



# BEST STEEL LOGISTICS LIMITED

CIN : L74900DL1983PLC014972

(Formerly Known as Potential Investments and Finance Limited)

## Electronic Filing

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To,  
The Department of Corporate Services  
BSE Limited  
Floor 25, P J Towers  
Dalal Street, Mumbai-400 001  
Scrip Code: 538566

**Subject: Annual Report of Best Steel Logistics Limited for the financial year 2016-17.**

Respected Sir(s),

Pursuant to Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, this is to inform you that the Annual Report of the Company for the Financial Year 2016-17 has been approved and adopted at the 35<sup>th</sup> Annual General Meeting of the Company held on Wednesday, September 27, 2017 at IMA East Delhi Building, 35-X, Institutional Area, Karkardooma, Delhi-110092 and same has been attached for your record.

Thanking You,  
Yours faithfully,

**For Best Steel Logistics Limited**

  
**Surbhi Arora**  
Company Secretary



Date: 13.10.2017  
Place: Ghaziabad

Encl: a/a



# BEST STEEL LOGISTICS LIMITED

## **ANNUAL REPORT**

2016-17



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## Caution regarding forward looking statements

Certain statement in this annual report concerning our future growth prospects are forward looking statements, which involve a number of risks and uncertainties that could cause actual results to differ materially from those in such forward looking statements. We have tried wherever possible to identify such statement by using words such as 'anticipate', 'estimate', 'expect', 'project', intend, 'plan', 'believe' and words of similar substance in concern with any discussion of future performance. We cannot guarantee that these forward looking statements will be realized, although we believe we have been prudent in assumptions. The achievement of results is subject to risks, uncertainties and even inaccurate assumptions. Should known or unknown risks or uncertainties materialize, or should underlying assumptions prove inaccurate, our actual results could vary materially from those anticipated, estimated or projected. Readers should bear this in mind.

We undertake no obligation to publicly update any forward looking statements, whether as a result of new information, future events or otherwise.



## NOTICE

NOTICE is hereby given that the 35<sup>th</sup> Annual General Meeting of the **BEST STEEL LOGISTICS LIMITED** will be held on Wednesday, September 27, 2017 at 1:00 P.M. at IMA-East Delhi Building, 35-X, Institutional Area, Karkardooma, Delhi-110092 to transact the following business:

### Ordinary Business

1. To receive, consider and adopt the Audited Financial Statements for the financial year ended March 31, 2017 together with the Reports of Board of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Saket Agarwal (DIN: 00203084) who retires by rotation and being eligible, offers herself for re-appointment.
3. To ratify the appointment of Statutory Auditors of the Company and their remuneration fixed at thirty third Annual General Meeting of the Company held on 29<sup>th</sup> September, 2015 and in this regard to consider and if thought fit, to pass, with or without modification(s) the following resolution as an **Ordinary Resolution**:

**“RESOLVED THAT** pursuant to the first proviso to Section 139 and other applicable provisions, if any, of the Companies Act, 2013, read with the Companies (Audit and Auditors) Rules, 2014, including any statutory modifications(s) or re-enactment thereof for the time being in force) appointment of M/s. VAPS & Company, Chartered Accountants (Firm Registration No. 03612N) be and is hereby ratified as the Statutory Auditors of the Company, from the conclusion of this Annual General Meeting (AGM) until the conclusion of the next Annual General Meeting of the Company, on such remuneration as may mutually determined between the Board of Directors and the said Auditors of the Company.”

### SPECIAL BUSINESS

4. To consider and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution** for appointment of **Mrs. Gunjan Agarwal as Non-Executive Director of the Company**:

**“RESOLVED THAT** Mrs. Gunjan Agarwal (DIN: 00202902), who was appointed as an Additional Director of the Company with effect from January 18, 2017 by the Board of Directors and who holds office up to the date of this Annual General Meeting of the Company under Section 161(1) of the Companies Act, 2013 (the Act) but who is eligible for appointment and in respect of whom the Company has received a notice in writing under Section 160(1) of the Act from a Member proposing his candidature for the office of Director, be and is hereby appointed as a Non-Executive Director of the Company.”

**By Order of the Board  
For Best Steel Logistics Limited**

Ghaziabad  
May 23, 2017  
Regd. Office: L-506,  
Agrasen Apartment, Plot No. 66  
I.P. extension, Delhi-110092  
CIN: L74900DL1983PLC014972  
Telephone No.: +91-120-6401829  
Website: [www.beststeel.co.in](http://www.beststeel.co.in)  
Email: [info@beststeel.co.in](mailto:info@beststeel.co.in)

**Surbhi Arora  
Company Secretary**

### Notes:

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote on poll instead of himself/herself. Such a proxy need not be a member of the Company. The instrument of Proxy in order to be effective, should be deposited at the Registered Office of the Company, duly completed and signed, not less than 48 hours before the meeting. Blank Proxy form is annexed. Proxies submitted on





**behalf of the companies, societies etc., must be supported by an appropriate resolution/authority, as applicable.**

**A person can act as a proxy on behalf of members not exceeding 50 (fifty) and holding in the aggregate not more than 10% of the total share capital of the Company. A member holding more than 10% of the total share capital of the Company may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.**

2. The statement to pursuant to Section 102 of the Companies Act, 2013 in respect of the Special Business under item No. 4 set out above to be transacted at the meeting is annexed hereto and forms part of this Notice.
3. The detail of Director seeking re-appointment, in terms of Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ['Listing Regulations'] and the Companies Act, 2013 (including Secretarial Standard-2) is given in the Corporate Governance Report and also annexed hereto and forms part of this Notice.
4. Route map of the venue of the Meeting (including prominent land mark) is annexed to the Notice.
5. Bigshare Services Private Limited (Bigshare), 1<sup>st</sup> floor, Bharat Tin Works Building, Opp. Vasant Oasis, Makwana Road, Marol, Andheri East, Mumbai-40059, Maharashtra, Phone No. +91-22-6263 8200; Fax No. +91-22-6263 8299; e-mail: investor@bigshareonline.com; Website: www.bigshareonline.com; Contact Person: Mr. K S Lakshminarayana Upadhyaya, General Manager is the Registrar and Share Transfer Agent (RTA) of the Company. However, keeping in view the convenience of the Members, documents relating to shares will continue to be accepted by Bigshare at (i) 4E/8, first floor, Jhandewalan Extension, New Delhi-110055, Ph.: 011-23522373; by the Company at (ii) Registered Office of the Company; and also (iii) Corporate Office of the Company at Shop No. 29, Sudesh Square, Plot No. 92, Prakash Industrial Estate, Sahibabad, Ghaziabad-201005.
6. Corporate Members intending to send their authorised representative(s) to attend the meeting are requested to send a certified copy of Board Resolution authorizing their representative(s) to attend and vote on their behalf at the meeting.
7. The Register of Members and Share Transfer Books will remain closed from September 23, 2017 to September 27, 2017 (both days inclusive).
8. Relevant documents referred to in the Notice and statutory registers are open for inspection at the Registered Office and/ or Corporate Office of the Company on all working days, between 14:00 - 16:00 hrs. up to the date of the AGM and shall also be available for inspection at the AGM.
9. Members holding shares in dematerialised form are requested to intimate all changes pertaining to their bank mandates, nominations, power of attorney, change in address and e-mail address etc., to their respective Depository Participants. Changes intimated to the Depository Participants will be automatically reflected in the Company's record which will help the Company and RTA to provide efficient and better services. Members holding shares in physical mode are also requested to intimate such changes to the RTA under the signatures of first/ joint holder(s). Members holding shares in physical mode or in multiple folios are again requested to convert their shares in dematerialized form/ for consolidation.
10. Members desirous of obtaining any information/ clarification(s), intending to raise any query concerning the financial statements and operations of the Company, are requested to forward the same at least 7 days prior to the date of the meeting to the Company Secretary at the Registered/ Corporate Office of the Company, so that the same may be attended to appropriately.
11. In terms of the provisions of the Companies Act, 2013, notice of the AGM may be served on the Members through electronic means. Members who have registered their e-mail IDs

with depositories or with the Company are being sent this Notice along with attendance slip and proxy form by e-mail and the Members who have not registered their e-mail IDs will receive the Notice through post/courier.

**In order to receive faster communication and to enable the Company to serve the Members better and to promote green initiatives, the Members are requested to provide/ update their e-mail IDs with their respective Depository Participants (DPs) or e-mail at investor@bigshareonline.com to get the Annual Report and other documents/ communication on such e-mail address.**

**Members holding shares in physical form are also requested to intimate their e-mail addresses to the RTA/ Company by e-mailing at info@beststeel.co.in by sending a communication at the address mentioned at Note 5 above or at the Registered Office/ Corporate Office of the Company.**

12. Members may also note that the Notice along with attendance slip and proxy form will also be available on the Company's website [www.beststeel.co.in](http://www.beststeel.co.in).
13. Pursuant to the Union Budget 2017-18 announcement, SEBI has instructed that necessary steps for linking of demat account with Aadhar be taken. Members holding shares in electronic form are therefore requested to submit a written request alongwith the self certified copy of the Aadhar Card to their Depository Participants with whom they are maintaining their demat accounts.
14. The Securities and Exchange Board of India (SEBI) has made it mandatory the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company / Registrars and Transfer Agents, M/s. Bigshare Services Private Limited.
15. Electronic copy of Notice of 35<sup>th</sup> Annual General Meeting of the Company inter alia indicating the process and manner of electronic voting ('e-voting') along with attendance slip, proxy form and Road map is being sent to all the members whose email IDs registered with the Company, Depository Participant (s) for communication purposes unless any member has requested for hard copy of the same. For members who have not registered their e-mail address, physical copies of the Notice of the 35<sup>th</sup> Annual General Meeting of the Company inter-alia indicating the process and manner of e-voting along with attendance slip, proxy form and Road map is being sent in the permitted mode.
16. Voting through electronic means:
  - I. In compliance with Regulation 44 of SEBI (Listing Obligations and Disclosure Requirement) Regulations 2015 read with provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management & Administration) Rules, 2014, the Company is pleased to provide its members facility to exercise their right to vote at 35<sup>th</sup> AGM by electronic means. The Members may cast their votes using an electronic system from a place other than the venue of the Meeting ('remote e-voting').
  - II. The Company has engaged the services of National Securities Depository Limited (NSDL) as the agency to provide remote e-voting facility.
  - III. The facility for voting either through electronic voting system or polling paper shall also be made available at the AGM and the Members attending the AGM who have not already cast their vote by remote e-voting shall be able to exercise their rights at the AGM.
  - IV. The Members who have cast their vote by remote e-voting may also attend the AGM but shall not be entitled to cast their vote again and if any Member casts a vote at the AGM, then such vote will be considered invalid.
  - V. The Company has appointed Mr. Deepak Kumar Lath, Company Secretary in whole-



time Practice, Proprietor of Lath Deepak & Associates, to scrutinize the e-voting process in a fair and transparent manner. They have given their consents for such appointment.

