facilitate clearing and settlement of trades by transferring the required number of shares to the escrow account which will be opened by the Acquirers along with PAC
- j) Any excess physical shares, to the extent tendered but not accepted, will be returned by registered post back to the Shareholder(s) directly by Registrar to the Offer.

#### **8.16. Settlement of Funds / Payment Consideration**

The Buying Broker will transfer the funds pertaining to the Offer to the Clearing Corporation's bank account as per the prescribed schedule.

For Equity Shares accepted under the Open Offer, Clearing Corporation will make direct funds payout to respective Equity Shareholders. If shareholders' bank account details are not available or if the funds transfer instruction is rejected by RBI/Bank, due to any reason, then such funds will be transferred to the concerned Selling Broker settlement bank account for onward transfer to their respective shareholders.

The payment will be made to the Buying Broker for settlement. For Equity Shares accepted under the Open Offer, the Equity Shareholder / Selling Broker / custodian participant will receive funds payout in their settlement bank account.

The funds received from the Buyer Broker by the Clearing Corporation will be released to the Equity Shareholder / Selling Broker (s) as per secondary market pay out mechanism.

Shareholders who intend to participate in the Offer should consult their respective Selling Broker for payment to them of any cost, charges and expenses (including brokerage) that may be levied by the Selling Broker upon the selling shareholders for tendering Equity Shares in the Offer (secondary market transaction). The consideration received by the selling shareholders from their respective Selling Broker, in respect of accepted Equity Shares, could be net of such costs, charges and expenses (including brokerage) and the Acquirer accepts no responsibility to bear or pay such additional cost, charges and expenses (including brokerage) incurred solely by the selling shareholder.

In case of delay in receipt of any statutory approval(s), SEBI has the power to grant extension of time to Acquirer for payment of consideration to the shareholders of the Target Company who have accepted the Open Offer within such period, subject to Acquirer along with PAC agreeing to pay interest for the delayed period if directed by SEBI in terms of Regulation 18 (11) of the SEBI (SAST) Regulations, 2011.

#### **8.17. Note on taxation**

Under current Indian tax laws and regulations, capital gains arising from the sale of equity shares in an Indian company are generally taxable in India. Any gain realized on the sale of listed equity shares on a stock exchange held for more than 12 (twelve) months will not be subject to capital gains tax in India if STT has been paid on the transaction. STT will be levied on and collected by a domestic stock exchange on which the equity shares are sold. Further, any gain realised on the sale of listed equity shares held for a period of 12 (twelve) months or less, which are sold will be subject to short term capital gains tax provided the transaction is chargeable to STT.

**SHAREHOLDERS ARE ADVISED TO CONSULT THEIR TAX ADVISORS FOR TAX TREATMENT ARISING OUT OF THE PROPOSED OFFER THROUGH TENDER OFFER AND APPROPRIATE COURSE OF ACTION THAT THEY SHOULD TAKE. THE PURCHASER DOES NOT ACCEPT NOR HOLD ANY RESPONSIBILITY FOR ANY TAX LIABILITY ARISING TO ANY SHAREHOLDER AS A REASON OF THIS OFFER.**

Tax deduction at source

##### 1. In case of Resident Shareholders

In absence of any specific provision under the Income Tax Act, the Acquirer shall not deduct tax on the consideration payable to resident shareholders pursuant to the said Offer.

##### 2. In the case of Non Resident Shareholders

Since the Offer is through the stock exchange, the responsibility of discharge of the tax due on the gains (if any) is on the non-resident shareholder. It is therefore recommended the non-

resident shareholder may consult their custodians/ authorised dealers/ tax advisors appropriately.

