



February 11, 2021

MCAPL: MUM: 2020-21: 0087

To,
The Listing Department
BSE Limited
Phiroze Jeejeebhoy Towers
Dalal Street
Mumbai-400 001

Dear Sir/Madam,

Sub : Submission of Draft Letter of Offer (“DLof”)

Ref : Open Offer to the Public Shareholders of Lloyds Steels Industries Limited (“LSIL”/“Target Company”)

With reference to the captioned Offer, please find enclosed the Draft Letter of Offer of Lloyds Steels Industries Limited for your kind perusal.

A hard copy of the same is being submitted to Securities and Exchange Board of India, Mumbai (“SEBI”) and National Stock Exchange of India Limited, Mumbai (“NSE”) through e-mail and is being dispatched to the Registered Office of the Target Company.

Kindly take the above information on your records.

Yours truly,

For Mark Corporate Advisors Private Limited

A handwritten signature in blue ink, appearing to read "Manish Gaur", is written over a horizontal line.

Manish Gaur
Asst. Vice President

Encl: As Above.

MARK CORPORATE ADVISORS PVT. LTD.

CIN No : U67190MH2008PTC181996

GSTIN/UIN : 27AAF5379J1ZY

404/1, The Summit Business Bay, Sant Janabai Road, (Service Lane), Off. W. E. Highway, Vile Parle (E), Mumbai - 400 057
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THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

This Draft Letter of Offer (“DLoF”) is sent to you as a Shareholder(s) of Lloyds Steels Industries Limited (“LSIL”/“Target Company”). If you require any clarifications about the action to be taken, you may consult your Stock Broker or Investment Consultant or Manager to the Offer or Registrar to the Offer. In case you have recently sold your shares in the Target Company, please hand over this Letter of Offer and Transfer Deed to the Member of the Stock Exchange through whom the said sale was effected.

OPEN OFFER BY

Shree Global Tradefin Limited (“Acquirer”)

Regd Office: 35, Ashok Chambers, Broach Street, Devji Ratansey Marg, Masjid Bunder, Mumbai-400 009, Maharashtra, India.

Contact No.: +91 22 2348 0526, **E-Mail ID:** sgtl2008@gmail.com

to the existing shareholders of

LLOYDS STEELS INDUSTRIES LIMITED

(CIN: L28900MH1994PLC081235)

Registered Office: Plot No A -5/5, MIDC Industrial Area, Murbad, Thane-421401, Maharashtra, India

Contact No.: +91 2524 222 271 / +91 95456 54196; **E-Mail ID:** infoengg@lloyds.in

Website: www.lloydsengg.in

to acquire 23,36,61,600 Equity Shares of ₹1 each representing 26% of Equity Share Capital/Voting Capital of the Target Company at a price of ₹1 (Rupee One only) per Equity Share (“Offer Price”), payable in cash

- This Offer is being made by the Acquirer pursuant to Regulation 3(1) and 4 of SEBI (SAST) Regulations 2011.
- This Offer is not conditional upon any minimum level of acceptance by the Shareholder(s) of the Target Company.
- As on date of this Draft Letter of Offer, there are no Statutory Approvals required to acquire Equity Shares that are validly tendered pursuant to this Open Offer. However, the Open Offer would be subject to all Statutory Approvals that may become applicable at a later date but before completion of the Open Offer.
- If there is any upward revision in the Offer Price/Offer Size at any time prior to commencement of one (1) working day before the commencement of the Tendering Period i.e. March 22, 2021 (Monday) in terms of the SEBI (SAST) Regulations, 2011, the same would also be informed by way of an announcement in the same newspapers where the Detailed Public Statement (‘DPS’) was published. Such revised Offer Price would be payable to all the Shareholders, who have validly tendered their Equity Shares anytime during the Tendering Period to the extent their Equity Shares have been verified and accepted under the Offer, by the Acquirer. If the Offer is withdrawn pursuant to Regulation 23 of SEBI (SAST) Regulations, 2011, the same would be communicated within two (2) working days by an announcement in the same newspapers in which the DPS had been published.
- If there is a competing offer:
The Public Offers under all the subsisting bids shall open and close on the same date.
- A copy of the Public Announcement (‘PA’), Detailed Public Statement (‘DPS’), Draft Letter of Offer (‘DLoF’) and Letter of Offer (‘LoF’) are also available on the website of Securities and Exchange Board of India (‘SEBI’) at www.sebi.gov.in.

MANAGER TO THE OFFER		REGISTRAR TO THE OFFER	
	<p>MARK CORPORATE ADVISORS PRIVATE LIMITED CIN: U67190MH2008PTC181996 404/1, The Summit Business Bay, Sant Janabai Road (Service Lane), Off W. E. Highway, Vile Parle (East), Mumbai-400 057, Maharashtra, India. Tel. No.: +91 22 2612 3207/08 E-Mail ID: openoffer@markcorporateadvisors.com Contact Person: Mr. Manish Gaur SEBI Reg. No.: INM000012128</p>		<p>BIGSHARE SERVICES PRIVATE LIMITED CIN: U99999MH1994PTC076534 1st Floor, Bharat Tin Works Building, Opp. Vasant Oasis, Makwana Road, Marol Naka, Andheri East, Mumbai-400 059, Maharashtra, India. Tel. No.: +91 22 62638200 E-Mail ID: openoffer@bigshareonline.com Investor Grievance E-Mail ID: investor@bigshareonline.com Contact Person: Mr. Arvind Tandel Website: www.bigshareonline.com SEBI Reg. No.: INR000001385</p>
Offer Opens on	: March 24, 2021 (Wednesday)	Offer Closes on	: April 08, 2021 (Thursday)

TENTATIVE SCHEDULE OF ACTIVITIES PERTAINING TO THE OFFER:

Nature of Activity	Date	Day
Date of the PA	January 28, 2021	Thursday
Date of publishing the Detailed Public Statement	February 04, 2021	Thursday
Last date for filing of Draft Letter of Offer with SEBI	February 11, 2021	Thursday
Last date of a competing offer	February 26, 2021	Friday
Latest date by which SEBI's observations will be received	March 05, 2021	Friday
Identified Date*	March 09, 2021	Tuesday
Last date by which the Letter of Offer will be dispatched to the Shareholders (<i>Except the Acquirer, the related entities of the Acquirer and the Selling Shareholders</i>) as on the identified date	March 17, 2021	Wednesday
Last date by which the recommendation of the committee of Independent Directors of the Target Company will be given and published	March 19, 2021	Friday
Last Date for revising the Offer Price/number of shares	March 22, 2021	Monday
Date of Public Announcement for Opening the Offer	March 23, 2021	Tuesday
Date of Commencement of the Tendering Period (" Offer Opening date ")	March 24, 2021	Wednesday
Date of Closing of the Tendering Period (" Offer Closing date ")	April 08, 2021	Thursday
Last date for communicating Rejection/acceptance and payment of consideration for accepted equity shares or credit of unaccepted shares to demat account	April 27, 2021	Tuesday

* *Identified Date is only for the purpose of determining the names of the shareholders (except the Acquirer, the related entities of the Acquirer and the Selling Shareholders) as on such date to whom the Letter of Offer will be sent. It is clarified that all the Public Shareholders (registered or unregistered) of the Target Company, are eligible to participate in this Offer any time during the tendering period of the Offer.*

RISK FACTORS:

Given below are the risks related to the proposed Offer and those associated with the Acquirer:

Relating to the Proposed Offer:

- 1) This Offer is not subject to the receipt of any statutory approvals. If any Statutory Approval is required or become applicable at a later date, the Acquirer shall make the necessary applications for such Statutory Approvals and therefore, in the event that either the statutory approvals or regulatory approvals, if any, are not received in a timely manner or there is any litigation to stay the Offer, or SEBI instructs the Acquirer not to proceed with the Offer, the Offer process may be delayed beyond the schedule of activities indicated in this DLoF. Consequently, the payment of consideration to the public shareholders of Target Company, whose Equity Shares have been accepted in the Offer as well as the return of shares not accepted by the Acquirer, may be delayed. Where the statutory approvals extend to some but not all of the Public Shareholders, the Acquirer shall have the option to make payment to such Public Shareholders in respect of whom no statutory approvals are required in order to complete this Offer. In case of delay in receipt of any statutory approval, SEBI has the power to grant extension of time to the Acquirer for payment of consideration to the public shareholders of the Target Company who have accepted the Offer within such period, subject to the Acquirer agreeing to pay interest for the delayed period, if directed by SEBI, in terms of Regulation 18(11) of the Regulations.
- 2) In case of over-subscription in the Offer, as per the Regulations, acceptance would be determined on a proportionate basis and hence there is no certainty that all the Equity Shares tendered by the shareholders in the Offer will be accepted.
- 3) Shareholders who tender the Equity Shares in acceptance of the Offer shall not be entitled to withdraw their shares, even if the acceptance of equity shares under this Offer and despatch of consideration are delayed.

Relating to the Acquirer:

- 1) The Acquirer makes no assurance with respect to the financial performance of the Target Company and their investment/divestment decisions relating to their proposed shareholding in the Target Company.
- 2) The Acquirer cannot provide any assurance with respect to the market price of the Equity Shares of the Target Company before, during or after the Offer and expressly disclaims any responsibility or obligation of any kind (except as required by applicable law) with respect to any decision by any Shareholder on whether to participate or not to participate in the Offer.
- 3) The Acquirer and the Manager to the Offer accepts no responsibility for the statements made otherwise than in the Public Announcement ('PA')/Detailed Public Statement ('DPS')/Draft Letter of Offer ('DLoF')/Letter of Offer ('LoF') 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.

The Risk Factors set forth above pertain to the Offer and does not relate to the present or future business or operations of the Target Company or any other matters and are neither exhaustive nor intended to constitute a complete or comprehensive analysis of the risks involved in or associated with the participation by any Shareholder in the Offer. Each Shareholder of the Target Company is hereby advised to consult with legal, financial, tax, investment or other advisors and consultants of their choice, if any, for further risks with respect to each such Shareholder's participation in the Offer.