VI. **The voting rights of the shareholders shall be in proportion to their shares of the paid-up equity share capital of the Company as on the cut-off date i.e. Wednesday, September 20, 2017. A person who is not a Member as on the cut-off date should treat this Notice for information only.**

VII. **A person, whose name is recorded in the Register of Members or in the register of beneficial owners maintained by the Depositories as on the cut-off date, i.e. Wednesday, September 20, 2017 only shall be entitled to avail the facility of remote e-voting/ voting at the AGM.**

VIII. Any person, who acquires shares and become Member of the Company after the despatch of the Notice and holds shares as on the cut-off date i.e. Wednesday, September 20, 2017 may obtain the login ID and password by sending email request to [evoting@nsdl.co.in/](mailto:evoting@nsdl.co.in) [info@beststeel.co.in](mailto:info@beststeel.co.in).

IX. The remote e-voting period will commence from Saturday, September 23, 2017 (9.00 A.M.) and end on Tuesday, September 26, 2017 (5.00 P.M.). The e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the Member, he/ she shall not be allowed to change it subsequently or cast the vote again.

**The instructions for e-voting are as under:**

A. Member whose email Ids are registered with the Company/ Depository Participant(s) will receive an email from NSDL informing them of their User Id and Password. Once the members receives the email, he or she will need to go through following steps to complete the e-voting process:

- i. Open e-mail and open PDF file viz; "remote e-Voting.pdf" with your Client ID or Folio No. as password. The said PDF file contains

your user ID and password for e-voting. Please note that the password is an initial password.

- ii. Launch internet browser by typing the following URL:  
<https://www.evoting.nsdl.com/>
- iii. Click on Shareholder - Login
- iv. Put user ID and password as initial password noted in step (i) above. Click Login.
- v. The Password change menu appears. Change the password with new password of your choice with minimum 8 digits/characters or combination thereof. Note new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- vi. Home page of e-Voting opens. Click on e-Voting: Active Voting Cycles.
- vii. Select "EVEN" of BEST STEEL LOGISTICS LIMITED
- viii. Now you are ready for e-Voting as Cast Vote page opens
- ix. Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.
- x. Upon confirmation, the message "Vote cast successfully" will be displayed
- xi. Once the vote on the resolution(s) is cast by a member, such member shall not be allowed to change it subsequently.
- xii. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail [fcsdeepaklath@gmail.com](mailto:fcsdeepaklath@gmail.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).

**B. In case of Member receive physical copy of the Notice**

- i. Initial password, along with User ID and EVEN (E-voting Event Number) is provided in the table given in the Ballot Form.
- ii. Please follow all steps from S. No. (ii)-(xii) given above to cast your vote.

**C. Other instructions**

- i) In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and remote e-voting user manual for Members available at Download section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on toll free no. 1800-222-990 or contact Mr. Amit Vishal, Senior Manager, National Securities Depository Limited, Trade World, 'A' wing, 4<sup>th</sup> Floor, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel Mumbai-400013 at the designated Email Id [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) or [AmitV@nsdl.co.in](mailto:AmitV@nsdl.co.in) or call at +91-2499 4600 who will also address the grievances connected with the voting by electronic means. Members may also write to the Company Secretary at email Id: [info@beststeel.co.in](mailto:info@beststeel.co.in).
  - ii) If you are already registered with NSDL for e-voting then you can use your existing user ID and password/PIN for casting your vote.
- X. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the 'Forgot Password' option available on the site to reset the password.
- XI. The Chairman shall, at the AGM, at the end of discussion on the Resolutions on which voting is to be held, allow voting, with the assistance of Scrutinizer, by use of "ballot paper" or "polling paper" for all those Members who are present at the annual general meeting but have not cast their votes by availing the remote e-voting facility.

- XII. The Scrutinizer shall after the conclusion of voting at the AGM, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least 2 (two) witnesses, not in the employment of the Company. The Scrutinizer shall submit a consolidated report Scrutinizers' Report of the votes cast in favour or against, if any, not later than 48 (forty eight) hours of conclusion of the meeting to the Chairman or any other person authorized by him in writing declare the result of voting forthwith.
- XIII. The Results declared along with the Scrutinizer's Report shall be placed on the Company's website [www.beststeel.co.in](http://www.beststeel.co.in) and on the website of NSDL immediately after the results are declared by the Chairman or any other person authorized by him. The Company shall simultaneously, forward the result to the concerned stock exchange where its equity shares are listed.

**17. Members are requested:**

- a. To bring Attendance Slip duly completed and signed at the meeting and not to carry briefcase or bag inside the meeting venue for security reasons;
- b. To quote their Folio No./ DP ID - Client ID and e-mail ID in all correspondence; and
- c. To please note that no gift/ gift coupon/ refreshment coupon will be distributed at the meeting.

**STATEMENT IN RESPECT OF THE SPECIAL BUSINESS PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013**

**ITEM No. 4**

Mrs. Gunjan Agarwal was appointed as an Additional Director w.e.f. January 18, 2017 in accordance with the provisions of Section 161 of the Companies Act, 2013 and Article of Association of the Company. Pursuant to Section 161 of the Companies Act, 2013 the above director holds office up to the date of the ensuing Annual General Meeting. In this regard the Company has received request in writing from a member of the company proposing Mrs. Gunjan





Agarwal candidature for appointment as Director of the Company in accordance with the provisions of Section 160 and all other applicable provisions of the Companies Act, 2013.

The Board feels that presence of Mrs. Gunjan Agarwal on the Board is desirable and would be beneficial to the company and hence recommend resolution No.4 for adoption.

None of the Directors and Key Managerial Personnel of the Company or their relatives is concerned or interested, financially or otherwise, in the resolution set out in Item No. 4 except Mr. Saket Agarwal (Promoter Director) who is husband of Mrs. Gunjan Agarwal.

The Board of Directors commends resolution as set out at Item No. 4 for approval of the Shareholders as an Ordinary Resolution.

**By the Order of the Board  
For BEST STEEL LOGISTICS LIMITED**

Surbhi Arora  
Company Secretary

Ghaziabad  
May 23, 2017

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

CIN: L74900DL1983PLC014972

Telephone No. +91-120-6401829

Website: [www.beststeel.co.in](http://www.beststeel.co.in)

Email: [info@beststeel.co.in](mailto:info@beststeel.co.in)

**Details of Director retiring by rotation and seeking Re-appointment at the Annual General Meeting  
[In pursuance of Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015  
and as per Secretarial Standard-2 (SS-2) on "General Meetings"]**

<b>Name of Director</b>	Mr. Saket Agarwal	Mrs. Gunjan Agarwal
<b>Date of Birth</b>	June 11, 1973	August 26, 1975
<b>Age</b>	43 years	41 years
<b>Date of Appointment</b>	May 28, 2016	January 18, 2017
<b>Qualification</b>	Arts Graduate	Post Graduate
<b>No. of Equity shares held as on March 31, 2017</b>	7,222,910	Nil
<b>Expertise in specific functional areas</b>	Extensive expertise and deep understanding of the market place with 20+ years of industry experience.	She is associated with this industry since 2005 and is having experience of more than 11 years.
<b>Other Directorship(s)</b>	Keshwana Ispat Private Limited	P N S Stainless Steels Private Limited
<b>Committee(s) Positions in other Public Companies<sup>#</sup></b>	Nil	Nil
<b>Relationships between Directors inter se</b>	Mrs. Gunjan Agarwal (wife of Mr. Saket Agarwal)	Mr. Saket Agarwal (Husband of Mrs. Gunjan Agarwal)

<sup>#</sup> Pursuant to Regulation 26 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 Membership of only Audit and Stakeholders Relationship Committee of public limited companies have been considered.



## COMPANY INFORMATION

### BOARD OF DIRECTORS

Mr. Saket Agarwal  
Chairman

Ms. Gunjan Agarwal  
Director

Mr. Bharat Bhushn Sahny  
Non-Executive Independent Director

Mr. Rajeev Kohli  
Non-Executive Independent Director

### COMPANY SECRETARY

Ms. Surbhi Arora

### AUDITORS

#### Statutory Auditor

M/s VAPS & Co.  
Chartered Accountants

#### Secretarial Auditor

M/s Anjali Yadav & Associates  
Company Secretaries

#### Internal Auditor

M/s Sushil Bansal & Company  
Chartered Accountants

### BANKERS

Punjab National Bank  
Yes Bank Limited  
IDFC Bank Limited

### REGISTERED OFFICE

L-506, Plot No. 66,  
Agrasen Apartment, I.P. Extension  
Delhi-110092  
Tel. No. +91-120-6401829  
Website: [www.beststeel.co.in](http://www.beststeel.co.in)  
CIN: L74900DL1983PLC014972

### CORPORATE OFFICE

Shop No. 29, Sudesh Square, Plot No. 92  
Prakash Industrial Estate,  
Sahibabad, Ghaziabad-201005

### REGISTRAR & SHARES TRANSFER AGENTS

Bigshare Services private Limited  
4E/8, First Floor, Jhandewalan Extension,  
New Delhi-110055  
Tel. No. +91-11 2352 2373  
Fax No. +91-11 2352 2373  
Email: [bssdelhi@bigshareonline.com](mailto:bssdelhi@bigshareonline.com)

### WAREHOUSES CUM DEPOT

- Ghaziabad
- Bangalore
- Faridabad
- Hyderabad

## Management Discussion and Analysis Report

### Company Overview

**Best Steel Logistics Limited** provides the custom fit and cost effective warehousing solutions to fulfil the demands of growing steel industry and also engages in trading of steel and related products by way of purchasing the goods from domestic & overseas market and selling it in the domestic market to designated customers. The Company approaches towards penetrating trading business with large steel manufacturers.

Best steel offers comprehensive and tailor-made Warehouse Management, Distribution and inventory management services of steel and steel products. The Company owned/leased 4 (four) strategically located warehouses spread across a total of 373,000 square feet of area across Pan-India.

### Indian Economy

According to the CSO (Central Statistical Organization) estimates, the Indian economy have grown at 7.1% in FY17, by passing the risk of slowdown due to demonetization. However, this growth rate would still be lower compared with the impressive 7.9% growth recorded in FY16. The GDP growth of FY17 is supported by the agricultural sector growth of 4.4% as compared to 0.8% growth recorded in FY16, subdued growth recorded for industry of 5.8% as compared to 8.2% in FY16 and service sector growth of 7.9% as compared to 9.8% recorded in FY16. In the FY17, the Gross Fixed Capital Formation (GFCF) recorded a decline to 26.9% of GDP as against 29.2% of GDP recorded in FY16. Lower private sector spending led to low capacity utilisation which in turn hampered the overall investment in the economy. Also private sector investment in infra has not yet picked up. The Indian economy is expected to embark on a higher economic growth trajectory in FY18 owing to many proactive measures taken by the government, complimented by favourable economic conditions expected to prevail during the course of the year.

Emergence of India as one of the fastest growing economies after China resulted in higher FDI inflows and a number of multi-national companies setting up their facilities to meet the rapidly growing Indian consumer demand and take advantage of cheap labor, thereby, giving a boost to the Indian manufacturing sector, but, was much lesser than the growth of services industry. This has also resulted in development of backend infrastructure which consists of logistics segment with warehousing forming an integral part of this segment. The logistics industry is one of the largest industries in India as the logistics framework development accounts for more than 13 per cent of the GDP as compared to less than 8 per cent spent by the other developing countries. Indian logistics market has witnessed buoyant growth and is expected to grow at a CAGR of 12 per cent by 2020 driven by the growth in the manufacturing, retail, FMCG and e-commerce sectors. The current logistics industry is worth over US\$300 billion. This growth is also based on the implementation of GST which will enable logistics companies to setup larger warehouses as per the region's requirement and then easily transport from these warehouses to the different manufacturing plants, retail outlets, wholesale outlets, etc.