## **THE TAX RATE AND OTHER PROVISIONS MAY UNDERGO CHANGES**

### **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 D-28, South Extn. Part-I, New Delhi – 110049 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.** The net worth certificates as certified by Mr. P. K. Jain (Membership No.: 082515) Partner of M/s. VAPS & Company, Chartered Accountants vide certificate dated January 29, 2018 certifying that the Acquirer and PAC have sufficient resources to meet the fund requirement for the Takeover of Target Company.
- 9.2.** Audited Annual Reports of BSLL for last three years.
- 9.3.** Escrow Agreement between Acquirer along with PAC, Yes Bank Limited and Manager to the Offer.
- 9.4.** Confirmation from Yes Bank Limited confirming the amount kept in Escrow Account opened as per SEBI (SAST) Regulations, 2011.
- 9.5.** Copy of Public Announcement filed on January 29, 2018, Published copy of the Detailed Public Statement which appeared in the Newspapers on February 05, 2018, Issue Opening PA and any corrigendum to these, if any,
- 9.6.** A copy of the Recommendation made by the Board of BSLL.
- 9.7.** A copy of the Observation letter from SEBI.
- 9.8.** Copy of Agreement between Acquirer along with PAC and the Registrar to the Offer.

### **10. DECLARATION BY ACQUIRER ALONG WITH PAC**

The Acquirer along with PAC accept full responsibility for the information contained in this draft LOF and also for the obligations of Acquirer along with PAC as laid down in the SEBI (SAST) Regulations, 2011 and subsequent amendments made thereof. Acquirer along with PAC would be responsible for ensuring compliance with the concerned Regulations.

**Sd/-**

**Rahul Gupta**

**Acquirer**

**Sd/-**

**Sameer Gupta**

**PAC**

**Date: March 27, 2018**

**Place: New Delhi**

### **11. ENCLOSURES**

- 11.1.** Form of Acceptance cum Acknowledgement
- 11.2.** Blank Share Transfer

**FORM OF ACCEPTANCE CUM ACKNOWLEDGEMENT**

**(For physical shares being tendered)**

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

<b>THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION</b> <b>(Please send this Form of Acceptance with enclosures to the Registrar to the Offer)</b>		
<b>OFFER OPENS ON</b>	<b>:</b>	<b>APRIL 09, 2018, MONDAY</b>
<b>OFFER CLOSSES ON</b>	<b>:</b>	<b>APRIL 20, 2018, FRIDAY</b>
<b>Please read the Instructions overleaf before filling-in this Form of Acceptance</b>		

<b>FOR OFFICE USE ONLY</b>	
Acceptance Number	
Number of equity shares Offered	
Number of equity shares accepted	
Purchase consideration (Rs.)	
Cheque/Demand Draft/Pay Order No.	

**From:**

Tel. No.:

Fax No.:

E-mail:

To,

**Acquirer along with PAC**

**C/O BIGSHARE SERVICES PRIVATE LIMITED**

1<sup>st</sup> Floor, Bharat Tin Works Building, Opp. Vasant Oasis, Makwana Road Marol, Andheri East, Mumbai-400059

Dear Sir/s,

**REG.: OPEN OFFER TO THE SHAREHOLDERS OF BEST STEEL LOGISTICS LIMITED ('BSLL'/ 'TARGET COMPANY') BY MR. RAHUL GUPTA ('ACQUIRER') ALONG WITH MR. SAMEER GUPTA ('PAC') PURSUANT TO SEBI (SUBSTANTIAL ACQUISITION OF SHARES AND TAKEOVERS) REGULATIONS, 2011**

I / we, refer to the Letter of Offer dated \_\_\_\_\_ for acquiring the equity shares held by me / us in **BEST STEEL LOGISTICS LIMITED**.

I / we, the undersigned have read the Letter of Offer and understood its contents including the terms and conditions as mentioned therein.

I / We, unconditionally Offer to sell to Acquirer along with PAC the following equity shares in BSLL held by me/ us at a price of Rs. 120.00/- (Rupees One Hundred and Twenty Only) per fully paid-up equity share.



1. I/We enclose the original share certificate(s) and duly signed valid Transfer Deed(s) in respect of my / our equity shares as detailed below (please enclose additional sheet(s), if required).