TABLE OF CONTENTS

1. ABBREVIATIONS/DEFINITIONS	1
2. DISCLAIMER CLAUSE	3
3. DETAILS OF THE OFFER	3
3.1. BACKGROUND OF THE OFFER	3
3.2. DETAILS OF THE PROPOSED OFFER.....	5
3.3. OBJECT OF THE OFFER.....	7
4. BACKGROUND OF THE ACQUIRER	7
5. BACKGROUND OF THE TARGET COMPANY-LLOYDS STEELS INDUSTRIES LIMITED.....	12
6. OFFER PRICE AND FINANCIAL ARRANGEMENTS.....	16
6.1. JUSTIFICATION OF OFFER PRICE	16
6.2. DETAILS OF FIRM FINANCIAL ARRANGEMENTS	19
7. TERMS AND CONDITIONS OF THE OFFER	19
7.1. OPERATIONAL TERMS AND CONDITIONS.....	19
7.2. LOCKED-IN SHARES.....	20
7.3. ELIGIBILITY FOR ACCEPTING THE OFFER	20
7.4. STATUTORY APPROVALS.....	21
8. PROCEDURE FOR ACCEPTANCE AND SETTLEMENT OF OFFER.....	21
9. DOCUMENTS FOR INSPECTION	26
10. DECLARATION BY THE ACQUIRER.....	27

1. ABBREVIATIONS/DEFINITIONS

Acquirer	Shree Global Tradefin Limited
BSE	BSE Limited, Mumbai
CDSL	Central Depository Services (India) Limited
Companies Act	Companies Act, 1956 and Companies Act, 2013
CP	Conditions Precedent
DP	Depository Participant
DPS/Detailed Public Statement	Detailed Public Statement relating to the Offer published on February 04, 2021 (Thursday)
DLoF/Draft Letter of Offer	This Draft Letter of Offer dated February 10, 2021 (Wednesday)
Eligible Persons for the Offer	All owners (registered or unregistered) of Equity Shares of the Target Company who own the shares at any time before the Closure of the Offer (<i>except the Acquirer, the related entities of the Acquirer and the Sellers</i>)
Equity Share Capital of the Target Company	Paid-up Equity Share Capital of ₹89,86,98,382 comprising of 89,86,98,382 Equity Shares of ₹1 each
Equity Shares	Fully paid-up Equity Shares of the Target Company of the Face Value of ₹1 each
Escrow Account	Shall have the meaning given to it in paragraph 6.2.2 of this Draft Letter of Offer
Escrow Amount	Shall have the meaning given to it in paragraph 6.2.2 of this Draft Letter of Offer
Escrow Bank	IndusInd Bank Limited
FEMA	Foreign Exchange Management Act, 1999, as amended from time to time
FIIs/FPIs	Foreign Institutional Investors / Foreign Portfolio Investors registered with SEBI
Identified Date	March 09, 2021 (Tuesday) i.e. date falling on the tenth (10 th) Working Day prior to the commencement of Tendering Period, for the purposes of determining the Public Shareholders to whom this Letter of Offer shall be sent
IFSC	Indian Financial System Code
Income Tax Act	Income Tax Act, 1961, as amended from time to time
₹/INR/Rs.	Indian Rupees, the legal currency of India
LSIL/Target Company	Lloyds Steels Industries Limited
Manager/Manager to the Offer	Mark Corporate Advisors Private Limited
MICR	Magnetic Ink Character Recognition
NA/N.A.	Not Applicable
Non-Resident Shareholder(s)	Persons resident outside India as defined under FEMA, holding Equity Shares of the Target Company
NRI	Non-Resident Indian
NSE	National Stock Exchange of India Limited, Mumbai
OCBs	Overseas Corporate Bodies
Offer period	Period from the date of entering into an agreement, to acquire Equity Shares, Voting Rights in, or control over a Target Company requiring a Public Announcement, or the date of Public Announcement, and the date on which the payment of consideration to Shareholders who have accepted the Open Offer is made, or the date on which the Open Offer is withdrawn
Offer/Open Offer	The Open Offer is made by the Acquirer to the Public Shareholders to acquire upto 23,36,61,600 Equity Shares representing 26% of the Equity Share Capital/Voting Capital of the Target Company
Offer Price	₹1 (Rupee One only) per Equity Share
Offer Size	Upto 23,36,61,600 Equity Shares representing 26% of Equity Share Capital/Voting Capital of the Target Company at a price of ₹1 (Rupee One only) per Equity Share, aggregating to ₹23,36,61,600 (Rupees Twenty Three Crores Thirty Six Lakhs Sixty One Thousand and Six Hundred only)
PA/Public Announcement	Public Announcement of the Offer issued by the Manager to the Offer, on behalf of the Acquirer on January 28, 2021 (Thursday)
Promoters	Promoters of Lloyds Steels Industries Limited as per Regulation 31(1)(b) of SEBI (LODR) Regulations, 2015

Public Shareholder(s)	The Equity Shareholder(s) of the Target Company other than the Acquirer and the Promoters/Promoter Group/Sellers of the Target Company
Registrar/Registrar to the Offer	Bigshare Services Private Limited
RTGS	Real Time Gross Settlement
Sale Shares	41,44,41,116 Equity Shares of ₹1 each of Lloyds Steels Industries Limited
SEBI	Securities and Exchange Board of India
SEBI Act	Securities and Exchange Board of India Act, 1992, as amended or modified from time to time
SEBI (LODR) Regulations, 2015	Securities and Exchange Board of India (Listing Obligation and Disclosure Requirement) Regulations, 2015, and subsequent amendments thereof
SEBI (SAST) Regulations, 2011/Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, and subsequent amendments thereof
Sellers/Selling Shareholders	Metallurgical Engineering and Equipments Limited (“Seller 1”) and FirstIndia Infrastructure Private Limited (“Seller 2”)
SGTL	Shree Global Tradefin Limited
SPA/Agreement	Share Purchase Agreement dated January 28, 2021 (Thursday)
Stock Exchange(s)	BSE Limited, Mumbai and National Stock Exchange of India Limited, Mumbai
Tendering Period	Period within which Shareholders of the Target Company may tender their Equity Shares in acceptance to the Offer, i.e. the period between and including March 24, 2021 (Wednesday) and April 08, 2021 (Thursday)

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 SHAREHOLDERS OF LLOYDS STEELS INDUSTRIES 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 AND CONTROL IS PROPOSED TO BE ACQUIRED OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE DRAFT LETTER OF OFFER. IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE ACQUIRER IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THIS DRAFT LETTER OF OFFER, THE MANAGER TO THE OFFER IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT ACQUIRER DULY DISCHARGES HIS RESPONSIBILITY ADEQUATELY. IN THIS BEHALF, AND TOWARDS THIS PURPOSE, THE MANAGER TO THE OFFER, MARK CORPORATE ADVISORS PRIVATE LIMITED HAS SUBMITTED A DUE DILIGENCE CERTIFICATE DATED FEBRUARY 10, 2021 TO SEBI IN ACCORDANCE WITH THE SEBI (SUBSTANTIAL ACQUISITION OF SHARES AND TAKEOVERS) REGULATIONS, 2011 AND SUBSEQUENT AMENDMENT(S) THEREOF. THE FILING OF THIS DRAFT 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 is being made by Shree Global Tradefin Limited (hereinafter referred to as “SGTL”/“Acquirer”) to the Equity Shareholders of Lloyds Steels Industries Limited (hereinafter referred to as “LSIL”/“Target Company”) pursuant to and in compliance with regulation 3(1) and 4 of the Regulations to acquire upto 23,36,61,600 Equity Shares of ₹1 each representing 26% of the Equity Share Capital/Voting Capital of the Target Company (“Offer Size”) at a price of ₹1 (Rupee One only) per Equity Share (“Offer Price”), payable in cash, subject to the terms and conditions set out in the PA, DPS, DLoF and LoF that will be sent to the Public Shareholders of the Target Company.

3.1.2. The details of the Transactions which triggered the Open Offer are as under:

The Acquirer has entered into a Share Purchase Agreement (“SPA”) with the existing Promoters/Promoter Group (hereinafter referred to “Selling Shareholders”/“Sellers”) of the Target Company for 41,44,41,116 Equity Shares representing 46.12% of the Equity Share Capital/Voting Capital of the Target Company. The details of the Acquisition through SPA is as under:

Sr. No.	Name, PAN & Address	Part of Promoter Group (Yes/No)	Details of Shares/Voting Rights held by the Selling Shareholders			
			Pre Transaction		Post Transaction	
			No of Shares	% vis a vis total Share Capital	No of Shares	% vis a vis total Share Capital
1)	Metallurgical Engineering and Equipments Limited (“Seller 1”) PAN: AAACS 8041 G <i>Registered Office Address:</i> 502, Global Foyer Building, Sector-43, Golf Course Road, Gurgaon-122 002, Haryana, India	Yes	12,63,67,638	14.06%	Nil	N.A.

Sr. No.	Name, PAN & Address	Part of Promoter Group (Yes/No)	Details of Shares/Voting Rights held by the Selling Shareholders			
			Pre Transaction		Post Transaction	
			No of Shares	% vis a vis total Share Capital	No of Shares	% vis a vis total Share Capital
	<i>Corporate/Administrative Office Address:</i> 509-510, Navratan Building Co-op Society, 69, P. D' Mello Road, Carnac Bunder, Mumbai-400 009, Maharashtra, India.					
2)	FirstIndia Infrastructure Private Limited (“Seller 2”) <i>PAN:</i> AABCU 0756 F <i>Registered Office Address:</i> 502, Global Foyer Building, Sector-43, Golf Course Road, Gurgaon-122 002, Haryana, India <i>Corporate/Administrative Office Address:</i> 511, 5 th Floor, Navratan Building Co-op Society, 69, P. D' Mello Road, Carnac Bunder, Mumbai-400 009, Maharashtra, India.	Yes	28,80,73,478	32.05%	Nil	N.A.
	TOTAL		41,44,41,116	46.12%	Nil	N.A.

3.1.3. The above mentioned Equity Shares are lying in the Demat Account of the Sellers, which will be transferred to the Demat Account of the Acquirer after the successful completion of the Open Offer formalities. However, the Shares to be issued by the Acquirer under Preferential Allotment to the Sellers towards Share Purchase consideration shall be credited to the respective Demat Accounts of the Sellers upon Allotment.

3.1.4. The Acquirer is acquiring 41,44,41,116 Equity Shares from the Sellers at ₹0.80 (Paise Eighty only) (through Share Swap in the ratio of 1:3.125). On January 28, 2021, the Board of Directors of the Acquirer had approved a Preferential Issue of 13,26,21,156 Equity Shares of Face Value of ₹1 each at a price of ₹2.50 per Equity Share (including a premium of ₹1.50 per Equity Share) representing 10.43% of the Emerging Voting Capital of the Acquirer in the form of Consideration for the acquisition of said Shares. The said Equity Shares are proposed to be allotted to Metallurgical Engineering and Equipments Limited (“**Seller 1**”) and FirstIndia Infrastructure Private Limited (“**Seller 2**”) consisting of 4,04,37,644 Equity Shares representing 3.18% and 9,21,83,512 Equity Shares representing 7.25% respectively of the Acquirer. The Fractional Shares, if any, arising out of share swap ratio of 1: 3.125 are ignored.

3.1.5. Upon completion of the transactions contemplated in the SPA, the Sellers will not hold any Equity Shares or other interest in the Target Company. Further, the Sellers shall cease to be the Promoter of the Target Company and shall relinquish the management control of the Target Company in favor of the Acquirer. The Acquirer will acquire control of the Target Company, and be classified as new promoter in accordance with the provisions of Regulation 31A of the SEBI (LODR) Regulations.

3.1.6. The Sellers have not been prohibited by SEBI from dealing in securities, in terms of directions issued under Section 11B of the SEBI Act, 1992, as amended or under any other regulation made under the SEBI Act, 1992.

3.1.7. The Salient features of the Share Purchase Agreement ('SPA') are as under:

- 1) Subject to the satisfaction of the Condition Precedent specified in SPA, the Sellers shall sell to the Acquirer and the Acquirer shall, relying on the several representations and undertakings of the Sellers hereinafter contained, purchase the Sale Shares, free from all Encumbrances against payment of the Purchase Consideration and on the terms and conditions hereinafter contained ("Transaction").
- 2) The Purchase Consideration for the Sale Shares is 13,26,21,156 (Thirteen Crores Twenty Six Lakhs Twenty One Thousand One Hundred and Fifty Six) Equity shares of the Acquirer which is valued at the rate of ₹2.50 (Rupees Two and Paise Fifty only) per Equity Share. Further, the Equity Shares of the Sellers have been valued at the rate of ₹0.80 (Paise Eighty only) per Equity Share (Negotiated Price). That means against acquisition of 41,44,41,116 Equity Shares of the Sellers by the Acquirer, the Acquirer shall allot 13,26,21,156 Equity Shares of the Shree Global Tradefin Limited representing 10.43% of the expanded Capital of Shree Global Tradefin Limited (a listed company) (Consideration Shares) and hence the ratio of allotment works out to 1:3.125 (1 Share of Acquirer against 3.125 Shares of the Target Company) which will be issued pursuant to preferential allotment to the Sellers. ("Purchase Consideration").
- 3) Compliance with Takeover Regulations

The Completion shall be subject to compliance with the provisions of the Takeover Regulations and the Acquirer shall ensure such compliance with the Takeover Regulations.