Most of the logistics companies are integrating IT and technology by investing in automation in their day to day activities to bring efficiencies in their operations and meet the increasing customer demands. The industry as a whole has moved from being just service provider to the position where they provide end to end supply chain solutions to their customers. The logistics market in India is largely unorganized as several local or domestic transporters with a very small Fleet size accounted for more than 65 per cent of the total fleet size for road transport in

India. The scenario is undergoing change because of quick delivery and tight service level agreements witnessed over last 3 years because of e-commerce boom.

(Source: <http://indiawarehousingshow.com/transforming-indias-warehousing-infrastructure>)

## Indian Steel and tubes Industry

India is among the fastest growing steel tubes and pipe manufacturers in the world with production estimated at about 10 million tonnes a year. Over the years, India has emerged as the global pipe manufacturing hub due to lower costs, superior quality and geographical advantages. The future growth in the sector will be driven by increasing government spending on infrastructure segment, Make in India drive, Housing for all by 2020, upcoming airports and metro cities and oil & gas segment etc. With the focus on development of infrastructure and several initiatives of Central Government, Galvanized steel tubes market in India is forecasted to grow at a CAGR of 6.13% during 2017-2021.

## Performance overview

The Company has remarkable performance during the period under review. Income from operations grew by a staggering 265%, from Rs 16.69 crore in financial year 2016 to Rs 61.24 crore in the financial year 2017. Total EBIDTA grew by 291%, from Rs. 1.03 crore in financial year 2016 to Rs. 4.03 crore in financial year 2017. PAT (net profit after tax) stood at Rs. 1.41 crore in financial year 2017.

This has been achieved with a focused business strategy resulting in creating a pan India presence. With four centers across India, located in Bangalore, Hyderabad, Faridabad and Ghaziabad, Best Steel Logistics has been able to deliver better service to their customers and save on logistics costs.

Over the years the Company has built its credibility in the market space by providing innovative and cost effective solutions. The fact and figures shared by the company so far bear testimony of its transparency and because of this, industrial houses like JSW has shown their faith in Best Steel Logistics.

## Opportunities and Threats

### ***Risk & Concerns:***

#### **1. Economic Risk:**

Earlier the logistics industry has experienced cyclical fluctuations due to economic recession, downturn in business cycle, fuel shortage, price increase by carriers, interest rate fluctuations, and other economic factors beyond our control. If economic recession or a downturn in our customers' business cycles occurs then it may cause to a reduction in the volume of freight shipped by those customers, our operating results could also be adversely affected.

#### **2. Competition risk:**

In India, monopoly is prohibited so market is open for all and this risk arises from more players wanting a share in the same pie. Like in most other industries, opportunity brings with itself competition. Sometimes it leads to price cutting as well. We face different levels of competition in each segment, from domestic as well as overseas. However, Best Steel





Logistics have built a strong relationship with most of the leading carriers/liners and as a result are able to obtain competitive commercial terms and operational advantages.

### 3. Execution risk:

Planning is worthless unless proper execution is not up to the mark. It is not possible to control external risk however with proper planning and execution we can minimize the risk or nullify the same. Any delay in implementation of plan can impact revenue and profit for that period. Our implementation schedules are in line with the plans. Back up or Emergency and Contingency plans are in place to prevent or minimize business interruptions. Therefore, we do not expect this risk to affect us materially in the future. With superior methodologies and improved processes and systems, the Company is well positioned to lead a high growth path.

#### ***Opportunities:***

There were myriad untapped growth opportunities across the Domestic steel sector, further fuelled by Government initiatives:

- India is one of the top 10 steel manufacturers in the world
- Demand for steel rapidly increasing from key sectors such as Urban Infrastructure Automobile industries, Solar industries and white goods.
- Expanding capacities will entail movement of heavy amount of raw material
- Incremental value additions at all levels of supply chain process, positively affecting warehousing and distribution providers, thus boding well for the Company.
- Increased government projects, infrastructure activities, and development of organized retail sectors providing a thrust to growth.

For Best Steel, multitudes of macro-opportunities are present to grow and expand its operation in Domestic as well as overseas market.

### **Internal Control System and their adequacy**

Your Company has a proper adequate internal control system and code of conduct to ensure that all the assets are safe guarded and protected against the loss from unauthorized use or disposition and that transactions are authorized, recorded and reported correctly.

### **Cautionary Statement**

This Statement contains forward-looking statements about the business, financial performance, skills and prospects of the Company. Statements about the plans, intentions, expectations, beliefs, estimates, predictions or similar expressions for future are forward-looking statements. Forward-looking statements should be viewed in the context of many risk issues and events that could cause the actual performance to be different from that contemplated in the Directors' Report and Management Discussions and Analysis Report, including but not limited to, the impact of changes in oil, steel prices world-wide, technological obsolescence and domestic, economic and political conditions. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations include economic conditions affecting demand/supply and price conditions in the domestic and overseas markets in which the Company operates, changes in the Government regulations, tax laws and other statutes and incidental factors. The Company disclaims any duty to update the information given in the aforesaid reports.

## Directors' Report

Dear Members,  
**Best Steel Logistics Limited**

The Board of Directors hereby submits the report of the business and operations of your Company ('the Company' or 'Best Steel') along with audited financial statement Accounts for the financial year ended 31<sup>st</sup> March, 2017.

### 1. Financial Performance

The summarized financial results of your Company are given in the table below:

Particulars	(₹ in Lakhs)	
	F.Y 2016-17	F.Y 2015-16
Income from Operations	6124.44	1669.08
Other income	66.37	83.13
Total revenue	6190.81	1752.21
Profit before Depreciation, Int., Tax (PBDIT)	403.16	102.63
Depreciation	8.16	0.39
Profit Before Interest & Tax	395.00	102.24
Profit before Tax	222.58	3.25
Taxation	81.47	4.10
Profit for the year	141.11	(0.85)

### 2. Dividend

The Company has not declared any Dividend during the financial year 2016-17.

and cost effective solutions. The fact and figures shared by the company so far bear testimony of its transparency.

### 3. Performance Review

The Company has posted impressive performance during the current financial year under review. On Standalone basis, revenue from operations grew by staggering 265% from Rs 16.69 crore in financial year 2016 to Rs 61.24 crore in the financial year 2017. Total EBIDTA grew by 291%, from Rs. 1.03 crore in financial year 2016 to Rs. 4.03 crore in financial year 2017. PAT (net profit after tax) stood at Rs. 1.41 crore in financial year 2017.

This has been achieved with a focused business strategy resulting in creating a pan India presence. With four centers across India, located in Bangalore, Hyderabad, Faridabad and Ghaziabad, Best Steel has been able to deliver better service to their customers and save on logistics costs. The Company has built its credibility in the market space by providing innovative

### 4. Projects & Expansion Plans

In a view of offering comprehensive and tailor made Warehouse Management, Distribution and inventory management services, the Company has established network of warehouse facilities in Dadri, Hyderabad, Faridabad and Bangalore during the FY 2016-17.

In the upcoming year, Company initiated for setting facilities in Rajasthan, Gujarat and Uttar Pradesh and augmenting Pan India presence through addition of 3-4 warehouse every year.

### 5. Management's Discussion and Analysis Report

The detailed report on the Management's Discussion and Analysis Report is presented in a separate section forming part of the Annual Report.

## 6. Share Capital

There was no change in the Company's share capital during the period under review. The Company's paid up equity Share capital remained at Rs. 37,000,000 comprising 1,85,00,000 equity shares of Rs. 2/- each.

## 7. Deposits

Your Company has not accepted any deposits falling within the meaning of Section 73 of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014. Accordingly, there are no unclaimed or unpaid deposits lying with the Company for the year under review.

## 8. Change in the nature of business, if any

The Company is pleased to announce that to improve the performance and expanding the business in new verticals, the Company in financial Year 2016-17 added one more business of Warehousing and Logistics along with trading business, as its main business. Owing to the Change in the Object clause, the Company has changed its name from M/s Potential Investments and Finance Limited to M/s Best Steel Logistics Limited, as approved by the members in its 34<sup>th</sup> Annual General Meeting of the Company held on August 27, 2017.

## 9. Internal Financial Controls

The Board has adopted policies and procedures for ensuring orderly and efficient conduct of business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of fraud and completeness of the accounting standards and the timely preparation of reliable financial disclosures. Significant audit observations and recommendations along with corrective actions thereon are presented to the Audit Committee of the Board.

## 10. Credit Rating

The Company's bank facilities have been rated by ICRA Limited (ICRA) during December, 2016. The Company has received the [ICRA]A-(SO) for its long term facilities

and [ICRA]A2+(SO) for its short term facilities.

## 11. Extract of the Annual Return

The extract of the Annual Return pursuant of Section 134 (3)(a) of the Companies Act, 2013 in Form no. MGT-9 is annexed hereto as *Annexure-"A"* and forms part of this Report.

## 12. Directors and Key Managerial Personnel

- a. All the Independent Directors have given declarations that they meet the criteria of Independence as laid down in Section 149 of the Act and Listing Regulations. Based on the disclosure provided by Directors, none of them are disqualified from being appointed as Directors under Section 164 of the Companies Act, 2013.

### b. Appointment

Ms. Gunjan Agarwal, who was appointed as an Additional Director by the Board of the Directors of the Company with effect from January 18, 2017 in terms of Section 161 of Companies Act, 2013 and Articles of Association of the Company, holds office until the date of ensuing Annual General Meeting. Your Company has received a notice under Section 160 of the Companies Act, 2013 from a shareholder of your Company, signifying his intention to propose the name of Ms. Gunjan Agarwal, for appointment as a Director of your Company.

### c. Resignation

Mr. Manoj Gupta, Managing Director of the Company, resigned with effect from July 20, 2016. Ms. Ruta Jindal ceased to be Director effective from November 9, 2016 and Ms. Surbhi Arora ceased to be the Additional Director effective from January 18, 2017.

### d. Board Meetings

During the year, 6 (six) board meetings were held, details of which are given in the Corporate Governance report.

***e. Independent Directors' familiarization programme***

The Company undertook Directors' familiarization programme for familiarizing them with Company's operation and other relevant information which would enable them to effectively discharge the responsibilities and function conferred on them. Details of familiarization programme imparted, is placed on the Company's website at [www.beststeel.co.in](http://www.beststeel.co.in).

***f. Evaluation of Board, Committees and Directors***

Pursuant to the provisions of the Act and the Listing Regulations, the Board had carried out performance evaluation of its own, the Board Committees and of the Independent Directors. Further, Independent Directors at a separate meeting evaluated performance of the Non-Independent Directors, Board as a whole and of the Chairman of the Board. Manner in which the evaluation has been carried out has been detailed in the Corporate Governance Report.