<b>Ledger Folio No.....Number of share certificates attached.....</b>			
<b>Representing ..... equity shares</b>			
<b>Number of equity shares held in BSLL</b>		<b>Number of equity shares Offered</b>	
<b>In figures</b>	<b>In words</b>	<b>In figures</b>	<b>In words</b>

Sr. No.	Share Certificate No.	Distinctive Nos.		No. of equity shares
		From	To	
1				
2				
3				
<b>Total No. of Equity Shares</b>				

2. I / We confirm that the Equity Shares of BSLL which are being tendered herewith by me / us under the Offer are free from liens, charges and encumbrances of any kind whatsoever.
3. I / We authorize Acquirer along with PAC to accept the Equity Shares so offered or such lesser number of equity shares that Acquirer along with PAC 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 Acquirer along with PAC 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 Acquirer along with PAC to return to me / us, equity share certificate(s) in respect of which the Offer is not found / not accepted, specifying the reason thereof.
4. 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 Acquirer along with PAC, harmless and indemnified against any loss they or either of them may suffer in the event of Acquirer along with PAC acquiring these equity shares. I / We agree that Acquirer along with PAC 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.
5. 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 Acquirer along with PAC make 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.

6. I/We note and understand that the Shares would held in trust by the Registrar until the time Acquirer along with PAC make payment of purchase consideration as mentioned in the Letter of Offer.
7. 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.
8. I / We irrevocably authorise Acquirer along with PAC 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 BSLL:

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

.....  
 .....

**Place:** ----- **Date:** -----

**Tel. No(s) :** ----- **Fax No.:** -----

**So as to avoid fraudulent encashment in transit, the shareholder(s) have an option to receive the sale consideration through RTGS/ECS mode and requested to kindly provide following information compulsorily in order to received payment through RTGS/ECS**

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-----

IFCS Code of Bank-----

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

	1 <sup>st</sup> Shareholder	2 <sup>nd</sup> Shareholder	3 <sup>rd</sup> Shareholder
PAN / GIR No.			

Yours faithfully,

Signed and Delivered:

	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, and thumb impressions must be attested by a Notary Public under his Official Seal.
- 4 **Mode of tendering the Equity Shares Pursuant to the Offer:**
  - I. The acceptance of the Offer made by Acquirer along with PAC is entirely at the discretion of the equity shareholder of BSLL.
  - II. Shareholders of BSLL to whom this Offer is being made, are free to Offer his / her / their shareholding in BSLL for sale to Acquirer along with PAC, in whole or part, while tendering his / her / their equity shares in the Offer.

**ACKNOWLEDGEMENT SLIP**

**SHARES IN PHYSICAL FORM**

**OPEN OFFER TO THE SHAREHOLDERS OF BEST STEEL LOGISTICS LIMITED ('BSLL'/  
'TARGET COMPANY') BY MR. RAHUL GUPTA ('ACQUIRER) ALONG WITH MR. SAMEER  
GUPTA ('PAC') PURSUANT TO SEBI (SUBSTANTIAL ACQUISITION OF SHARES AND  
TAKEOVERS) REGULATIONS, 2011**

Received from Mr. / Ms.....

Ledger Folio No/ -----Number of certificates enclosed..... under the Letter of Offer dated \_\_\_\_\_, Form of Acceptance, Transfer Deeds(s) and Original Share Certificate(s) as detailed hereunder:

Sr. No.	Share Certificate No.	Distinctive Nos.		No. of equity shares
		From	To	
1.				
2.				
3.				
<b>Total no. of Equity Shares</b>				

Stamp

Authorised Signatory

Date

**Note:** All future correspondence, if any, should be addressed to

**Registrar to the Offer**

**Bigshare Services Private Limited**

1<sup>st</sup> Floor, Bharat Tin Works Building,

Opp. Vasant Oasis, Makwana Road Marol, Andheri East, Mumbai – 400059

**Contact Person:** Mr. Jibu John;

**Ph. No.:** +91-22-62638200;

**Fax No.:** +91-22-62638299