On the consummation of the Open Offer, if the combined shareholding of the Acquirer (who will be classified as 'Promoter' of the Company under the SEBI LODR) is such that the Company does not satisfy the 'minimum public shareholding' in terms of Rule 19A of the Securities Contracts (Regulation) Rules, 1957 (MPS Requirement), then the Acquirer shall reduce his shareholding in the Company in accordance with applicable law to comply with such MPS Requirement, including but not limited to through an institutional placement programme in terms of Chapter VIIIA of SEBI circular CIR/MRD/DP/05/2012 (as amended from time to time). The Parties agree that the responsibility to comply with the MPS Requirement shall be of the Acquirer.

- 4) Due Diligence

The Acquirer has, prior to execution hereof, carried out a financial and legal due diligence with respect to the Company based on information/documents supplied by the Sellers to the Acquirer and have relied upon the Accounts of the Company referred to in the SPA above and have satisfied themselves with the due diligence, review of the information/documents including the Accounts.

3.1.8. The Proposed change in control of the Target Company is not through any Scheme of Arrangement.

3.1.9. There may be changes in the composition of Board of Directors of the Target Company after the completion of Offer, in accordance with applicable laws (including without limitation, the Companies Act, 2013, the SEBI (LODR) Regulations and Regulation 24 of the SEBI (SAST) Regulations). No proposal in this regard has been finalized as on the date of this DLOF.

3.1.10. As per Regulation 26(6) of the SEBI (SAST) Regulations, the Board of Directors are required to constitute a committee of Independent Directors to provide reasoned recommendation on this Offer to the Eligible Shareholders. Such recommendation shall be published at least two (2) working days before the commencement of the Tendering Period in the same newspapers where the DPS was published in compliance with Regulation 26(7) of the SEBI (SAST) Regulations.

3.1.11. No other persons/individuals/entities are acting in concert with the Acquirer for the purpose of this Offer in terms of Regulation 2 (1) (q) of the SEBI (SAST) Regulations.

3.2. DETAILS OF THE PROPOSED OFFER

3.2.1. The PA announcing the Open Offer, under Regulation 3(1) and 4 read with Regulation 13, 14 and 15 of the Regulations was made on January 28, 2021 and was submitted with BSE Limited, Mumbai ("BSE"), National

Stock Exchange of India Limited, Mumbai (“NSE”) and the Target Company on the same day through e-mail and submitted the hard copy to Securities and Exchange Board of India (“SEBI”), on January 29, 2021.

3.2.2. In accordance with Regulations 13(4) and 14(3) of the SEBI (SAST) Regulations, the DPS was published on February 04, 2021 (Thursday) in the following newspapers:

Publication	Language	Edition(s)
Financial Express	English	All Editions
Jansatta	Hindi	All Editions
Navshakti	Marathi	Mumbai

The Public Announcement and Detailed Public Statement are also available on the website of SEBI at www.sebi.gov.in.

A copy of the DPS was filed through the Manager to the Offer with SEBI, Stock Exchanges and the Target Company through e-mail on February 04, 2021. Additionally, the hard copy was submitted to Securities and Exchange Board of India (“SEBI”), on February 04, 2021.

- 3.2.3. This Offer is made by the Acquirer to all Eligible Shareholders, to acquire upto 23,36,61,600 Equity Shares representing 26% of the Equity Share Capital/Voting Capital, at a price of ₹1 (Rupee One only) per Equity Share, to be paid in cash, in accordance with Regulation 9(1)(a) of the Regulations and subject to the terms and conditions set out in the PA, the DPS and DLoF.
- 3.2.4. There is no differential pricing for the Offer.
- 3.2.5. This is not a Competing Offer in terms of Regulation 20 of the SEBI (SAST) Regulations. There has been no competing offer as of the date of this Draft Letter of Offer.
- 3.2.6. The Offer is unconditional and not subject to any minimum level of acceptance from the shareholders. In terms of Regulation 19(1) of the Regulations, the Acquirer will accept those Equity Shares of the Target Company which are tendered in valid form in terms of this Offer upto a maximum of 23,36,61,600 Equity Shares representing 26% of the Equity Share Capital/Voting Capital of the Target Company.
- 3.2.7. The Acquirer have not acquired any shares of the Target Company after the date of PA i.e. January 28, 2021 and up to the date of this DLoF.
- 3.2.8. The Acquirer will have the right not to proceed with this Offer in accordance with Regulation 23 of the SEBI (SAST) Regulations, in the event Statutory Approvals are refused. In the event of withdrawal of this Offer, a Public Announcement will be made within two (2) working days of such withdrawal, in the same newspapers in which the DPS has been published and such Public Announcement will also be sent to SEBI, Stock Exchanges and the Target Company.
- 3.2.9. As on date, the Manager to the Offer, Mark Corporate Advisors Private Limited does not hold any Equity Shares in the Target Company. The Manager to the Offer further declares and undertakes that they will not deal on their own account in the Equity Shares of the Target Company during the Offer Period as per Regulation 27(6) of the SEBI (SAST) Regulations.
- 3.2.10. The Equity Shares of the Target Company acquired by the Acquirer shall be 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.
- 3.2.11. As per Regulation 38 of SEBI (LODR) Regulations read with Rule 19A of the Securities Contract (Regulation) Rules, 1957, as amended (‘SCRR’), the Target Company is required to maintain at least 25% Public Shareholding, on continuous basis for listing. Pursuant to completion of this Offer, assuming full acceptance, the Public Shareholding in the Target Company will fall below the minimum public shareholding requirement as per SCRR as amended and SEBI (LODR) Regulations, 2015. The Acquirer undertakes to take necessary steps to facilitate Compliances of the Target Company with the relevant provisions of the SEBI (LODR) Regulations, 2015 within the time period mentioned therein.

3.3. OBJECT OF THE OFFER

3.3.1. This Offer is being made to the public shareholders of Target Company pursuant to and in compliance with regulation 3(1) and 4 of the Regulations.

3.3.2. At present, the Acquirer do not have any plans to make major changes to the existing line of business of the Target Company except in the ordinary course of business. However, the Acquirer may diversify into other areas with the prior approval of the Shareholders. The Acquirer may reorganize the present Capital Structure of the Company and also further strengthen the Board.

3.3.3. The Acquirer do not have any plans to alienate any significant assets of the Target Company whether by way of sale, lease, encumbrance or otherwise for a period of two years except in the ordinary course of business of the Target Company. The Target Company's future policy for disposal of its assets, if any, for two years from the completion of Offer will be decided by its Board of Directors, subject to the applicable provisions of the law and subject to the approval of the shareholders through Special Resolution passed by way of postal ballot in terms of regulation 25(2) of the Regulations.

4. BACKGROUND OF THE ACQUIRER

4.1. Information about Shree Global Tradefin Limited (“Acquirer”)

4.1.1. The Acquirer is a Public Limited Company with Corporate Identification Number (‘CIN’) as L27100MH1986PLC041252, was incorporated on October 15, 1986 as ‘Bensons Steels Limited in the State of Maharashtra, pursuant to the provisions of the Companies Act, 1956. Subsequently, the name was changed to ‘Shree Global Tradefin Limited’ and a Fresh Certificate of Incorporation was issued by the Registrar of Companies, Maharashtra, on October 24, 1996. There has been no change in the name of the Company since then.

4.1.2. The Registered Office of the Acquirer is presently situated at 35, Ashok Chambers, Broach Street, Devji Ratansey Marg, Masjid Bunder, Mumbai-400 009, Maharashtra, India and the contact number of the Acquirer is Tel. No.: +91 22 2348 0526.

4.1.3. The Acquirer is not part of any group.

4.1.4. The Authorized Share Capital of the Acquirer is ₹7,50,00,00,000 (Rupees Seven Hundred and Fifty Crores only) consisting of 7,50,00,00,000 (Seven Hundred and Fifty Crores only) Equity Shares of Face Value of ₹1 (Rupee One only) each. The Issued, Subscribed and Paid-up Equity Share Capital of the Acquirer is ₹1,13,95,05,465 (Rupees One Hundred Thirteen Crores Ninety Five Lakhs Five Thousand and Four Hundred and Sixty Five only) consisting of 1,13,95,05,465 (One Hundred Thirteen Crores Ninety Five Lakhs Five Thousand Four Hundred and Sixty Five only) Equity shares of Face Value of ₹1 each (Rupee One only).

4.1.5. As on date, the Acquirer is a beneficial owner of 6,55,17,911 Equity Shares aggregating to 7.29% of the Equity Share Capital/Voting Capital of the Target Company (details of which are mentioned under point no. 4.1.9 below). Further, the Acquirer has entered into a Share Purchase Agreement (“SPA”) with the Promoter(s)/Promoter Group of the Target Company on January 28, 2021 to acquire 41,44,41,116 Equity Shares representing 46.12% of the Equity Share Capital/Voting Capital of the Target Company.

4.1.6. Acquirer is engaged in the business of trading in steel, dealing in shares, stock, debentures and other securities.

4.1.7. The Acquirer is listed on BSE Limited, Mumbai (“BSE”) and Scrip Code is 512463.

4.1.8. The names of the Promoter and Promoter Group of the Acquirer, along with their Shareholding percentage, as disclosed by it to the Stock Exchanges under Regulation 31 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 [“SEBI (LODR) Regulations, 2015”], as of December 31, 2020 are as follows:

Promoter/Promoter Group

Individuals: Mrs. Abha M Gupta, holding 43,53,330 Equity Shares representing 0.38% of the Equity Share Capital/Voting Capital of the Acquirer.

Others: (i) Teamwork Properties Developments LLP (“**Teamwork**”), holding 38,65,55,000 Equity Shares representing 33.92% of the Equity Share Capital/Voting Capital of the Acquirer. (ii) Blossom Trade & Interchange LLP (“**Blossom**”), holding 38,39,04,000 Equity Shares representing 33.69% of the Equity Share Capital/Voting Capital of the Acquirer.

Person(s) having Control: (i) Mrs. Renu R. Gupta (Being Promoter of Teamwork & Blossom) and (ii) Mrs. Abha M. Gupta (Being Promoter of SGTL, Teamwork & Blossom).

4.1.9. As of the date, the Acquirer, its directors/key employees do not have any relationship or interest in the Target Company, except for the followings:

- (i) The Acquirer is holding 5,56,64,626 Equity Shares representing 6.19% of the Equity Share Capital/Voting Capital of the Target Company.
- (ii) Ragini Trading & Investments Ltd (“**RTIL**”) is holding 96,86,386 Equity Shares representing 1.08% of the Equity Share Capital/Voting Capital of the Target Company. RTIL was merged with the Acquirer vide Order dated March 09, 2012 of the Hon’ble High Court, Bombay. However, the holding of RTIL are still held in its name, which are pledged with Asset Reconstruction Company (India) Limited (“**ARCIL**”).
- (iii) Mrs. Renu R. Gupta is holding 68,680 Equity Shares representing 0.008% of the Equity Share Capital/Voting Capital of the Target Company.
- (iv) Mrs. Abha M. Gupta is holding 7,514 Equity Shares representing 0.001% of the Equity Share Capital/Voting Capital of the Target Company.
- (v) Mr. Rajesh R. Gupta (Husband of Mrs. Renu Gupta and Managing Director of SGTL) is holding 61,438 Equity Shares representing 0.007% of the Equity Share Capital/Voting Capital of the Target Company.
- (vi) Mr. Mukesh R. Gupta (Husband of Mrs. Abha Gupta) is holding 7,095 Equity Shares representing 0.001% of the Equity Share Capital/Voting Capital of the Target Company.
- (vii) Late Mrs. Chitrlekha R. Gupta (Mother in Law of Mrs. Abha M. Gupta) is holding 22,172 Equity Shares representing 0.002% of the Equity Share Capital/Voting Capital of the Target Company.
- (viii) Mr. Kalpesh Agrawal, Chief Financial Officer of the Target Company is husband of Mrs. Priyanka Agrawal, Company Secretary of the Acquirer Company.