***g. Policy on appointment and remuneration of Directors***

The Board has on the recommendation of the Nomination and Remuneration Committee formulated criteria for determining Qualifications. Positive attributes and Independence of Directors, as also, a policy of remuneration of Directors, Key Managerial Personnel and senior management. The details of criteria laid down and the Remuneration Policy are given in the Corporate Governance Report.

***h. Key Managerial Personnel***

Pursuant to Section 203 of the Companies Act, 2013, the Key Managerial Personnel of the Company are – Mr. Saket Agarwal (Executive Director), Ms. Surbhi Arora (Company Secretary). During the year, Mr. Chetan Malik resigned from the post of Company Secretary and Ms. Surbhi Arora joined as Company Secretary &

Compliance Officer of the Company with effect from May 12, 2016. Mr. Manoj Gupta resigned from the post of Managing Director and Mr. Lalit Kumar resigned from the post of Chief Financial Officer of the Company.

**13. Auditors and Auditor's Report**

**a. Statutory Auditors:** M/s VAPS & Co., Chartered Accountants, Delhi (FRN 003612N) Auditors of the Company, as Auditors of the Company to hold the office from the conclusion of the 33<sup>rd</sup> Annual General Meeting held on September 28, 2015 until the conclusion of the 37<sup>th</sup> Annual General Meeting, subject to ratification of the appointment by the members at each AGMs. Accordingly, matter relating to the appointment of the Auditors will be placed for ratification by members at the forthcoming Annual General Meeting. The observations of the Auditors in their report on Accounts and the Financial Statements, read with the relevant notes are self explanatory.

Auditors' Report for the year under review does not contain any qualification or adverse remarks.

**b. Secretarial Auditors:** Pursuant to the provisions of Section 204 of the Companies Act, 2013 and Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014, the Company has appointed M/s Anjali Yadav & Associates, a firm of Company Secretaries in Practice, to undertake the Secretarial Audit for financial year 2016-17. The Secretarial Audit Report is annexed to this report as ***Annexure "B"***. There are no qualifications, reservation or adverse remark in the report.

**14. Related Party Transaction**

All Related Part Transaction (RPTs) entered during the financial year were on an arm's length basis and in the ordinary course of business. In Compliance with applicable provisions of Companies Act 2013 and SEBI (LODR) Regulations, 2015, for RPTs which



are foreseen and repetitive in nature, Omnibus Approval of the Audit Committee is obtained at the beginning of the financial year, as per RPT policy. All the RPTs affected during the year are disclosed in the notes to Financial Statements.

There are no materially significant RPTs made by the Company which have a potential conflict with the interest of the Company at large and thus disclosure in Form AOC-2 is not required. The Board has approved and adopted the policy on Related Party Transaction and same is uploaded on the Company's website <http://www.beststeel.co.in/Policies.html>.

#### 15. Directorate

In accordance with the provision of Section 152 of the Companies Act, 2013 and Articles of Association of the Company, the Board consists of the following Directors:

- I. **Mr. Saket Agarwal**, aged 43 years is the Promoter and Director of our Company. He is Graduate having more than 20 years of experience in Steel & Pipes Industry. He is looking after operations of the Company with the support of other experienced personnel.
- II. **Mr. Bharat Bhushan Sahny**, aged 74 years is the Independent Non Executive Director of our Company. Shri Sahny is a Commerce Graduate from Sri Ram College of Commerce, Delhi. He also held the position of Director on the Board of Delhi Stock Exchange for 27 years. He also held the position of Vice President and President in "DSE" and was instrumental in getting online Trading started in "Delhi Stock Exchange". He also held the position of Chairman of "Investors Awareness Committee" for many years and was instrumental in promoting investment culture in North India by conducting investor awareness seminars at multiple places.
- III. **Mr. Rajeev Kohli**, Mr. Rajeev Kohli is Non-Executive Independent Director of the Company having rich and vast experience in the different fields. He is recognized for excellent people management and team

building abilities besides infusing the spirit of action and a result oriented work culture.

- IV. **Ms. Ruta Jindal**, is Non-executive Director of the Company. She is Post Graduate in Commerce and associated with this Industry since 2005, having more than 11 years of experience.

#### 16. Managerial Remuneration and particulars of employees

Disclosure of ratio of the remuneration of each Executive Director to the median remuneration of the employees of the Company and other requisite details pursuant to Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 as amended, is annexed to this report as Annexure 'C'. Further Particulars of employees pursuant to Rule 5(2) & 5(3) of the above rules form part of this report. However in terms of provisions of section 136 of the said Act, the report and accounts are being sent to all the members of the Company and others entitled thereto, excluding the said particulars of employees. Any member interested in obtaining such particulars may write to the Company Secretary at the registered office of the Company. The said information is available for inspection at the Registered Office of the Company during working hours.

#### 17. Loans, Guarantees or Investments

Details of Loans, Guarantees and Investments covered under provisions of Section 186 of the Companies Act, 2013 are given in the notes to the Financial Statements.

#### 18. Vigil Mechanism

The Company has set up vigil mechanism viz. Whistle Blower Policy to enable the employees and Directors to report genuine concerns, unethical behavior and irregularities, if any, in the Company noticed by them which could adversely affect Company's operations to the Audit Committee Chairman. The same is reviewed

by the Audit Committee from time to time. No concerns or irregularities have been reported till date.

## 19. Directors Responsibility Statement

To the best of their knowledge and belief and according to the information and explanations obtained by them, your Directors confirm:

- a) In the preparation of the annual accounts for the year ended March 31, 2017, the applicable accounting standards have been followed along with proper explanations relating to material departures, if any.
- b) That the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year ended March 31, 2017 and of the profit and loss of the Company for the year.
- c) That proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- d) That the annual accounts/financial statements have been prepared on a going concern basis.
- e) The Directors had laid down internal financial controls to be followed by the Company and that such internal financial controls were adequate and were operating effectively.
- f) The Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

## 20. Disclosure under Section 134 (3) (m) of the Companies Act, 2013

### • Conservation of Energy

The Company continues to give the highest priority for conservation of energy by using a mix of technology changes, process

optimization methods and other conventional methods, on an ongoing basis.

### • Technology Absorption

The Company continues to lay emphasis on development and innovation of in-house technological and technical skills to meet the specific customer requirements. Efforts are also being made to upgrade the existing standards and to keep pace with the advances in technological innovations.

### • Foreign Exchange Earnings and Outgoing

Expenditure in foreign currency : Nil  
Earnings in foreign currency : Nil

## 21. Corporate Governance

Including details pertaining to Board Meetings, Nomination and Remuneration Policy, Performance Evaluation, Risk Management, Audit Committee and Vigil Mechanism:

Your Company reaffirms its commitment to the highest standards of corporate governance practices. Pursuant to Regulation 34 read with schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Corporate Governance Report and the Auditors' Certificate regarding compliance of conditions of Corporate Governance are annexed to this report (Annexure 'D'). The Corporate Governance Report which forms part of this Report, also covers the following:

- a. Particulars of the 6 (six) Board Meetings held during the financial year under review.
- b. Policy on Nomination and Remuneration of Directors, Key Managerial Personnel and Senior Management including, inter alia, the criteria for performance evaluation of Directors.
- c. The manner in which formal annual evaluation has been made by the Board of its own performance and that of its Committees and individual Directors.
- d. The details with respect to composition of Audit Committee and establishment of Vigil Mechanism.
- e. Details regarding Risk Management.

## **22. Disclosure as per Sexual Harassment of women at workplace (Prevention, Prohibition and Redressal) Act, 2013**

At Best Steel, all employees are of equal value. There is no discrimination between individuals at any point on the basis of race, colour, gender, religion, political opinion, national extraction, social origin, sexual orientation or age. Every individual is expected to treat his/her colleagues with respect and dignity. This is enshrined in values and in the Code of Ethics & Conduct of Best Steel. The Whistle-Blower & Protection Policy also provides a platform to all employees for reporting unethical business practices at workplace without the fear of reprisal and help in eliminating any kind of misconduct in the system.

The Company also adopted a policy on prevention, prohibition and redressal of sexual harassment at workplace in line with the provisions of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the rules framed there under.

During the year, no complaint has been received for sexual harassment of women at work place by the Company.

## **23. OTHER DISCLOSURES AND REPORTING**

Your Directors state that no disclosure or reporting is required with respect to the following items as there were no transactions on these items during the year under review:

- a. Issue of equity shares with differential rights as to dividend, voting or otherwise.
- b. Any remuneration or commission received by Managing Director of the Company, from any of its subsidiary.

- c. Significant or material orders passed by the Regulators or courts or Tribunal which impacts the going concern status and Company's operations in future.
- d. Transfer to Investors Education and Investors Fund.
- e. Issue of shares (including sweat equity shares) to employees of the Company under any scheme.
- f. Material changes and commitments, if any, affecting the financial position of the company which have occurred between the end of the financial year of the company to which the financial statements relate and the date of the report.

## **24. Gratitude & Acknowledgements**

Yours Directors place on record their gratitude to the Central Government, State Government, Statutory Authorities and Company's Bankers for the assistance, co-operation and encouragement they extended to the Company. Your Directors also wish to place on record their sincere thanks and appreciation for the continuing support and unstinting efforts of customers, vendors, dealers, business associates, and employees in ensuring an excellent all around operational performance.

**By the order of the Board**

**Sd/  
Saket Agarwal  
Director**

**Date: May 23, 2017  
Place: Delhi**

## Form No. MGT-9

### EXTRACT OF ANNUAL RETURN

As on the financial year ended on March 31, 2017

[Pursuant to Section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rules, 2014]

#### I. REGISTRATION AND OTHER DETAILS

1	CIN	L74900DL1983PLC014972
2	Registration Date	12.01.1983
3	Name of the Company	Best Steel Logistics Limited (Formerly known as Potential Investments and Finance Limited)
4	Category/Sub-Category of the Company	Public Company/Limited by Shares
5	Address of the Registered office and contact details	L-506, Agrasen Apartment, Plot No. 66, I.P. Extension, Delhi-110092
6	Whether listed Company	Yes at BSE Limited
7	Name, Address and Contact details of Registrar and Transfer Agent	M/s Bigshare Services Private Limited E-2 & 3, Ansa Industrial Estate, Saki Vihar Road, Sakinaka, Andheri (E), Mumbai-400072 Tel. No. +91-22-4043 0200 Fax No. +91-22-2847 5207 E-mail: <a href="mailto:investor@bigshareonline.com">investor@bigshareonline.com</a>

#### II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

S. No.	Name and description of main services	NIC Code of the service	% of total turnover of the Company
1.	Trading in Steel and steel relating products	24311	93.05%
2.	Storage and Warehousing	52109	6.95%

#### III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

S. No	Name & Address of the Company	CIN/GLN	Holding/Subsidiary/ Associate	% of Shares held	Applicable Section
	Nil				



#### IV. SHAREHOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

##### i. Category-wise Shareholding

Category of Shareholder	No. of shares held at the beginning of the year As on 01.04.2016				No. of shares held at the end of the year As on 31.03.2017				% of Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>(A) Shareholding of Promoter and Promoter Group</b>									
<b>(1) Indian</b>									
(a) Individuals/HUF	3097900	-	3097900	16.75	7222910	-	7222910	39.04	22.29
(b) Central Government/ State Govt.(s)	-	-	-	-	-	-	-	-	-
(c) Bodies Corporate	-	-	-	-	-	-	-	-	-
(d) Financial Institutions/ Banks	-	-	-	-	-	-	-	-	-
(e) Any Others (Specify)	-	-	-	-	-	-	-	-	-
<b>Sub Total(A)(1)</b>	<b>3097900</b>	<b>-</b>	<b>3097900</b>	<b>16.75</b>	<b>7222910</b>	<b>-</b>	<b>7222910</b>	<b>39.04</b>	<b>22.29</b>
<b>(2) Foreign</b>									
(a) Individuals (Non-Residents Individuals/Foreign Individuals)	-	-	-	-	-	-	-	-	-
(b) Bodies Corporate	-	-	-	-	-	-	-	-	-
(c) Institutions	-	-	-	-	-	-	-	-	-
(d) Any Others (Specify)	-	-	-	-	-	-	-	-	-
<b>Sub Total(A)(2)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Shareholding of Promoter and Promoter Group (A)= (A)(1)+(A)(2)</b>	<b>3097900</b>	<b>-</b>	<b>3097900</b>	<b>16.75</b>	<b>7222910</b>	<b>-</b>	<b>7222910</b>	<b>39.04</b>	<b>22.29</b>
<b>(B) Public shareholding</b>									
<b>(1) Institutions</b>									
(a) Mutual Funds/ UTI	-	-	-	-	-	-	-	-	-
(b) Financial Institutions/ Banks	-	-	-	-	-	-	-	-	-
(c) Central Government/ State Government(s)	-	-	-	-	-	-	-	-	-
(d) Venture Capital Funds	-	-	-	-	-	-	-	-	-
(e) Insurance Companies	-	-	-	-	-	-	-	-	-
(f) FIIs	-	-	-	-	-	-	-	-	-
(g) Foreign Portfolio Investors	-	-	-	-	110000	-	110000	0.59	0.59
(h) Any Other (specify)	-	-	-	-	-	-	-	-	-

<b>Sub-Total (B)(1)</b>	-	-	-	-	<b>110000</b>	-	<b>110000</b>	<b>0.59</b>	<b>0.59</b>
<b>(2)Non-institutions</b>									
(a)Bodies Corporate	9068202	2500	9070702	49.03	917232	-	917232	4.96	(44.07)
(b)Individuals									
(i) Individual shareholders holding nominal share capital up to Rs 1 lakh	191171	407750	598921	3.24	2416493	113000	2529493	13.67	10.43
(ii) Individual shareholders holding nominal share capital in excess of Rs. 1 lakh.	5594771	121750	5716521	30.90	5745256	-	5745256	31.05	0.15
(c)Any Other (specify)									
(i)HUF	6001	-	6001	0.03	-	-	-	-	(0.03)
(ii)Clearing Members/House	9500	-	9500	0.05	1974109	-	1974109	10.68	10.63
NRI (Rept & Non Rept)	455	-	455	0.00	1000	-	1000	0.01	0.01
<b>Sub-Total (B)(2)</b>	<b>14870100</b>	<b>532000</b>	<b>15402100</b>	<b>83.25</b>	<b>11054090</b>	<b>113000</b>	<b>11167090</b>	<b>60.37</b>	<b>(22.88)</b>
<b>Total Public Shareholding (B)=(B)(1)+(B)(2)</b>	<b>14870100</b>	<b>532000</b>	<b>15402100</b>	<b>83.25</b>	<b>11164090</b>	<b>113000</b>	<b>11277090</b>	<b>60.96</b>	<b>(22.29)</b>
<b>TOTAL (A)+(B)</b>	<b>17968000</b>	<b>532000</b>	<b>18500000</b>	<b>100.00</b>	<b>18387000</b>	<b>113000</b>	<b>18500000</b>	<b>100.00</b>	<b>-</b>
(C)Shares held by Custodians for GDRs & ADRs	-	-	-	-	-	-	-	-	-
<b>Sub-Total (C)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>GRAND TOTAL (A)+(B)+(C)</b>	<b>17968000</b>	<b>532000</b>	<b>18500000</b>	<b>100.00</b>	<b>18387000</b>	<b>113000</b>	<b>18500000</b>	<b>100.00</b>	<b>-</b>

ii. Shareholding of Promoters

S. No.	Shareholder's Name	Shareholding at the beginning of the year as on 01.04.2016			Shareholding at the end of the year As on 31.03.2017			% of Change in share holding during the year
		No. of shares	% of total shares of the Company	% of shares pledged/encumbered of total shares	No. of shares	% of total shares of the Company	% of shares pledged/encumbered of total shares	
1	Sh. Manoj Gupta	40,000	0.22	-	-	-	-	-0.22%
2	Sh. Vijay Kumar	32,900	0.18	-	-	-	-	-0.18%
3	Sh. Kanav Gupta	1,500,000	8.11	-	-	-	-	-8.11%
4	Sh. Saurabh Jindal	1,525,000	8.24	-	-	-	-	-8.24%
5.	Sh. Saket Agarwal	-	-	-	7,222,910	39.04	-	39.04%
<b>Total</b>		<b>3,097,900</b>	<b>16.75</b>	<b>-</b>	<b>7,222,910</b>	<b>39.04</b>	<b>-</b>	<b>22.29%</b>

iii. Change in Promoter's Shareholding

S. No.	Shareholder's Name	Shareholding at the beginning of the year As on 01.04.2016		Shareholding at the end of the year As on 31.03.2017		% of Change in share holding during the year
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company	
1	Sh. Manoj Gupta	40,000	0.22	-	-	-0.22%
2	Sh. Vijay Kumar	32,900	0.18	-	-	-0.18%
3	Sh. Kanav Gupta	1,500,000	8.11	-	-	-8.11%
4	Sh. Saurabh Jindal	1,525,000	8.24	-	-	-8.24%
5	Sh. Saket Agarwal	-	-	7,222,910	39.04	39.04%
<b>Total</b>		<b>3,097,900</b>	<b>16.75</b>	<b>7,222,910</b>	<b>39.04</b>	<b>22.29%</b>

iv. Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs)

S. No.	For each of the Top ten Shareholders	Shareholding at the beginning of the year As on 01.04.2016		Shareholding at the end of the year As on 31.03.2017	
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
1	M/s. Integrated Master Securities P. Ltd*	7100000	38.38	-	-
2	M/s. Share India Securities Limited	1840671	9.95	1676354	9.06
3	Ms. Sonia Jyoti	1800000	9.73	1000000	5.41
4	Ms. Sangeeta Pareekh	1100403	5.95	1100403	5.95
5	Sh. Vikash Gupta	1000000	5.41	773698	4.18
6	Sh. Gurmeet Singh	500000	2.70	500000	2.70
7	Sh. Sanjay Jain*	106000	0.57	-	-
8	Sh. Hardik Manoj Shah*	105000	0.57	-	-
9	Sh. Vaishali Yatin Shah*	105000	0.57	-	-
10	Ms. Uma Gupta*	100000	0.54	-	-
11	Sh. Rahul Gupta~	-	-	1000000	5.41
12	Sh. Arihant Capital Mkt. Ltd.~	-	-	214983	1.16
13	Ms. Premalatha~	-	-	127000	0.69
14	Sh. Davos International Fund~	-	-	110000	0.59
15	Ms. Nitu Bansal~	-	-	110000	0.59

\*Ceased to be in the list of top ten shareholders as on 31.03.2017.

~The same is reflected above as these shareholders are in the list of top ten shareholders as on 31.03.2017.

v. Shareholding of Directors and Key managerial Personnel (KMPs)

S. No.	For each of the Director and KMP	Shareholding at the beginning of the year (as on 01.04.2016)		Shareholding at the end of the year (as on 31.03.2017)	
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
1.	Shri Manoj Gupta, Managing Director*	40,000	0.22	-	-
2.	Shri Saket Agarwal, Director	-	-	7,222,910	39.04
3.	Smt. Ruta Jindal, Director*	-	-	-	-
4.	Shri Bharat Bhushan Sahny, Independent Director	-	-	-	-
5.	Shri Rajeev Kohli, Independent Director	-	-	-	-
6.	Smt. Gunjan Agarwal, Director	-	-	-	-
7.	Mr. Chetan Malik, Company Secretary*	-	-	-	-
8.	Ms. Surbhi Arora, Company Secretary	-	-	-	-
9.	Mr. Lalit Kumar, Chief Financial Officer*	-	-	-	-

**Note:** \*Mr. Manoj Gupta resigned from the post of Managing Director on 20.07.2016, Ms. Ruta Jindal resigned from the Directorship on 18.01.2017, Mr. Chetan Malik resigned as a Company Secretary of the Company on 12.05.2016 and Mr. Lalit Kumar resigned from the post of Chief Financial Officer on 20.07.2016.

## V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment

Particulars	Secured Loans excluding Deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	47,044,626	109,246,857	-	156,291,483
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	47,044,626	109,246,857	-	156,291,483
<b>Change in Indebtedness during the financial year</b>				
Addition	330,000,000	-	-	330,000,000
Reduction	47,044,626	109,246,857	-	109,246,857
Net Change	330,000,000	-	-	330,000,000
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount as on 31.03.2017	330,000,000	-	-	330,000,000
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due as on 31.03.2017	29,42,877	-	-	29,42,877
<b>Total (i+ii+iii)</b>	332,942,877	-	-	332,942,877



## VI. DETAILS OF REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

### A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

(Figures in Lacs)

S. No.	Particulars of Remuneration	Amount
1	Gross Salary	
a)	Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961.	-
b)	Value of perquisites u/s17(2) Income-tax Act,1961	-
c)	Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-
2	Stock Option/Sweat Equity/Commission	-
3	Others, please specify	
	<b>Total (A)</b>	-
	Ceiling as per the Act	-

### B. Remuneration to other directors:

#### 1. Independent Directors

(Figures in Lacs)

S. No.	Particulars of Remuneration	Bharat Bhushan Sahny	Rajeev Kohli
1	Fees for attending the Board/committee meetings	0.20	0.10
2	Commission	-	-
3	Others	-	-
<b>Total (B) (1)</b>		<b>0.20</b>	<b>0.10</b>

#### 2. Other Non-executive Directors

(Figures in Lacs)

S. No.	Particulars of Remuneration	Ruta Jindal*	Gunjan Agarwal#
1	Fees for attending the Board/committee meetings	0.05	-
2	Commission	-	-
3	Others	-	-
<b>Total (B) (2)</b>		<b>0.05</b>	-

Total (B)= (B)(1) + (B)(2) =0.30 Lacs

\* Mrs. Ruta Jindal resigned from the Board on 09.11.2016

# Mrs. Gunjan Agarwal joined the Board on 18.01.2017

**C. Remuneration to Key Managerial Personnel other than MD/ Manager/ WTD**
**(Figures in Lacs)**

S. No.	Particulars of Remuneration	Mr. Chetan Malik* Company Secretary	Mr. Lalit Kumar* Chief financial officer	Ms. Surbhi Arora# Company Secretary	Total
1	Gross Salary				
a)	Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	0.09	0.30	5.70	6.09
b)	Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-	-
c)	Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-	-	-	-
2	Stock Option/Sweat Equity/Commission	-	-	-	-
3	Others, please specify	-	-	-	-
	<b>Total (A)</b>	<b>0.09</b>	<b>0.30</b>	<b>5.70</b>	<b>6.09</b>
	Ceiling as per the Act				

**Note:** \*Mr. Chetan Malik, resigned as Company Secretary w.e.f 12.05.2016 and Mr. Lalit Kumar resigned as a Chief Financial Officer w.e.f. 20.07.2016.