(The entities mentioned under point no. iii to point no. vii above, are termed as related entities of the Acquirer).

The Acquirer has entered into SPA for proposed acquisition of 41,44,41,116 Equity Shares representing 46.12% of the Equity Share Capital/Voting Capital of the Target Company. Furthermore, there are no directors representing the Acquirer on the Board of Directors of the Target Company.

4.1.10. Apart from the Acquirer and Ragini Trading & Investments Ltd (which is merged with the Acquirer), none of the related entities mentioned in point no. 4.1.9 above are either participating or acting in Concert in this Open Offer.

4.1.11. The following are the details of the shareholding pattern of Acquirer as at December 31, 2020:

Sr. No.	Shareholder’s Category	No. of issued equity shares	% of issued equity share capital
1)	Promoter and Promoter Group	77,48,12,330	68.00
2)	FII/Mutual Funds/FIs/Banks	Nil	Nil
3)	Public	36,46,93,135	32.00
	TOTAL	1,13,95,05,465	100.00

4.1.12. The details of the Board of Directors of the Acquirer are as under:

Sr. No.	Name of the Director, DIN, PAN & Designation	Address of the Director	Date of Appointment	Experience and Field	Qualification	No of Shares held in the TC
1)	Mr. Rajesh Rajnarayan Gupta	81, Laxmi Vilas, 87,	Appointment on May 01,	29 years in Production,	Graduate	Nil

Sr. No.	Name of the Director, DIN, PAN & Designation	Address of the Director	Date of Appointment	Experience and Field	Qualification	No of Shares held in the TC
	<i>DIN: 00028379</i> <i>PAN: AKKPG 7456 N</i> <i>Designation:</i> <i>Chairman and Managing Director</i>	Nepeansea Road, Mumbai-400 006 Maharashtra India	2014 and re-appointment on January 01, 2021	Management, Consultancy and other areas in Steel, Power, Sponge Iron and Trading Industry.		
2)	Mr. Vikram Chandrakant Shah <i>DIN: 00824376</i> <i>PAN: AARPS8712Q</i> <i>Designation:</i> <i>Independent Director</i>	Flat No. 203, Building No. D/27, Yogi Kripa CHS Ltd, Yogi Nagar, Borivali West, Mumbai-400 091 Maharashtra India	February 05, 2020	40 years in Finance Field, which include Taxation, Financial Planning, Company Law matters etc.	C.A., Bachelor of General Law	Nil
3)	Mr. Manesh Varkey Cherian <i>DIN: 02244855</i> <i>PAN: ADSPC9557B</i> <i>Designation:</i> <i>Non-Executive Director</i>	A/34, Miraaj Residency CHS., Off Marve Road, Behind Jay Nagar, Jankalyan Nagar, Malad (West) Mumbai-400 095 Maharashtra India	March 26, 2020	9 years in the legal field relating to Corporate matters, Real estate, Redevelopment and SRA Projects.	LLB	100 shares
4)	Mr. Mohan Krishnamoorthy Nurani <i>DIN: 02542406</i> <i>PAN: AJRPM1452E</i> <i>Designation:</i> <i>Independent Director</i>	Room No. 802, Bldg. No. 32, Trupti Chs., Tilak Nagar, Near Sahakar Cinema, Chembur, Mumbai-400 089 Maharashtra India	Appointment on January 31, 2009 and re-appointed on 14/01/2020	30 years in steel, glass manufacturing and trading industry, expertise in the areas of accounts, finance, taxation and sales tax matters.	Graduate	Nil
5)	Ms. Mohinder Anand <i>DIN: 08156946</i> <i>PAN: ABCPA3810F</i> <i>Designation:</i> <i>Independent Director</i>	JN-2/18-A/7, Mahalaxmi Apartments, Sector 10, Vashi Navi Mumbai-400 703 Maharashtra India	June 26,2018	She is having immense experience of 33 years in the field of Human Resources.	Under Graduate	Nil
6)	Mr. Vinayak Kashinath Kashid <i>DIN: 08582130</i>	Room No: C-212 C Wing, Chandravadan CHS	November 01, 2019	35 years in the field of Labour, Welfare,	Graduate	100 Shares

Sr. No.	Name of the Director, DIN, PAN & Designation	Address of the Director	Date of Appointment	Experience and Field	Qualification	No of Shares held in the TC
	PAN: ACQPK9662A Designation: Non-Executive Director.	Ganeshwadi, Panchpakadhi Thane (West) Thane-400 601 Maharashtra India		Personnel, Industrial relations, Human relations and administration.		

4.1.13. The Acquirer has not been prohibited by SEBI from dealing in securities, in terms of directions issued under section 11 B of the SEBI Act or any other regulations made under the SEBI Act.

4.1.14. The summary of Un-Audited Consolidated Limited Reviewed key Financial Information as at and for the period ended September 30, 2020, and Consolidated Audited key Financial Information as at and for the Financial Year ended March 31, 2020, March 31, 2019 and March 31, 2018, are as follows:

Profit and Loss Statement:

(Amount in Lakhs, unless otherwise stated)

Particulars	Period ended September 30, 2020	FY 2019- 2020	FY 2018- 2019	FY 2017- 2018
Operating Income	-	56.90	1,457.89	24,276.54
(+) Other Operating Income	0.09	25.23	0.29	0.63
Total Income	0.09	82.13	1,458.18	24,277.17
(-) Expenditures:				
Changes in inventories of finished goods, work-in-progress and stock-in-trade	-	-	-	-
Purchase of Traded Goods	-	56.70	1,279.54	24,151.08
Employees benefits Expenses	45.52	141.10	139.94	140.30
Other Expenses	11.55	36.46	842.23	579.70
Total Expenses	57.07	234.26	2,261.71	24,871.08
Profit before Depreciation, Interest & Tax	(56.98)	(152.13)	(803.53)	(593.91)
(-) Depreciation	0.02	0.04	0.08	0.20
(-) Finance Cost	0.00	0.00	0.02	0.00
Profit before Tax	(57.00)	(152.17)	(803.63)	(594.11)
(-) Tax Expenses				
Current Tax	-	-	-	-
Deferred Tax	-	-	-	-
Income Tax for earlier years	-	-69.24	-	-
Profit after Tax	(57.00)	(82.93)	(803.63)	(594.11)
Share in profit of Associate	114.25	30.27	(3,547.81)	227.54
Profit or Loss for the Period	57.25	(52.66)	(4,351.44)	(366.57)
Other Comprehensive Income				
Items that will be reclassified to Profit & Loss	-	(2,268.36)	-	-
Income Tax relating to Items that will be reclassified to Profit & Loss	-	-	-	-
Items that will not be reclassified to Profit & Loss	1,619.16	-	(1,627.03)	(6,396.66)
Income Tax relating to Items that will not be reclassified to Profit & Loss	-	-	-	-
Total Other Comprehensive Income	1,619.16	(2,268.36)	(1627.03)	6,396.66
Total comprehensive income for the Period	1,676.41	(2,321.02)	(5,978.47)	(6,763.23)

Balance Sheet Statement:

(Amount in Lakhs, unless otherwise stated)

Particulars	Period ended September 30, 2020	FY 2019- 2020	FY 2018- 2019	FY 2017-2018
Sources of Funds:				
Paid Up Share Capital	11,395.05	11,395.05	11,395.05	11,395.05
Reserves & Surplus	21,512.34	19,835.95	22,247.29	28,225.72
Networth	32,907.39	31,231.00	33,642.34	39,620.
Non-Current Liabilities	40.18	40.18	33.50	46.56
Current Liabilities	115.64	108.69	27.57	8.45
Total	33,063.21	31,379.87	33,703.41	39,675.78
Uses of Funds:				
Non-Current Assets				
Property, Plant & Equipment	0.32	0.35	0.39	0.25
Financial Assets				
Investments	18,115.29	16,381.89	18,709.84	25,279.38
Trade Receivables	-	-	-	894.32
Other Non-Current Assets	14,826.77	14,876.36	14,959.43	13,477.84
Total Non-Current Assets	32,942.38	31,258.60	33,669.66	39,651.78
Current Assets				
Financial Assets				
Cash and Cash Equivalents	2.04	3.92	1.54	1.32
Trade Receivables	59.74	59.74	-	-
Other Current Assets	59.05	57.61	32.21	22.67
Total Current Assets	120.83	121.27	33.75	24.00
Total	33,063.21	31,379.87	33,703.41	39,675.78

Other Financial Data:

Particulars	Period ended September 30, 2020	FY 2019-2020	FY 2018-2019	FY 2017-2018
Dividend (%)	0.00%	0.00%	0.00%	0.00%
Earnings Per Share*	0.01	(0.00)	(0.38)	(0.03)

* Not Annualised

- 4.2. The contingent liabilities of the Acquirer on a consolidated basis as on March 31, 2020 (as disclosed in the Audited Consolidated Financial Statements for the financial year ended March 31, 2020) are as follows:

(Amount in Lakhs)

Sr. No.	Particulars	Amount
1)	Claims against the Company not acknowledged as Debts- Income Tax	195.20
2)	Guarantees excluding financial guarantees-Investments Pledged	10,192.89
3)	Corporate Guarantee is given in favor of Bank of Baroda for providing loan to Indrajit Properties Private Limited, an associate Company of Shree Global Tradefin Limited.	2,000.00

- 4.3. The Acquirer will be the Promoter of the Company, after completing all the Open Offer formalities pursuant to the Regulations.

4.4. Status of corporate governance

The Acquirer has obtained a certificate dated February 09, 2021 from Mr. Rahul Gupta, Practising Company Secretary having office at Unit No. 12, 1st Floor, Poonam Cluster 2, Shanti Park Layout, Miraroad, Thane-401 107, Maharashtra, India. Contact. No.: +91 – 816 919 2320, wherein it has been confirmed that the Acquirer has complied with the conditions of corporate governance stipulated in the SEBI (LODR) Regulations, as applicable for the year ended March 31, 2020, Further, the Acquirer has submitted the quarterly compliance reports (in the format prescribed as per SEBI circular CIR/CFD/CMD/5/2015 dated September 24, 2015) on corporate governance as of December 31, 2020 confirming therein the compliance with various corporate governance norms as specified in SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (LODR).

4.5. Brief Information of the Market Prices of the Equity Shares of the Acquirer on BSE is provided below:

Sr. No.	Particulars	BSE	
		Highest Closing Price	Lowest Closing Price
1)	August 2020	1.60	1.35
2)	September 2020	1.60	1.55
3)	October 2020	1.64	1.34
4)	November 2020	1.40	1.14
5)	December 2020	2.05	1.45
6)	January, 2021	2.74	1.86

4.6. The Acquirer has confirmed that it is not on the list of ‘wilful defaulters’ issued by bank, financial institution, or consortium thereof in accordance with guidelines on wilful defaulters issued by RBI pursuant to Regulation 2 (1) (ze) of the Regulations.

4.7. The Acquirer has confirmed that it is not declared as a fugitive economic offender under Section 12 of Fugitive Economic Offenders Act, 2018 (17 of 2018) as per Regulations 2 (1) (ja) of Regulations.

4.8. There are no persons Acting in Concert in relation to the Offer within the meaning of 2(1)(q)(1) of the Regulations.