#Ms. Surbhi Arora appointed as a Company Secretary w.e.f.12.05.2016.

**VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES**

Type	Section of the Companies Act	Brief Description	Details of Penalty/Punishment/ Compounding fees Imposed	Authority [RD /NCLT/COURT]	Appeal made, if any (give details)
<b>A. Company</b>					
Penalty					
Punishment					
Compounding					
<b>B. Directors</b>					
Penalty					
Punishment					
Compounding					
<b>C. Other officers in default</b>					
Penalty					
Punishment					
Compounding					

**Form No. MR-3**  
**SECRETARIAL AUDIT REPORT**  
**FOR THE FINANCIAL YEAR ENDED MARCH 31, 2017**

**[Pursuant to section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]**

To,  
The Members,  
Best Steel Logistics Limited  
(Formerly known as M/s Potential Investments and Finance Limited)  
L-506, Agrasen Apartments, Plot No. 66,  
I.P Extension Delhi-110092

I, Anjali Yadav, Proprietor of Anjali Yadav & Associates, Company Secretaries have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Best Steel Logistics Limited (CIN: L74900DL1983PLC014972) (hereinafter called “the Company”). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company’s books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on March 31, 2017 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2017 and made according to the provisions of:

- i. The Companies Act, 2013 (as amended) (‘the Act’) and the Rules made thereunder;
- ii. The Securities Contracts (Regulation) Act, 1956(as amended) and the Rules made thereunder;
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- iv. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; **Not applicable for the period under review.**
- v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (‘SEBI Act’):-
  - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011(as amended):-
  - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009(as amended);
  - d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; Not applicable for the period under review.
  - e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; Not applicable for the period under review.
  - f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

- g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009(as amended):-  
Not applicable for the period under review.
- h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 - Not applicable  
for the period under review.
- vi. I further report that after considering the compliance system prevailing in the Company, and after carrying  
out test checks of the relevant records and documents maintained by the Company, it has complied with the  
following laws that are applicable specifically to the Company:
- a) Environment (Protection) Act, 1986
  - b) Employees Provident Fund and Miscellaneous Provisions Act, 1952
  - c) Payment of Wages Act, 1936
  - d) Payment of Gratuity Act, 1972
  - e) Contract Labour (Regulation & Abolition) Act, 1970
  - f) Minimum Wages Act, 1948
  - g) Payment of Bonus Act, 1965
  - h) Industrial Employment (Standing Orders) Act, 1946
  - i) Workmen Compensation Act, 1923

I have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standard 1 and Secretarial Standard 2 issued by the The Institute of Company Secretaries of  
India;
- (ii) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirement)  
Regulations, 2015.

During the audit period, the Company has complied with the provisions of the Act, Rules, Regulations,  
Guidelines, Standards, etc. mentioned above.

I further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-  
Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that  
took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notices were given to all Directors to schedule the Board Meetings, agenda and detailed notes on  
agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further  
information and clarifications on the agenda items before the meeting and for meaningful participation at the  
meeting.

Majority decisions were carried through while the dissenting member's views, if any, were captured and  
recorded as part of the minutes.

I further report that there are adequate systems and processes in the Company commensurate with the size and  
operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and  
guidelines.

This Report is to be read with my letter of even date which is annexed as **Annexure A** and forms an integral  
part of this Report.

For **Anjali Yadav & Associates**  
Practising Company Secretary  
Anjali Yadav  
Proprietor

Place: New Delhi  
Date: 23.05.2017

FCS No.: 6628  
C P No.: 7257



**Annexure A**

To,  
The Members,  
Best Steel Logistics Limited  
(Formerly known as M/s Potential Investments and Finance Limited)  
L-506, Agrasen Apartments, Plot No. 66,  
I.P Extension Delhi-110092

My report of even date is to be read along with this letter.

1. Maintenance of Secretarial record is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the Secretarial records. The verification was done on test check basis to ensure that correct facts are reflected in Secretarial records. I believe that the process and practices, I followed provide a reasonable basis of my opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Where ever required, I have obtained the Management representation about the compliance of laws, rules and regulations and happening of events.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of procedure on test check basis.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For Anjali Yadav & Associates  
Practising Company Secretary

Anjali Yadav  
Proprietor  
FCS No.: 6628  
C P No.: 7257

Place: Ghaziabad  
Date: May 23, 2017



## ANNEXURE – C

### **A. DETAILS PURSUANT TO THE PROVISIONS OF SECTION 197 (12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2016**

- i. The ratio of remuneration of each Executive Director to the median remuneration of the employees of the Company for the financial year 2016-17: Nil
- ii. The percentage of increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the Financial Year 2016-17: Nil
- iii. In the Financial Year, there was no increase in the median remuneration of employees;
- iv. There was 31 permanent employees on the rolls of the Company as on March 31, 2017;
- v. Average percentage increase made in the salaries of employees other than the managerial personnel and increase in remuneration of the managerial personnel in financial year 2016-17 was NIL.
- vi. We affirm that the remuneration paid in the financial year 2016-17 is as per the Remuneration Policy for Directors, Key Managerial Personnel and Senior Management of the Company.

## ANNEXURE-D

### REPORT ON CORPORATE GOVERNANCE

#### Philosophy of Corporate Governance

The Board of Directors are committed to maintaining highest standards of corporate governance practices in their management of the Company's affairs and accountability to their shareholders. The Board of Directors believe in maximizing long term shareholder value without compromising on regulatory compliances and encompassing good corporate governance practices and standards. The Company aims to achieve transparency and accountability across all facets of operation and in all interaction with the stakeholders.

#### Board of Directors

As on date the Board of Directors of the Company comprises of Four (4) directors. Apart from the One Executive Director, all the Directors are Non-Executive Directors of which two (2) are Independent Directors. The Directors bring in considerable professional expertise and experience. The composition of the Board of

Details, as on date, of the composition of the Board and category of the Directors and their attendance at Board meetings and the last Annual General Meeting, number of their other Directorships and Committee Memberships / Chairmanships is given below:

Directors satisfies the requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Companies Act, 2013.

#### Directors Appointed/Resigned during the Year

Ms. Surbhi Arora was appointed as an Additional Director of the Company with effect from July 20, 2016 and Ms. Gunjan Agarwal was appointed as an Additional Director of the Company with effect from January 18, 2017.

Mr. Manoj Gupta, Managing Director ceased to be Managing Director of the Company with effect from July 20, 2016

Ms. Ruta Jindal, Director of the Company ceased to be Director with effect from November 9, 2016 & Ms. Surbhi Arora, Additional Director of the Company ceased to be Additional Director with effect from January 18, 2017.

Name of the Director	Category of Directorship <sup>1</sup>	Number of Board meetings attended out of six held during the year 2016-17	Attendance at the last AGM (27.08.2016)	No. of Directorships in other Public limited companies on 31.03.2017	No. of Committee position held in other public limited companies as on 31.03.2017 <sup>2</sup>	
					Chairman	Member
<b>Mr. Manoj Gupta<sup>4</sup></b> Managing Director	ED	1	No	Nil	-	-
<b>Mr. Saket Agarwal<sup>3</sup></b> Director	ED	6	Yes	Nil	-	-
<b>Mrs. Ruta Jindal<sup>4</sup></b> Director	NED(NI)	2	No	Nil	-	-
<b>Mr. Bharat Bhushan Sahny</b> Director	NED(I)	4	Yes	1	1	1
<b>Mr. Rajeev Kohli</b> Director	NED(I)	2	Yes	2	2	1
<b>Mrs. Gunjan Agarwal<sup>3</sup></b> Director	NED(NI)	-	No	Nil	-	-

**NOTES:****1. Category of Directorship:**

ED – Executive Director

NED (NI) – Non-Executive Director and Non-Independent

NED (I) – Non-Executive Director and Independent

2. As required by Regulation 26 of Listing Regulations, only Membership / Chairmanship of the Audit Committee and Stakeholders Relationship Committee have been considered. None of the Directors of the Company is a Member in more than 10 Committees or act as Chairman of more than 5 Committees across all companies in which he/she is a Director.
3. Ms. Gunjan Agarwal is wife of Mr. Saket Agarwal.
4. Mr. Manoj Gupta ceased to be Managing Director with effect from July 20, 2016 and Ms. Ruta Jindal ceased to be Director with effect from November 9, 2016.
5. All the Independent Directors fulfill the requirements stated in the Regulation 25(1) of SEBI (LODR) Regulations, 2015.

**Number of Board Meetings**

- Six Board meetings were held during the year ended on March 31, 2017. These were on May 12, 2016, May 28, 2016, July 20, 2016, September 30, 2016, November 9, 2016 and January 18, 2017. The gap between any two Board meetings did not exceed one hundred twenty days as required by Regulation 17 (2) of Listing Regulation.
- During the year 2016-17, the information as mentioned in Schedule II Part A of SEBI (LODR) Regulations, 2015 has been placed before the Board of Directors for its consideration.
- The Company is in compliance with Regulation 17 to 27 and clauses (b) to (i) of sub regulation 2 of Regulation 46 of SEBI (LODR) Regulations, 2015.
- The details of the familiarization programme imparted to Independent Directors are available on the website of the Company ([www.beststeel.co.in](http://www.beststeel.co.in)).
- No Equity share held by any Non-Executive Director of the Company as on March 31, 2017.
- In addition to the above, one meeting of Independent Directors was held during the year 2016-2017 without the presence of the Executive and Non Executive Non Independent Directors.

**Board Induction and Training**

At the time of appointing a Director, a formal letter of appointment is given to him/her, which inter alia explains the role, function, duties and responsibilities expected of him as a Director of the Company. The Director is also explained in detail the compliances required from him under the Companies Act 2013, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other relevant regulations and his affirmation on the Code of Conduct is taken with respect to the same. The Chairman also has a one-to-one discussion with the newly appointed Director. The above initiatives help the Director to understand the Company, its business and the regulatory framework in which the Company operates and equips him/her to effectively fulfil his/her role as a Director of the Company

**Board Evaluation Mechanism**

Pursuant to provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the Board has carried out its own performance evaluation. The Nomination and Remuneration Committee assessed and discussed the performance of the Board. The Independent Directors of the Company at their meeting (without the attendance of Non Independent Directors and members of Management), reviewed the performance of the Board as a whole and the Board Committees and

also evaluated the performance of Non Independent Directors and the Chairman of the Company taking into account the views of Executive Directors and Non-Executive Directors and based on attendance record and intensity of participation at meetings, Quality of interventions, Special contributions and Inter-personal relationships with other Directors and management.

### Audit Committee

The Audit Committee comprises of three Directors of which two are Independent Directors.

The members of the Audit Committee are:

1. Mr. Bharat Bhushan Sahny – Chairman of the Committee – Independent Director
2. Mr. Rajeev Kohli – Independent Director
3. Mr. Saket Agarwal - Director

Four Audit Committee meetings were held during the financial year ended March 31, 2017. The dates on which the Audit Committee Meetings were held are as follows: May 28, 2016, July 20, 2016, November 9, 2016 and January 18, 2017.

Attendance of the Audit Committee members at the meetings was as below:

S. No.	Name of Member	No. of meetings attended
1	Mr. Bharat Bhushan Sahny	4
2	Mr. Rajeev Kohli	2
3	Mr. Manoj Gupta *	1
4	Mr. Saket Agarwal **	4

\*Ceased to be Managing Director with effect from July 20, 2016

\*\* Committee Membership with effect from July 20, 2016.

The representatives of the Statutory Auditors and Internal Auditors also attended the meeting. The Company Secretary of the Company acts as the Secretary to the Audit Committee. Necessary quorum was present at the above meetings. Audit Committee is governed by terms of reference which is in accordance with the regulatory requirements mandated under Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The terms of reference are as follows:

1. Oversee our Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
2. Discuss with the statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
3. Review and monitor the auditor's independence and performance, and effectiveness of audit process.
4. Regular review of accounts, changes in accounting policies and reasons for the same etc.
5. Review of the major accounting entries, based on exercise of judgment by management.
6. Review of significant adjustments arising out of audit.
7. Review of qualifications in the draft audit report.
8. Examination of the financial statements and auditors' report thereon.
9. Establishing and reviewing the scope of the independent audit including the observations of the auditors and review of the quarterly, half-yearly and annual financial statements before submission to the Board.
10. Review with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.) the statement of funds utilized for purposes other than those stated in the offer document / prospectus/ notice and the report submitted by the monitoring

agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter.

11. The Committee shall have post audit discussions with the Independent auditors to ascertain any area of concern.
12. Establish the scope and frequency of internal audit, reviewing the findings of the internal auditors and ensuring the adequacy of internal control systems, evaluation of internal financial controls and risk management systems.
13. Review the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department and reporting structure coverage.
14. Look into the matters pertaining to the Director's Responsibility Statement with respect to compliance with Accounting Standards and accounting policies.
15. Review, with the management, prior to submission to the board for approval, disclosure of any related party transactions, or any subsequent modification of transactions of our Company with related parties.
16. Scrutiny of inter-corporate loans and investments.
17. Valuation of undertakings or assets of our Company, wherever it is necessary.
18. Compliance with Stock Exchange and other legal requirements concerning financial statements, to the extent applicable.
19. Review with the management, performance of statutory and internal auditors.
20. Recommending to the Board the Appointment, terms of appointment, reappointment, replacement or removal and fixing of audit fees of statutory auditors and internal auditors.
21. Approval of payment to the statutory auditors for any other services rendered by them.
22. Look into the reasons for substantial defaults in the payment to the depositories, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.
23. Look into the functioning of the Whistle Blower mechanism.
24. Monitoring the end use of funds raised through public offers and related matters.
25. Such other matters as may from time to time be required by any statutory, contractual or other regulatory requirements to be attended to by the Audit Committee.

The Company Secretary acts as Secretary of the committee. The Audit Committee Meetings invitees such of the executives to be present at its meeting as it deem fit.

### **Nomination and Remuneration Committee**

The Nomination and Remuneration Committee comprises of 3 (three) directors of which two are Independent Directors. The members of the Nomination and Remuneration Committee are:

1. Mr. Rajeev Kohli – Chairman of the Committee – Independent Director
2. Mr. Bharat Bhushan Sahny - Independent Director
3. Ms. Gunjan Agarwal – Non- Independent Director
4. Ms. Ruta Jindal - Non- Independent Director\*

\* Ceased to be director with effect from November 09, 2016.

3 (three) Nomination and Remuneration Committee Meetings were held during the financial year ended March 31, 2017. The dates on which the Nomination and Remuneration Committee Meetings were held are as follows: May 28, 2016, July 20, 2016, and January 18, 2017.



Attendance of the Nomination and Remuneration Committee members at the meeting was as below:

S. No.	Name of the Member	No. of meetings attended
1	Mr. Rajeev Kohli	2
2	Mr. Bharat Bhushan Sahny	3
3	Ms. Gunjan Agarwal*	-
4	Ms. Ruta Jindal**	1

\*Committee membership w.e.f. November 9, 2016.

\*\*Ceased to be Director with effect from November 9, 2016.

Presently Company does not pay any remuneration to its Non-executive director other than sitting fees for attending Board meeting. Details of remuneration and sitting fees paid to the executive and non-executive directors of the Company for the year April 1, 2016 to March 31, 2017 is as under:

S. No.	Name of the Director	Sitting Fees (In lakhs)	Term of Appointment
1	Mr. Saket Agarwal	-	-
2	Mr. Bharat Bhushan Sahny	0.20	5 years w.e.f. April 4, 2014
3	Mr. Rajeev Kohli	0.10	5 years w.e.f. December 22, 2015
4	Mr. Manoj Gupta (ceased to be Managing Director w.e.f. July 20, 2016)	-	-
5	Ms. Ruta Jindal (ceased to be Director w.e.f. November 09, 2016)	0.05	-
6	Ms. Gunjan Agarwal	-	-

Nomination and Remuneration Committee is governed by terms of reference which is in accordance with the regulatory requirements mandated under Companies Act, 2013. The terms of reference are as follows:

- Formulate criteria to determine and evaluate qualifications, positive attributes and independence of a Director and recommend to Board policy relating to remuneration to Directors, Key Managerial personnel and other employees. The policy should ensure that the remuneration is reasonable and sufficient to attract, retain and motivate directors of a quality required to run the company successfully, the remuneration and performance are suitably benchmarked and the remuneration is a balance of fixed pay and incentives required to achieve the periodic performance objectives.
- Identify persons qualified to be Directors / Senior Management as per the criteria and recommend their appointment / removal to Board and evaluate every Director's performance (including Independent Directors).
- Devising policy on Board diversification.
- Remuneration / commission payable to directors.
- Managerial remuneration.
- Grant of stock options under the Employees Stock Option Scheme.
- Frame policies to attract, motivate & retain personnel.
- Other functions of a Nomination & Remuneration Committee as required / recommended in the Listing Agreement.

### Stakeholders Relationship Committee

The Stakeholders' Relationship Committee comprises of 3 (three) directors.

The members of the Stakeholders relationship Committee are:

- Mr. Bharat Bhushan Sahny – Chairman of the Committee – Independent Director

2. Mr. Rajeev Kohli - Independent Director
3. Ms. Gunjan Agarwal – Director
4. Ms. Ruta Jindal - Director\*

\*Ceased to be Director with effect from November 9, 2016.

1 (One) Stakeholders Relationship Committee Meetings were held during the financial year ended March 31, 2017. The meeting of Stakeholders Relationship Committee was held on January 18, 2017.

Attendance of the Stakeholders Relationship Committee members at the meetings was as below:

S. No.	Name of the Member	No. of meetings attended
1	Mr. Bharat Bhushan Sahny	1
2	Mr. Rajeev Kohli	1
3	Ms. Gunjan Agarwal*	-
4	Ms. Ruta Jindal**	-

\*Committee membership w.e.f. November 9, 2016.

\*\* Ceased to be Director w.e.f. November 9, 2016.

Terms of references are as follows:

- a) Review the existing investor redressal system and suggest measures for improvement.
- b) Resolution of investor grievances / complaints.
- c) Suggest improvement in investor relations.
- d) Propose to the Board of Directors, the appointment / re-appointment of the Registrar and Share Transfer Agent, including the terms and conditions, remuneration, service charge / fees.

Compliance Officer

Ms. Surbhi Arora, company Secretary is the Compliance Officer

#### • Investor Grievances

The Company has designated an e-mail id viz. [info@beststeel.co.in](mailto:info@beststeel.co.in) to enable investors to register their complaints, if any. The Company strives to reply to the complaints within a period of 3 working days.

#### • Complaints

During the period under review, no Complaint has been received by the Company. There were no Share Transfer pending as on March 31, 2017.

#### Independent Directors' Meeting:

During the year 1 (one) meeting of the Independent Directors was held on January 18, 2017 inter-alia, to discuss:

- Evaluation of the performance of Non-Independent Directors and the Board of Directors, as a whole.
- Evaluation of the quality, content and timelines of flow of information between the Management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

## General Body Meetings

**Annual General Meetings:** Details of Annual General Meetings held during the last 3 years are as follows:

Financial Year	AGM No.	Day, Date & Time	Venue	Special Resolution passed
2015-16	34	Saturday, August 27, 2016 at 3:30 PM	IMA-East Delhi, Building 35-X, Institutional Area, Karkardooma, Delhi-110092	-Keeping Registers/records at the Corporate office of the Company -Increase in borrowing powers. -Creation of charges in movable/immovable properties.
2014-15	33	Monday, September 28, 2015 at 11:00AM	A-3, NDSE, Part-I, New Delhi-110049	-Increase in borrowing powers. -Creation of charges in movable/immovable properties.
2013-14	32	Monday, September 15, 2014 at 11:30 AM	143, Jagriti Enclave, Delhi-110092	-

**Postal Ballot:** Special resolution was passed through Postal Ballot during the financial year 2016-17, are as follows:

Date of Notice	Date of dispatch of postal Ballot forms to Members	Last date of receiving Postal Ballot forms including e-voting	Date of passing resolution	Description (Nature of resolution)
July 20, 2016	July 27, 2016	August 26, 2016	August 27, 2016	- Change of name of the Company - Alteration of Main Object Clause of MOA - To give loan/guarantee or provide security.

- In compliance with Regulation 44 of SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015, and in compliance with the provisions of Companies Act, 2013 and the Companies (Management and Administration) Rules, 2014, Members were provided with the facility to cast their vote electronically through the e-voting services provided by CDSL on all resolutions set forth in the Notice. Members were also given an option to vote by Postal Ballot.
- The Company has appointed Mr. Deepak Kumar Lath proprietor Lath Deepak & Associates, Practicing Company Secretary as Scrutinizer to conduct the Postal Ballot/e-voting process in fair and transparent manner.

## Means of Communication

- The quarterly and annual financial results of the Company are being published in leading newspapers to provide accessibility to the Shareholders and are also displayed on the Company's website [www.beststeel.co.in](http://www.beststeel.co.in)

The financial results during 2016-17 are published in The Pioneer. The results are simultaneously uploaded on the Company's website.

- Official Press releases and presentation as and when made to the media and analysts are made available on the Company's website [www.beststeel.co.in](http://www.beststeel.co.in).