4.9. Details of the Compliance Officer:

Name : Mrs. Priyanka Kalpesh Agrawal
Registered Office Address : 35, Ashok Chambers, Broach Street, Devji Ratansey Marg, Masjid Bunder, Mumbai-400 009, Maharashtra, India
Contact No. : +91 87930 22535
E-Mail ID : sgtl2008@gmail.com

5. BACKGROUND OF THE TARGET COMPANY-LLOYDS STEELS INDUSTRIES LIMITED

5.1. The Target Company, bearing CIN L28900MH1994PLC081235 was incorporated in the State of Maharashtra on September 19, 1994 in the name of ‘Climan Properties Private Limited’ under the Companies Act, 1956. Further, the name was changed to ‘Climan Properties Limited’ as the status of the Company was changed from private limited to public limited and a fresh Certificate of Incorporation was issued on April 17, 2000 by Registrar of Companies, Maharashtra, Mumbai. The name was then changed to ‘Encon Technologies Limited’ and a fresh certificate of Incorporation was issued on April 19, 2000 by Registrar of Companies, Maharashtra, Mumbai. The name was further changed to ‘Lloyds Encon Technologies (I) Limited’ and a fresh certificate of Incorporation was issued on May 31, 2011 by Registrar of Companies, Maharashtra, Mumbai. Subsequently, the name was changed to ‘Lloyds Steels Industries Limited’ and a Fresh Certificate of Incorporation was issued by the Registrar of Companies, Maharashtra, Mumbai on May 04, 2013. There has been no change in the name of the Company during the last three years.

5.2. The Registered Office is currently situated at Plot No A -5/5, MIDC Industrial Area, Murbad, Thane-421401, Maharashtra, India.

5.3. The Target Company is engaged in the business of Design, Engineering and Fabrication of Heavy Equipment, Waste Heat Recovery Boilers, Steel Plant, Power Plant Equipment and Naval Equipment and execution of Turnkey Projects apart from providing Technical and Technological Services.

5.4. The Authorized Share Capital of the Target Company is ₹90,00,00,000 (Rupees Ninety Crores only) comprising of 90,00,00,000 (Ninety Crores only) Equity Shares of ₹1 each. The Paid-Up Equity Share Capital of the Target Company is ₹89,86,98,382 (Rupees Eighty Nine Crores Eighty Six Lakhs Ninety Eight Thousand Three Hundred and Eighty Two only) comprising of 89,86,98,382 (Eighty Nine Crores Eighty Six Lakhs Ninety Eight Thousand Three Hundred and Eighty Two only) Equity Shares of ₹1 each fully paid up.

5.5. The Equity Shares of the Target Company got listed on BSE Limited, (“BSE”) having a scrip code as ‘539992’ and on National Stock Exchange of India Limited, Mumbai (“NSE”) having scrip symbol as ‘LSIL’ (hereinafter collectively referred to as “Stock Exchanges”) on July 18, 2016. The Equity Shares of the Target

Company are frequently traded on the Stock Exchanges within the meaning of explanation provided in Regulation 2(j) of the Regulations. The ISIN of the Target Company is INE093R01011.

5.6. As on date, the Target Company is fully compliant with the listing requirements and there has not been any penal/punitive action taken by the Stock Exchanges, except for fines imposed for delay in appointment of 6th director on the board of the Target Company beyond April 01, 2020. The matter is under consideration of the Stock Exchanges. Further, there are no non-listing of Equity Shares on the Stock Exchanges, except for non-listing of 3,74,805 Equity Shares on NSE, which are kept in abeyance.

5.7. Share Capital Structure:

The Equity Share Capital Structure of the Target Company is as follows:

Paid-up Shares	No. of Equity Shares/Voting Rights	% of Equity Shares/Voting Rights
Fully Paid-up Equity Shares	89,86,98,382	100.00%
Partly Paid-up Equity Shares	Nil	N.A.
Total Paid-up Equity Shares	89,86,98,382	100.00%

5.8. As of the date of this Draft Letter of Offer, there are no: (i) partly paid-up Equity Shares; and (ii) outstanding convertible instruments (warrants/fully convertible debentures/partially convertible debentures) issued by the Target Company. Further, there is no differential pricing for the Offer. There has been no merger/de-merger or spin off in the Target Company during the past three years.

5.9. Details of the Board of Directors of the Target Company:

As on the date, the Directors representing the Board of the Target Company are:

Sr. No.	Name of the Director, DIN, PAN & Designation	Address of the Director	Date of Appointment	Experience and Field	No of Shares held in the TC
1)	Mr. Ashok Satyanarayan Tandon <i>DIN: 00028301</i> <i>PAN: AARPT 3998 B</i> <i>Designation:</i> <i>Managing Director</i>	Flat No. 20, Usha Kamal CHSL Ltd., Sector 15, Plot No. 28 28A, Vashi, Navi Mumbai-400 703	Appointment on January 15, 2014 and re- appointment on January 20, 2019	41 Years in Engineering, Steel and Oil Industry	Nil
2)	Mr. Satyendra Narain Tej Narain Singh <i>DIN: 00398484</i> <i>PAN: ADCPS 0244 B</i> <i>Designation:</i> <i>Independent Director</i>	Plot No.5, Astha, MIDC Pipeline Road, Anandwali, Nashik-422 013	May 06, 2016	43 Years in Engineering, Iron and Steel Industry	Nil
3)	Mrs. Bela Sundar Rajan <i>DIN: 00548367</i> <i>PAN: AGZPK 8930 A</i> <i>Designation:</i> <i>Independent Woman Director</i>	Flat No. 1202, 12 th Floor, Kritika Towers, 11, Sion-Trombay Road, Chembur, Near R K Studio, Mumbai-400 071	January 28, 2016	28 Years in Public Relations, Media and Communications	Nil

Sr. No.	Name of the Director, DIN, PAN & Designation	Address of the Director	Date of Appointment	Experience and Field	No of Shares held in the TC
4)	Mr. Lakshman Ananthsubramanian DIN: 08648489 PAN: AERPA 4329 M Designation: Independent Director	C-1901, Mayuresh Residency, LBS Marg, Bhandup, Mumbai-400 078	January 24, 2020	29 Years in Banking and Financial Services Sector	Nil
5)	Mr. Rajashekhar M. Alegavi DIN: 03584302 PAN: AABPA 1805 E Designation: Non-Executive Director	Room No.804, 8 th Floor, Varun Garden Building, 48, Godbunder Road, Chitalsar, Opp R Mall, Manpada, Thane (West), Maharashtra- 400 610	October 26, 2018	Design, Manufacturing, Erection and Commissioning of Equipment in Hydro Carbon and Non-Hydro Carbon Industries.	Nil
6)	Mr. Kishor Kumar Mohanlal Pradhan DIN: 02749508 PAN: AKAPP 3305 R Designation: Additional & Non-Executive Director	F-63, Maker Kundan Garden, Juhu Tara Road, Near SNDT University, Santacruz (W), Mumbai-400 049	September 11, 2020	37 years in Banking and Financial Services	Nil

5.10. The Un-Audited Limited Reviewed key Financial Information as at and for the period ended September 30, 2020 and Audited for the Financial Year ended March 31, 2020, March 31, 2019 and March 31, 2018 of the Target Company are as under:

Profit and Loss Statement:

(Amount in Lakhs, unless otherwise stated)

Particulars	Period ended September 30, 2020	FY 2019-2020	FY 2018-2019	FY 2017-2018
Operating Income	2,637.43	11,446.48	9,771.78	12,250.25
(+) Other Operating Income	361.95	829.87	1,003.67	3,428.35
Total Income	2,999.38	12,276.35	10,775.45	15,678.60
(-) Expenditures:				
Cost of materials consumed	3,464.34	5,378.86	4,850.17	6,065.10
Purchase of Traded Goods				2,896.51
Changes in inventories of finished goods, work-in-progress and stock-in-trade	(2,206.26)	145.67	(1,040.22)	2,029.78
Excise Duty				52.13
Employees benefits Expenses	563.06	1,687.00	1,388.11	1,236.21
Manufacturing and Other Expenses	979.23	4,525.87	5,122.91	2,971.19
Total Expenses	2,800.37	11,737.40	10,320.97	15,250.92
Profit before Depreciation, Interest & Tax	199.01	538.95	454.48	427.68
(-) Depreciation	85.90	157.20	105.37	101.00
(-) Finance Cost	26.44	54.46	33.18	28.57
Profit before Tax	86.67	327.29	315.93	298.11
(-) Tax Expenses				
Current Tax	-	63.03	65.04	54.82
Deferred Tax	-	(77.87)	(84.59)	(57.52)
Deferred Tax Reversals	-	93.08	47.98	93.46
Total Tax Expenses	-	78.24	28.43	90.76
Profit after Tax	86.67	249.05	287.50	207.35
Other comprehensive income(OCI)				
Items that will not be reclassified to Profit & Loss	25.16		-	-

Remeasured Profits/Losses on Benefit Plans	-	50.33	(25.52)	(10.52)
Income Tax relating to Items that will not be reclassified to Profit & Loss	(7.00)		-	-
Income Tax Credit	-	(14.00)	7.10	3.25
Total Other comprehensive income	18.16	36.33	(18.42)	(7.27)
Total comprehensive income for the Period	104.83	285.38	269.08	200.08

Balance Sheet Statement:

(Amount in Lakhs, unless otherwise stated)

Particulars	As at September 30, 2020	FY 2019-2020	FY 2018-2019	FY 2017-2018
Sources of Funds:				
Equity Share Capital	8,986.98	8,986.98	8,986.98	8,986.98
Other Equity	2,353.00	2,252.37	1,967.00	1,697.90
Networth	11,339.98	11,239.35	10,953.98	10,684.88
Non-Current Liabilities				
Financial Liabilities				
Long Term Borrowings	73.44	95.00	87.94	
Provisions	348.50	358.12	474.55	431.35
Others long term financial liabilities	300.13	331.92	-	
Sub Total of Non-Current Liabilities	722.07	785.04	562.49	431.35
Current Liabilities				
Financial Liabilities				
Trade payables				
MSME	21.90	25.54	96.11	-
Other Creditors	4,389.40	1,563.94	3,447.80	1,313.51
Others	417.40	378.72	179.35	131.19
Provisions	177.88	177.88	70.74	17.15
Other current Liabilities	1,570.53	1,612.80	23,475.23	38,433.66
Sub Total of Current Liabilities	6,577.11	3,758.88	27,269.23	39,895.51
Total Liabilities	7,299.18	4,543.92	27,831.72	40,326.86
Total Equity & Liabilities	18,639.16	15,783.27	38,785.70	51,011.74
Uses of Funds:				
Non-Current Assets	2,184.79	2,262.80	2,069.63	2,127.57
Current Assets	16,454.37	13,520.47	36,716.07	48,884.17
Total Miscellaneous Expenditure not written off	-	-	-	-
Total	18,639.16	15,783.27	38,785.70	51,011.74

Other Financial Data:

Particulars	Period ended September 30, 2020	FY 2019-2020	FY 2018-2019	FY 2017-2018
	Un-Audited	Audited	Audited	Audited
Dividend (%)	-	-	-	-
Earnings Per Share	0.01	0.03	0.03	0.02

5.11. Pre and Post-Offer Shareholding Pattern of the Target Company as on date of DLoF are as follows:

Shareholders' Category	Equity Share Capital/Voting Capital prior to SPA and Offer		Equity Share Capital/Voting Capital agreed to be acquired which triggered off the Regulations		Equity Share Capital/Voting Rights to be acquired in the Open Offer (assuming full acceptance)		Equity Share Capital/Voting Rights after SPA and Offer	
	(A)		(B)		(C)		(D)	
	No.	%	No.	%	No.	%	No.	%
1) Promoter Group								
a) Parties to Agreement								
(i) Metallurgical Engineering And Equipments Ltd	12,63,67,638	14.06	(12,63,67,638)	(14.06)	Nil	N.A.	Nil	N.A.

Shareholders' Category	Equity Share Capital/Voting Capital prior to SPA and Offer		Equity Share Capital/Voting Capital agreed to be acquired which triggered off the Regulations		Equity Share Capital/Voting Rights to be acquired in the Open Offer (assuming full acceptance)		Equity Share Capital/Voting Rights after SPA and Offer	
	(A)		(B)		(C)		(D)	
	No.	%	No.	%	No.	%	No.	%
(ii) First India Infrastructure Private Ltd	28,80,73,478	32.05	(28,80,73,478)	(32.05)	Nil	N.A.	Nil	N.A.
b) Promoters other than (a) above	Nil	N.A.	Nil	N.A.	Nil	N.A.	Nil	N.A.
Total 1 (a+b)	41,44,41,116	46.12	(41,44,41,116)	(46.12)	Nil	N.A.	Nil	N.A.
2) Acquirer								
Shree Global TradeFin Ltd*	6,55,17,911	7.29	41,44,41,116	46.12	23,36,61,600	26.00	71,36,20,627	79.41
Total 2	6,55,17,911	7.29	41,44,41,116	46.12	23,36,61,600	26.00	71,36,20,627	79.41
3) Parties to Agreement other than (1) (a) & (2)	Nil	N.A.	Nil	N.A.	Nil	N.A.	Nil	N.A.
Total 3	Nil	N.A.	Nil	N.A.	Nil	N.A.	Nil	N.A.
4) Public (other than parties to agreement, Acquirer & PACs)								
a) FIs/MFs/FIIs/Banks, SFIs (indicate names)								
b) Others	41,87,39,355	46.59	Nil	N.A.	(23,36,61,600)	(26.00)	18,50,77,755	20.59
Total 4 (a+b)	41,87,39,355	46.59	Nil	N.A.	(23,36,61,600)	(26.00)	18,50,77,755	20.59
GRAND TOTAL (1+2+3+4)	89,86,98,382	100.00	Nil	N.A.	Nil	N.A.	89,86,98,382	100.00

* includes 98,53,285 Equity Shares (pledged with ARCIL) representing 1.10% pertaining to the related entities disclosed under 4.1.9 above.
Note: Total Number of Public Shareholders as on December 31, 2020 are 1,48,015.

5.12. Details of the Compliance Officer:

Name : Mrs. Meenakshi Ankit Pansari
Registered Office Address : Plot No A -5/5, MIDC Industrial Area, Murbad, Thane-421401, Maharashtra, India
Contact No. : +91 83850 28661
E-Mail ID : infoengg@lloyds.in

6. OFFER PRICE AND FINANCIAL ARRANGEMENTS

6.1. JUSTIFICATION OF OFFER PRICE

6.1.1. The Equity Shares of the Target Company are presently listed on BSE Ltd, Mumbai ("BSE") having a scrip code as 539992 and National Stock Exchange of India Limited, Mumbai ("NSE") having Scrip Symbol as 'LSIL'. The Equity Shares of the Target Company is frequently traded on BSE as well as on NSE during the twelve (12) calendar months preceding the month in which PA was made as set out under Regulation 2(1) (j) of the Regulations.

6.1.2. The annualized trading turnover of the Equity Shares of the Target Company during Twelve (12) calendar months preceding the month of PA (January 2020 to December 2020) on the Stock Exchanges on which the Equity Shares of the Target Company are traded is detailed below:

Name of the Stock Exchange	Total Number of shares traded during the preceding 12 calendar months prior to the month of PA	Total No. of Equity Shares listed	Annualized trading turnover (as % of total number of listed shares)
BSE Limited	13,94,16,135	89,86,98,382	15.51%
National Stock Exchange of India Limited	40,31,12,461	89,83,23,577	44.87%

(Source: www.bseindia.com and www.nseindia.com)

6.1.3. The Offer Price of ₹1 (Rupee One only) is justified in terms of Regulation 8(2) of the SEBI (SAST) Regulations on the basis of the following:

Sr. No.	Particulars	Amount (In. ₹)
a)	Negotiated Price as per SPA	₹0.80*
b)	The volume-weighted average price paid or payable for acquisition by the Acquirer, during 52 weeks preceding the date of PA	N.A.
c)	The highest price paid or payable for any acquisition, by the Acquirer, during 26 weeks preceding the date of the PA	N.A.
d)	The volume-weighted average market price of Equity shares of the Target Company for a period of sixty (60) trading days immediately preceding the date of PA as traded on NSE, being the Stock Exchange where the maximum volume of trading in the shares of the Target Company are recorded during such period	₹0.98
e)	Other Financial Parameters as at:	September 30, 2020 (Un-Audited)
	(i) Return on Net Worth (%)^	0.92
	(ii) Book Value Per Share (₹)	1.26
	(iii) Earnings Per Share (₹)^	0.01

* Issue of Equity Shares to the Sellers on Preferential basis at the price of ₹2.50 Per Equity Share in the ratio of 1:3.125 (fractional Shares, if any, is ignored).

^ Not Annualized.

Note: The Trading data with respect to NSE has been downloaded from website of NSE i.e. www.nseindia.com.

6.1.4. Calculation of the volume-weighted average market price of the Shares for a period of sixty (60) trading days immediately preceding the date of PA as traded on NSE (as the maximum volume of trading in the Shares of the Target Company was recorded on NSE during such period) as per regulation 8(2) (d) of the Regulations is as follows:

Sr. No.	Date	No. of Shares	Total Turnover (₹)
1)	02 November 2020	6,52,683	4,42,366.00
2)	03 November 2020	3,99,247	2,74,503.80
3)	04 November 2020	2,79,638	1,89,759.25
4)	05 November 2020	3,47,596	2,33,946.75
5)	06 November 2020	4,39,249	3,03,314.00
6)	09 November 2020	6,75,030	4,68,401.15
7)	10 November 2020	6,21,488	4,23,119.10
8)	11 November 2020	3,48,205	2,33,903.05
9)	12 November 2020	3,59,112	2,37,061.05
10)	13 November 2020	6,61,073	4,52,737.30
11)	14 November 2020	2,38,596	1,64,369.40
12)	17 November 2020	9,95,841	6,99,686.30
13)	18 November 2020	8,04,458	5,87,166.30
14)	19 November 2020	13,72,622	9,80,768.00
15)	20 November 2020	11,78,779	8,15,725.00
16)	23 November 2020	6,70,509	4,74,615.65
17)	24 November 2020	9,79,517	6,83,368.75
18)	25 November 2020	6,36,967	4,43,117.05
19)	26 November 2020	3,12,377	2,20,058.05
20)	27 November 2020	6,12,299	4,11,420.45
21)	01 December 2020	22,26,899	15,74,437.15
22)	02 December 2020	6,32,762	4,49,891.65
23)	03 December 2020	8,06,118	5,77,553.00
24)	04 December 2020	7,14,151	5,21,940.55
25)	07 December 2020	57,91,016	48,95,719.00
26)	08 December 2020	46,03,601	48,08,355.10
27)	09 December 2020	1,21,83,528	1,39,60,303.90
28)	10 December 2020	1,30,79,968	1,45,88,996.60
29)	11 December 2020	63,35,240	66,16,093.95
30)	14 December 2020	1,15,17,174	1,24,33,841.25
31)	15 December 2020	50,76,994	54,20,458.35
32)	16 December 2020	17,73,723	18,06,585.25

Sr. No.	Date	No. of Shares	Total Turnover (₹)
33)	17 December 2020	18,34,237	17,98,551.95
34)	18 December 2020	23,28,582	22,37,091.40
35)	21 December 2020	10,85,883	10,41,809.45
36)	22 December 2020	11,37,240	10,23,679.85
37)	23 December 2020	12,03,659	10,93,989.05
38)	24 December 2020	10,29,899	9,64,771.35
39)	28 December 2020	13,52,861	13,11,409.60
40)	29 December 2020	26,58,936	26,17,664.25
41)	30 December 2020	6,76,674	6,58,322.70
42)	31 December 2020	7,64,147	7,42,841.20
43)	01 January 2021	12,23,364	11,91,022.85
44)	04 January 2021	20,09,048	19,52,306.90
45)	05 January 2021	73,49,602	73,26,722.15
46)	06 January 2021	49,89,520	51,46,972.60
47)	07 January 2021	22,69,034	22,35,495.60
48)	08 January 2021	21,71,005	21,53,996.05
49)	11 January 2021	36,10,424	35,51,314.80
50)	12 January 2021	20,80,180	20,04,301.15
51)	13 January 2021	17,07,528	16,21,544.45
52)	14 January 2021	16,30,544	14,79,472.05
53)	15 January 2021	10,84,206	9,98,095.95
54)	18 January 2021	13,84,177	12,53,116.90
55)	19 January 2021	14,84,011	12,96,364.15
56)	20 January 2021	17,11,255	14,86,039.30
57)	21 January 2021	13,38,904	12,21,348.20
58)	22 January 2021	10,67,278	9,55,325.25
59)	25 January 2021	10,43,675	9,16,588.45
60)	27 January 2021	13,47,135	11,26,022.30
		13,08,99,468	12,77,99,762.05
			0.98

6.1.5. In view of the parameters considered and presented in the table above and in the opinion of the Acquirer and Manager to the Offer, the Offer Price of ₹1 (Rupee One only) per Equity Share is justified in terms of Regulation 8 (2) of the Regulations.

6.1.6. There have been no corporate actions in the Target Company warranting adjustment of relevant price parameters.

6.1.7. In the event of further acquisition of Equity Shares of the Target Company by the Acquirer during the Offer Period, at a price higher than the Offer Price, the Offer Price will stand revised equal to or more than the highest price paid for such acquisition in terms of regulation 8(8) of the Regulations. However, the Acquirer will 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.

6.1.8. If the Acquirer acquire Equity Shares of the Target Company during the period of twenty-six (26) weeks after the Tendering Period at a price higher than the Offer Price, they will pay the difference between the highest acquisition price and the Offer Price, to all shareholders whose shares have been accepted in Offer within sixty (60) days from the date of such acquisition. However, no such difference shall be paid in the event that such acquisition is made under another open offer under the 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 Equity Shares whether by way of bulk deals, block deals or in any other form.

6.1.9. 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, the Acquirer are permitted to revise the Offer Price upward at any time prior to commencement of the last one (1) working day before the commencement of the Tendering Period i.e. March 22, 2021 in accordance with Regulation 18(4) of the Regulations. If there is any such upward revision in the Offer Price by the Acquirer or in the case of withdrawal of Offer, the same would be informed by way

of the 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 for all the shares validly tendered in the Offer.

- 6.1.10. In the event that the number of Equity Shares validly tendered by the Public Shareholders of the Target Company under the Offer is higher than the Offer Size, the Equity Shares received from the public shareholders shall be accepted on a proportionate basis, in consultation with the Manager to the Offer.

6.2. DETAILS OF FIRM FINANCIAL ARRANGEMENTS

- 6.2.1. The total funds required for the implementation of the Offer (assuming full acceptance), i.e., for the acquisition of upto 23,36,61,600 fully paid up Equity Shares of Face Value ₹1 each at a price of ₹1 (Rupee One only) per Equity Share is ₹23,36,61,600 (Rupees Twenty Three Crores Thirty Six Lakhs Sixty One Thousand and Six Hundred only) (“**Maximum Consideration**”).
- 6.2.2. In accordance with Regulation 17(4) of Regulations, the Acquirer have opened a Cash Escrow Account under the name and style of “**LLOYDS STEELS INDUSTRIES LTD-OPEN OFFER- ESCROW ACCOUNT**” (“**Escrow Account**”) with IndusInd Bank Limited, Mumbai (“**Escrow Banker**”) bearing account number 250557767910 and deposited an amount of ₹600.00 Lakhs (Rupees Six Hundred Lakhs only) on January 30, 2021, in cash, being 25.68% of the Maximum Consideration payable. The Acquirer has authorized the Manager to the Offer to operate and realize the value of the Escrow Account in terms of the Regulations. The cash deposit in the Escrow Account has been confirmed by the Escrow Banker vide acknowledgment dated January 30, 2021.
- 6.2.3. The Acquirer has empowered the Manager to the Offer i.e. Mark Corporate Advisors Private Limited to operate and to realize the value of the Escrow Account in terms of the Regulations.
- 6.2.4. The Acquirer has adequate financial resources and has made firm financial arrangements for implementation of the Open Offer, in terms of Regulation 25(1) of the Regulations. The Open Offer obligation shall be met by the Acquirer through its own resources and no borrowings from any bank and/or financial institution are envisaged. CA Kapil Maheshwari, Partner (Membership No. 133497) of M/s MTS & Associates, Chartered Accountants (FRN: 130510W) having office at Giriraj Nikunj, Ground Floor, 6, Navjeevan Colony, Wardha Road, Nagpur-440 015. Tel. No.: +91 712 2250 420, E-Mail ID: kapilmaheshwari_ca@yahoo.co.in has certified vide certificate dated January 28, 2021 that sufficient resources are available with the Acquirer for fulfilling the obligations under this ‘Offer’ in full.
- 6.2.5. Based on the above, the Manager to the Offer is satisfied about the ability of the Acquirer and to implement the offer in accordance with the Regulations. Further, the Manager to the Offer confirms that the funds/money are in place to fulfil the Open Offer obligations.
- 6.2.6. In case of any upward revision in the Offer Price or the Offer Size, the value of the Escrow Amount shall be computed on the revised consideration calculated at such revised Offer Price or Offer Size and any additional amounts required will be funded via cash in the Escrow Account by the Acquirer prior to effecting such revision, in terms of Regulation 17(2) of the SEBI (SAST) Regulations.

7. TERMS AND CONDITIONS OF THE OFFER

7.1. OPERATIONAL TERMS AND CONDITIONS

- 7.1.1. This Offer is being made by the Acquirer to (i) all the Equity Shareholders, whose names appear in the register of members of the Target Company as on the Identified Date i.e. March 09, 2021; (ii) the Beneficial Owners of the Equity Shares whose names appear as beneficiaries on the records of the respective depositories, as of the close of business on the Identified Date i.e. March 09, 2021; and (iii) those persons who acquire the Equity Shares any time prior to the date of the closure of the Tendering Period for this Offer, i.e. April 08, 2021, but who are not the registered Equity Shareholders.
- 7.1.2. This Offer is not conditional upon any minimum level of acceptance by the Shareholder(s) of the Target Company.

- 7.1.3. The Equity Shares tendered under this Offer shall be fully paid-up, free from all liens, charges, equitable interests and encumbrances and shall be tendered together with all rights attached thereto, including all rights to dividends, bonuses and rights offers, if any, declared hereafter, and the tendering Public Shareholder shall have obtained any necessary consents for it to sell the Equity Shares on the foregoing basis.
- 7.1.4. The Letter of Offer along with Transfer Deed is being dispatched/ sent through electronic mail to all the Public Shareholders as on the Identified Date, who have registered their email ids with the Depositories and/or the RTA. In case of non-receipt of the LOF, such shareholders may download the same from the SEBI website (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 Offer Shares.
- 7.1.5. Neither the Acquirer, nor the Manager to the Offer or the Registrar to the Offer accepts any responsibilities in any manner for any loss of Equity Share Certificate(s), Share transfer forms and any other Offer acceptance documents, etc. during transit and Public Shareholders are advised to adequately safeguard their interest in this regard.
- 7.1.6. 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 bidding of such Equity Shares during pendency of the said litigation and are liable to be rejected if directions/orders regarding the free transferability of such equity shares tendered under the Offer are not received prior to the date of Closing of the Offer.
- 7.1.7. Incomplete acceptances, including non-submissions of necessary enclosures, if any, are liable to be rejected. Further, in case the documents/forms submitted are incomplete and/or if they have any defect or modifications, the acceptance is liable to be rejected.
- 7.1.8. In terms of Regulation 18(9) of the SEBI (SAST) Regulations, the Public Shareholders who tendered their Equity Shares in acceptance of the Open Offer shall not be entitled to withdraw such acceptance.

7.2. LOCKED-IN SHARES

As on date, the Target Company does not have any Equity Shares under lock-in.

7.3. ELIGIBILITY FOR ACCEPTING THE OFFER

- 7.3.1. The Letter of Offer shall be sent to all Public Shareholders holding Equity Shares whose names appear in the register of members of the Target Company on the Identified Date i.e. March 09, 2021.
- 7.3.2. Accidental omission to dispatch this Letter of Offer to any member entitled to this Open Offer or non-receipt of this Draft Letter of Offer by any member entitled to this Open Offer shall not invalidate the Open Offer in any manner whatsoever.
- 7.3.3. The Public Announcement ('PA'), the Detailed Public Statement ('DPS') and the Letter of Offer ('LoF') shall also be available on the website of SEBI i.e. www.sebi.gov.in. In case of non-receipt of the Letter of Offer, all Equity Shareholders including those who have acquired Equity Shares of the Target Company after the Identified Date, if they so desire, may download the Letter of Offer from the website of SEBI for applying in the Offer.
- 7.3.4. By accepting this offer, the Public Shareholder(s) confirm that they are not Persons Acting in Concert with the Acquirer for the purpose of this Offer.
- 7.3.5. The acceptance of this Offer by the Equity Shareholders of the Target Company must be absolute and unqualified. Any acceptance to this Offer which is conditional or incomplete in any respect will be rejected without assigning any reason whatsoever and should be received by the Registrar to the Offer at the address mentioned in this DLoF on or before the closure of the Tendering Period i.e. April 08, 2021 (Thursday).
- 7.3.6. The Acquirer reserve the right to revise the Offer Price and/or the Offer Size upwards at any time prior to commencement of one (1) working day before the commencement of the Tendering Period i.e. March 22, 2021, in accordance with the Regulations and the revision, if any, in the Offer Price would be announced in

the Newspapers. The Acquirer would pay such revised price for all the shares validly tendered during the Tendering Period and accepted under the Offer in accordance with the terms of the Letter of Offer.

7.3.7. The acceptance of Equity Shares tendered in this Offer will be made by the Acquirer in consultation with the Manager to the Offer.

7.3.8. SEBI vide its Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/144 dated July 31, 2020 has clarified that shareholders holding securities in physical form are also allowed to tender shares in the Open Offers. However, such tendering shall be as per the provisions of the Regulations.

7.4. STATUTORY APPROVALS

7.4.1. As on date, to the best of the knowledge of the Acquirer, there are no Statutory Approvals required by the Acquirer to complete this Offer. In case, if any Statutory Approval(s) are required or become applicable at a later date before the closure of the Tendering Period, the Offer shall be subject to the receipt of such Statutory Approval(s). The Acquirer shall make the necessary applications for such Statutory Approvals. In the event of non-receipt of any of such Statutory Approvals which may become applicable for the purchase of the Equity Shares under this Offer, the Acquirer shall have the right to withdraw the Offer in accordance with the provisions of Regulation 23(1) of the Regulations.

In the event of withdrawal of this Offer, for reasons outside the reasonable control of the Acquirer, a Public Announcement will be made within two (2) working days of such withdrawal, in the same newspapers in which this DPS has been published and copy of such Public Announcement will also be sent to SEBI, Stock Exchange(s) and to the Target Company at its Registered Office.

7.4.2. In case of delay in receipt of any Statutory Approval(s), pursuant to Regulations 18(11) of the Regulations, SEBI may, if satisfied, that delay in receipt of requisite Statutory Approval(s) was not attributable to any wilful default, failure or neglect on the part of the Acquirer to diligently pursue such approvals, may grant an extension of time for the purpose of the completion of this Offer, subject to Acquirer agreeing to pay interest for the delayed period, provided where the Statutory Approval(s) extend to some but not all Equity Shareholders, the Acquirer has the option to make payment to such Shareholders in respect of whom no Statutory Approval(s) are required in order to complete this Open Offer. Further, in case the delay occurs on account of wilful default by the Acquirer in obtaining any Statutory Approval(s) in time, the amount lying in the Escrow Account will be liable to be forfeited and dealt with pursuant to Regulation 17(10)(e) of the Regulations.

7.4.3. NRI and OCB holders of the Equity Shares, if any, must obtain all requisite approvals required to tender the Equity Shares held by them in this Offer (including, without limitation, an approval from the RBI, since the Equity Shares validly tendered in this Offer will be acquired by a non-resident entity), and submit such approvals along with the Form of Acceptance-cum-Acknowledgement and other documents required to accept this Offer. Further, if holders of the Equity Shares who are not persons resident in India (including NRIs, OCBs, FIIs, FPIs) had required any approvals (including from the RBI or the FIPB or any other regulatory body) in respect of the Equity Shares held by them, they will be required to submit copies of such previous approvals, along with the other documents required to be tendered to accept this Offer. If such approvals are not submitted, the Acquirer reserves the right to reject such Equity Shares tendered pursuant to this Offer.

7.4.4. No approval is required from any bank or financial institutions for this Offer.

8. PROCEDURE FOR ACCEPTANCE AND SETTLEMENT OF OFFER

8.1. The Acquirer has appointed Bigshare Services Private Limited, as the Registrar to the Offer.

8.2. The Registrar would be accepting the documents by Hand Delivery/Regd. Post/Speed Post/Courier at the following specified centre:

Name & Address	Contact Person	Mode of Delivery
Bigshare Services Private Limited CIN: U99999MH1994PTC076534 1 st Floor, Bharat Tin works Building, Opp. Vasant Oasis, Makwana Road, Marol Naka, Andheri East, Mumbai-400 059. Maharashtra. India.	Mr. Arvind Tandel	Hand Delivery / Registered Post / Speed Post / Courier

Tel. No.: +91 22 62638200

E-Mail ID: openoffer@bigshareonline.com

Investor Grievance E-Mail ID: investor@bigshareonline.com

8.3. The Target Company is having connectivity with Central Depository Services (India) Limited ('CDSL') and National Securities Depositories Limited ('NSDL').

8.4. This Open Offer will be implemented by the Acquirer through Stock Exchange Mechanism made available by BSE Limited, Mumbai ('BSE') in the form of a separate window ('Acquisition Window') as provided under the SEBI (SAST) Regulations, 2011 and SEBI Circular No. CIR/CFD/POLICY/CELL/1/2015 dated April 13, 2015 as amended via Circular No. CFD/DCR2/CIR/P/2016/131 dated December 09, 2016 and notices/guidelines issued by BSE and the Clearing Corporation in relation to the mechanism/process for acquisition of shares through stock exchange pursuant to the tender offers under takeovers, buy back and delisting, as amended and updated from time to time.

8.5. BSE Limited, Mumbai ('BSE') shall be the Stock Exchange for the purpose of tendering the Equity shares in the Open Offer.

8.6. The Acquirer has appointed S W Capital Private Limited ('Buying Broker') for the Open Offer through whom the purchases and settlement of the Offer Shares tendered in the Open Offer shall be made.

The Contact Details of the Buying Broker are mentioned below:

Name of the Broker : S W Capital Private Limited
Address : 4th Floor, Sunteck Centre, 37/40, Subhash Road, Near Garware House, Vile Parle (E), Mumbai-400 057, Maharashtra, India
Tel No. : + 91 22 4268 7451/39
Contact Person : Mr. Hemant Shah

8.7. All the Shareholders who desire to tender their Equity Shares under the Open Offer should consult with their respective depository participants and their respective Stock Brokers ('Selling Broker') well in advance to understand the process and methodology in relation to tendering of Equity Shares through the Designated Stock Exchange.

8.8. During the Tendering Period, the tender of the Equity Shares by the Equity Shareholders in this Offer will be placed through their respective Selling Brokers during normal trading hours of the secondary market.

8.9. Separate Acquisition window will be provided by the Stock Exchange to facilitate placing of Sell Orders. The Selling Members can enter Orders for Demat Shares as well as Physical Shares.

8.10. The cumulative quantity tendered shall be updated on the website of the Designated Stock Exchange throughout the trading session at specific intervals by the Stock Exchange during tendering period.

8.11. Procedure for tendering Equity Shares in Demat Form:

8.11.1. The Equity Shareholders who are holding the Equity Shares in demat form and who desire to tender their Equity Shares in this Offer shall approach their Stock Broker/Selling Member indicating details of Shares they wish to tender in the Open Offer.

8.11.2. The Equity Shareholders are required to transfer, through their respective depository participants, the Equity Shares intended to be tendered to the early pay-in account of the Indian Clearing Corporation Limited (hereinafter referred to as 'Clearing Corporation'). Such Equity Shareholders shall provide early pay-in of demat Equity Shares (except for custodian participant orders) to the Clearing Corporation using the settlement number provided in the Offer opening circular before their respective Selling Broker places the bids / orders on their behalf and the same shall be validated at the time of order entry.

8.11.3. Shareholders will have to submit Delivery Instruction Slips ('DIS') duly filled in specifying market type as "Open Offer" and execution date along with other details to their respective broker so that Equity Shares can be tendered in Open Offer.

- 8.11.4. For Custodian participant order 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 the close of trading hours on the last day of the offer period. Thereafter, all unconfirmed orders shall be deemed to be rejected. For all confirmed Custodian Participant orders, order modification shall revoke the custodian confirmation and the revised order shall be sent to the custodian again for confirmation.
- 8.11.5. Upon placing the bid, the Seller Member(s) shall provide Transaction Registration Slip (“TRS”) generated by the Exchange Bidding System to the Shareholders. TRS will contain details of order submitted like Bid ID No., DP ID, Client ID, No of Shares tendered, etc.
- 8.11.6. In case of receipt of Equity Shares in the Special Account of the Clearing Corporation and a valid bid in the exchange bidding system, the Open Offer shall be deemed to have been accepted.
- 8.11.7. The Eligible Persons will have to ensure that they keep the DP Account active and unblocked to receive credit in case of return of Equity Shares due to rejection or due to pro-rata acceptance in the Open Offer.

8.12. Procedure for tendering Equity Shares held in Physical Form:

- 8.12.1. The Equity Shareholders who are holding the Equity Shares in physical form and who wish to tender their Equity Shares in this Offer shall approach Selling Member and submit complete set of documents for verification procedure as mentioned below:
- (a) Original share certificate(s)
 - (b) Valid share transfer deed(s) duly signed as transferor(s) by the sole/joint shareholder(s) in the same order and as per specimen signatures lodged with the RTA and duly witnessed at the appropriate place.
 - (c) Self-attested PAN Card copy (in case of Joint holders, PAN card copy of all Transferors)
 - (d) Any other relevant document such as Power of Attorney, corporate authorization (including Board Resolution/Specimen Signature)
 - (e) Self-attested copy of address proof such as valid Aadhar Card, Voter ID, Passport, etc.
- 8.12.2. The Seller Member should place bids on the Exchange Platform with relevant details as mentioned on Physical Share Certificate(s). The Seller Member(s) shall print the Transaction Registration Slip (TRS) generated by the Exchange Bidding System. TRS will contain the details of order submitted like Folio No., Certificate No., Dist. Nos., No. of shares, etc.
- 8.12.3. The Seller Member/Public Shareholder must deliver the Share Certificates & other requisite documents along with TRS to the RTA. Physical Share Certificates to reach RTA within two (2) days of bidding by Seller Member.
- 8.12.4. Shareholders holding Physical Equity Shares should note that physical Equity Shares will not be accepted unless the complete set of documents is submitted. Acceptance of the Physical Shares in Open Offer shall be subject to verification by RTA. On receipt of the confirmation from RTA, the bid will be accepted else rejected and accordingly the same will be depicted on the exchange platform.
- 8.12.5. In case, any person has submitted Equity Shares in physical form for dematerialisation, such Equity Shareholders should ensure that the process of getting the Equity Shares dematerialised is completed well in time so that they can participate in the Open Offer before Closing Date.

8.12.6. Acceptance of Equity 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 Equity Shares offered, the Acquirer shall accept those Equity Shares validly tendered by the Public Shareholders on a proportionate basis in consultation with the Manager to the Offer, 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.

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

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.

In case the Equity Shares are in dematerialised form:

An Eligible Person may participate in the Offer by approaching Stock Broker/Selling Member and tender Equity Shares in the Open Offer as per the procedure mentioned in this Letter of Offer.

In case the Equity Shares are in Physical form:

An Eligible Persons may participate in the Offer by confirming their consent to participate in this Offer on the terms and conditions of this Offer as set out in the PA, DPS and the Letter of Offer. Equity Shareholders must ensure that the Tender Form, along with the TRS and requisite documents (as mentioned in this Letter of Offer) should reach the Registrar of the Company before 5:00 PM on the Closing Date. If the signature(s) of the Equity Shareholders provided in the plain paper application differs from the specimen signature(s) recorded with the Registrar of the Company or are not in the same order (although attested), such applications are liable to be rejected under this Open Offer.

In case of non-receipt of the Letter of Offer, such Equity Shareholders of the Target Company may download the same from the website of SEBI i.e. 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.

8.14. Settlement Process

- 8.14.1. On closure of the Offer, reconciliation for acceptances shall be conducted by the Manager to the Offer and the Registrar to the Offer and the final list shall be provided to the Stock Exchange to facilitate settlement on the basis of Shares transferred to the account of Clearing Corporation.
- 8.14.2. The settlement of trades shall be carried out in the manner similar to settlement of trades in the secondary market.
- 8.14.3. The Buying Broker will make the funds pay-in in the settlement account of the Clearing Corporation. For Equity Shares accepted under the Offer, the Equity Shareholders will receive funds pay-out directly in their respective bank accounts (in case of demat Equity Shares, in the bank accounts which are linked to the respective demat accounts) / as per secondary market pay-out mechanism (in case of physical Equity Shares). However, in the event that the pay-outs are rejected by the Equity Shareholder's bank accounts due to any reason, the pay-out will be transferred to their respective Selling Brokers' settlement accounts and their respective Selling Brokers will thereafter transfer the consideration to their respective Equity Shareholders. The Equity Shareholders will be required to independently settle fees, dues, statutory levies or other charges (if any) with their Selling Brokers.
- 8.14.4. 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 Offer.
- 8.14.5. 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 to the Offer. The Target 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 Target Company are less than the Equity Shares tendered in the Open Offer by the Equity Shareholders holding Equity Shares in the physical form.

- 8.14.6. Once the basis of acceptance is finalised, the Clearing Corporation would facilitate clearing and settlement of trades by transferring the required number of Equity Shares to the escrow account which is opened by the Acquirer.
- 8.14.7. Physical Shares, to the extent tendered but not accepted, will be returned back to the Shareholders directly by Registrar to the Offer.
- 8.14.8. Shareholders who intend to participate in the Offer should consult their respective Seller Member for payment to them of any cost, charges and expenses (including brokerage) that may be levied by the Seller Member upon the Selling Shareholders for tendering Equity Shares in the Offer (secondary market transaction) . The consideration received by the selling Shareholders from their respective Seller Member, 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.
- 8.15.** Equity Shares that are subject to any charge, lien or encumbrance are liable to be rejected except where 'No Objection Certificate' from lenders is attached.
- 8.16.** The Letter of Offer would also be available on the website of SEBI i.e. www.sebi.gov.in.
- 8.17.** The Letter of Offer along with Transfer Deed is being dispatched/ sent through electronic mail to all the Public Shareholders as on the Identified Date, who have registered their email ids with the Depositories and/or the RTA In case of non-receipt of the LOF, such shareholders may download the same from the SEBI website (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 Offer Shares.

8.18. Settlement of Funds/Payment Consideration

- 8.18.1. The Buying Broker will transfer the funds pertaining to the Offer to the Clearing Corporation's bank account as per the prescribed schedule.
- 8.18.2. For Equity Shares accepted under the Open Offer, Clearing Corporation will make direct funds pay-out to respective 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.
- 8.18.3. 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 pay-out in their settlement bank account.
- 8.18.4. The funds received from the Buyer Broker by the Clearing Corporation will be released to the Equity Shareholder/Selling Broker(s)/Custodians as per secondary market pay out mechanism.
- 8.18.5. 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 accept no responsibility to bear or pay such additional cost, charges and expenses (including brokerage) incurred solely by the selling shareholder.
- 8.18.6. 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 agreeing to pay interest for the delayed period if directed by SEBI in terms of Regulation 18 (11) of the Regulations.

9. DOCUMENTS FOR INSPECTION

Copies of the following documents will be available for inspection to the Public Shareholders of the Target Company at the office of the Manager to the Offer, Mark Corporate Advisors Private Limited at 404/1, The Summit Business Bay, Sant Janabai Road (Service Lane), Off Western Express Highway, Vile Parle (East), Mumbai-400 057, on any day (except Saturdays, Sundays and Public Holidays) between 10.30 AM to 2.00 PM from the Date of Opening of the Offer till the Date of Closure of the Offer:

- 1) Certificate of Incorporation, Memorandum and Articles of Association of the Target Company.
- 2) Un-Audited but Limited Review Financials for the period ended September 30, 2020.
- 3) Audited Financials for the Financial Years ended March 31, 2020, March 31, 2019 and March 31, 2018 of the Target Company.
- 4) Certificate dated January 28, 2021 issued by CA Kapil Maheshwari, Chartered Accountant (Membership No. 133497), certifying that the Acquirer has firm and adequate financial resources to meet the financial obligations under the Open Offer.
- 5) Memorandum of Understanding between Lead Manager i.e. Mark Corporate Advisors Private Limited and the Acquirer.
- 6) Share Purchase Agreement ('SPA') entered between the Acquirer and the Promoters/Sellers on January 28, 2021.
- 7) Acknowledgement from IndusInd Bank Limited dated January 30, 2021 confirming the balance of ₹600.00 Lakhs in the Cash Escrow Account.
- 8) Due Diligence Certificate dated February 10, 2021 submitted to SEBI by Mark Corporate Advisors Private Limited, Manager to the Offer.
- 9) Undertaking from the Acquirer for unconditional payment of the consideration within 10 working days from the last date of the tendering period to all the Shareholders of the Target Company whose applications are accepted in the Open Offer.
- 10) Undertaking from the Acquirer with regard to Responsibility under Regulation 2(o) and Regulation 7(4) of the Regulations.
- 11) Copies of the Public Announcement ('PA') dated January 28, 2021 (Thursday) and a published copy of Detailed Public Statement ('DPS') which appeared in the newspapers on February 04, 2021 (Thursday).
- 12) A copy of the Recommendations to be published on or before [•] made by the Board of Independent Directors of the Target Company as required in terms of Regulation 26(7) of the Regulations.
- 13) Copy of the Observation Letter no [•] dated [•] issued by SEBI.

10. DECLARATION BY THE ACQUIRER

The Acquirer, accepts full responsibility, for the information contained in this DLoF and also for ensuring the compliance with the obligations of the Acquirer as laid down in the Regulations.

We, the Acquirer, has made all reasonable inquiries, accept responsibility and confirm that this DLoF is in compliance with the Regulations, and that it contains all information with regard to the Offer, which is material in the context of the issue, that the information contained in this DLoF are 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.

The Manager to the Offer hereby states that the persons signing this DLoF is the Acquirer:

For **Shree Global Tradefin Limited**

Sd/-

Viresh Sohoni
Chief Financial Officer

Date : February 10, 2021

Place : Mumbai