### General Shareholders' Information

S. No.	Salient items of Interest	Particulars
1	AGM Date	September 27, 2017
2	AGM Time	01:00 P.M.
3	AGM Venue	IMA-East Delhi Building, 35-X, Institutional Area, Karkardooma, Delhi-110092
4	Financial Calendar	April 1, 2017 - March 31, 2018
	<b>Results for the Quarter ending (Tentative &amp; subject to change)</b>	
	June 30, 2017	On or before August 14, 2017
	September 30, 2017	On or before November 14, 2017
	December 31, 2017	On or before February 14, 2017
	March 31, 2018	On or before May 30, 2018
5	Date of Book Closure	September 23, 2017 – September 27, 2017
6	Listing on Stock exchange	BSE Limited ("BSE") Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai 400001 Phone: +91 22 2272 1233; Fax: +91 22 2272 1919 Website: <a href="http://www.bseindia.com">www.bseindia.com</a>
7	Depositories	National Securities Depository Limited Trade World, A Wing, 4th & 5th Floors, Kamala Mills Compound, Lower Parel, Mumbai - 400 013 Phone: +91 22 2499 4200; Fax: +91 22 24976351 Email: <a href="mailto:info@nsdl.co.in">info@nsdl.co.in</a> Website: <a href="http://www.nsdl.co.in">www.nsdl.co.in</a>  Central Depository Services (India) Limited Phiroze Jeejeebhoy Towers, 17th Floor, Dalal Street, Mumbai - 400 001 Phone: +91 22 2272 3333; Toll free: 1800-200-5533 Fax: +91 22 2272 3199 E-mail: <a href="mailto:helpdesk@cdslindia.com">helpdesk@cdslindia.com</a> Website: <a href="http://www.cdslindia.com">www.cdslindia.com</a>
8	Stock code	BSE : 538566
9	ISIN Code	INE919P01029
10	Registrar & Share Transfer Agent	M/s Bigshare Services Private Limited 1st Floor, Bharat Tin Works Building, Opposite Vasant Oasis, Makwana Road, Marol, Andheri East, Mumbai-400059 Maharashtra Tel. No. +91-22-6263 8200 Fax No. +91-22-6263 8299 E-mail: <a href="mailto:investor@bigshareonline.com">investor@bigshareonline.com</a>

11	Share Transfer System	<p>Share transfer and related operations for Best Steel Logistics Limited are conducted by M/s Bigshare Services Private Limited, which is registered with the SEBI as Category I Registrar.</p> <p>Share transfer is normally affected within stipulated period, provided all the required documents are submitted.</p>
12	Dematerialization of Shares (Equity )	As at March 31st, 2017, 18,387,000 shares aggregating 99.38% of total holding are in dematerialized mode
13	Outstanding ADRs/GDRs	There were no outstanding GDRs/ADRs as on March 31, 2017.
14	Warrants and other Convertible documents	There were no warrants outstanding for conversion as on March 31, 2017.
15	Warehouse Location	<p>As on March 31, 2017, established network of 4 warehouse facilities as follows:</p> <ol style="list-style-type: none"> <li>1. Khasra No. 527-530 Khasra No. 527-530 &amp; 569, Village Bisenoli, Dujana Road Tehsil, Dadri, Gautam Budh Nagar, (U.P.).</li> <li>2. Plot No. 16, F-1 Attibele Industrial Area, Bangalore, Karnataka 562107.</li> <li>3. Survey No. 154, Doolapally Village Gram Panchayat, Quthbullapur Mandal, Ranga Reddy District, Telangana, Hyderabad.</li> <li>4. Khasra No. 12 &amp; 13 Killa No. 12(6)/2/2(5.7), 15/2(7-0), 16/1(3-5), 13,20/1(8-0), Shahpur Khurd Road, Sikri, Ballabhgarh, Faridabad-121004.</li> </ol>
16	Address for Correspondence	<p><b>Registered Office</b> L-506, Agrasen Apartment, Plot No. 66, I.P Extension, Delhi-110092</p> <p><b>Corporate Office</b> Shop No. 29, Sudesh Square, Plot No. 92, Prakash Industrial Estate, Sahibabad, Ghaziabad-201005</p> <p><b>Registrar and Share Transfer Agents</b> M/s Bigshare Services Private Limited 1st Floor, Bharat Tin Works Building, Opposite Vasant Oasis Makwana Road, Marol, Andheri East, Mumbai-400059 Maharashtra Tel. No. +91-22-6263 8200 Fax No. +91-22-6263 8299 E-mail Id: investor@bigshareonline.com</p>
17	CIN	L74900DL1983PLC014972

\*The timeline for submitting the financial results for the quarter ending June 30, 2017 and September 30, 2017 has been extended to by one month, pursuant to provisions of SEBI circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016.



## Disclosures

### 1. Related Party Disclosure

All transactions entered into with Related Parties as defined under the Companies Act, 2013 and Regulation 23 of SEBI (Listing Obligations and Disclosures Requirements), 2015 during the financial year were in the ordinary course of business and on arms length pricing basis and do not attract the provisions of Section 188 of the Companies Act, 2013. There were no materially significant transactions with the related parties during the financial year which were in conflict with the interest of the Company. Suitable disclosure as required by the Accounting Standards (AS-18) has been made in the Note no.28 to the Financial Statements.

### 2. Management Discussion And Analysis Report

Management Discussion and Analysis Report for the year under review, as stipulated under Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 is presented in a separate section forming part of the Annual Report.

### 3. Disclosure on accounting treatment

In the preparation of the financial statements, the Company has followed the Accounting Standards referred to in Section 133 of the Companies Act, 2013. The significant accounting policies which are consistently applied have been set out in the Notes to the Financial Statements.

### 4. This Corporate Governance Report of the Company for the financial year ended March 31, 2017 are in compliance with the requirements of Corporate Governance under the listing regulations, as applicable.

### 5. Adoption of discretionary requirements specified in Part E of Schedule II of the Listing Regulations:

- (a) There are no audit qualifications on the financial year 2016-17.
- (b) The internal auditor reports directly to the Audit Committee of the Board.
- (c) Appointment of separate post of Chairman and CEO.

### 6. Detail of non-compliance, penalties, strictures imposed on the Company by the Stock Exchanges, SEBI or any Statutory Authority on any matters related to Capital Markets:

The Company has complied with all the requirements of the Listing Agreement with the Stock Exchange as well as regulations and guidelines of SEBI. No penalties or strictures were imposed by SEBI, Stock Exchanges or any statutory authority on matters relating to Capital Markets during the last three years.

### 7. Risk Management

The Company has laid down a comprehensive Risk Assessment and Minimization Procedure which was presented to the Audit Committee and reviewed by the Board from time to time. These procedures are reviewed to ensure that executive management controls risk through means of a properly defined framework.

### 8. Vigil Mechanism / Whistle Blower policy

In compliance with provisions of Section 177 (9) of the Companies Act, 2013 and Regulation 22 of SEBI (Listing Obligations and Disclosure Requirements), Regulations 2015, the Company has framed a Vigil Mechanism / Whistle Blower Policy and the same has also been placed on the website of the Company. None of the employees of the Company has been denied access to the Audit Committee.

### 9. Subsidiary Companies: As on March 31, 2017, Company has no subsidiary.

### 10. Disclosures with respect to demat suspense account/ unclaimed suspense account:

There were no shares in the demat suspense account or unclaimed suspense account during the financial year 2016-17.

#### 11. Distribution of Shareholding as on March 31, 2017

Category (Nominal value of shares)	Shareholders		Shares	
From To	Number	%	Number	%
Up to 500	487	50.94	133956	0.72
501-1000	103	10.77	95210	0.52
1001-2000	88	9.21	150687	0.81
2001-3000	50	5.23	131450	0.71
3001-4000	22	2.30	80477	0.44
4001-5000	38	3.97	187131	1.01
5001-10000	62	6.49	491041	2.65
10001 & above	106	11.09	17230048	93.14
<b>TOTAL</b>	<b>956</b>	<b>100.00</b>	<b>18500000</b>	<b>100.00</b>

#### 12. Shareholding Pattern as on March 31, 2017

S. No.	Category	No. of shares held	Percentage of shareholding
<b>A</b>	<b>Promoters' Holding</b>		
1	Promoters	7222910	39.04
<b>B</b>	<b>Non-Promoter Holding</b>		
2	Institutional Investors	-	-
	a. Mutual Funds	-	-
	b. Banks/ Financial Institutions	-	-
	c. Foreign Institutional Investors	110000	0.59
3	Others		
	a. Bodies Corporate	917232	4.96
	b. Individuals	8274749	44.73
	c. NRI/OCBs	1000	0.01
	d. Clearing Member	1974109	10.67
	<b>Total (1+2+3)</b>	<b>18500000</b>	<b>100</b>

#### 13. Top 10 shareholders as on March 31, 2017

S. No.	Name of the Shareholder	No. of shares held	Percentage of shareholding
1	Saket Agrawal	72,22,910	39.04
2	Share India Securities Limited	16,76,354	9.06
3	Sangeeta Pareekh	11,00,403	5.95
4	Rahul Gupta	10,00,000	5.41
5	Sonia Jyoti	10,00,000	5.41
6	Vikash Gupta	7,73,698	4.18
7	Gurmeet Singh	5,00,000	2.70
8	Arihant Capital Mkt. Ltd	2,14,983	1.16
9	Premlatha	1,27,000	0.69
10	Davos International Fund	1,10,000	0.59
	<b>Total</b>	<b>1,37,25,348</b>	<b>100</b>

#### 14. Stock Price Data

1. The monthly high and low quotations during the financial year 2016-17 is given below:

Month & Year	Stock Market price on BSE (In Rs. Per Share)		
	High	Low	Traded Quantity
April, 2016	21.88	15.12	76,104
May, 2016	23.00	20.80	77,203
June, 2016	28.80	20.00	6,50,334
July, 2016	35.40	20.95	5,14,401
August, 2016	51.65	37.15	2,36,544
September, 2016	57.55	53.95	66,663
October, 2016	74.80	63.30	82,447
November, 2016	89.00	59.00	1,86,612
December, 2016	69.10	57.20	53,503
January, 2017	84.65	63.80	71,162
February, 2017	99.25	88.85	4,936,808
March, 2017	98.80	90.00	1,572,958

2. Shares traded during April 1, 2016 to March 31, 2017

Particulars	On BSE
No. of Shares traded	8,524,739
Highest Share Price	99.25
Lowest Share Price	15.12
Closing Share Price as on March 31, 2017	92.75
Market Capitalization as on March 31, 2017	17,15,875,000

#### 15. CEO and CFO Certification:

The concern have provided certification on financial reporting and internal controls to the Board as required under Regulation 17(8) read with Schedule II of Part B of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015.

#### 16. Code of Conduct for prevention of Insider Trading

In compliance with the SEBI (Prohibition of Insider Trading) Regulation, 2015, the Board of Directors of the Company has adopted (i) the code of practices and procedures for fair disclosure of unpublished price sensitive information and (ii) the code of conduct to regulate, monitor and report trading by insiders, in terms of the said Regulations. The Company believes that these Codes will help in ensuring compliance of the SEBI Regulations.

17. The Company has complied with all the applicable requirements specified in Regulations 17 to 27 and clause (b) to (i) of sub-regulation (2) of Regulation 46 of Listing Regulations.

#### **18. Compliance Certificate of the Practicing Company Secretary**

Certificate from the Practicing Company Secretaries M/s Anjali Yadav and Associates, confirming compliance with conditions of Corporate Governance as required under Regulation 34(3) Schedule V (E) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 forms part of the Annual Report.

#### **19. Declaration**

It is hereby declared that all the members of the Board and Senior Management personnel have affirmed compliance with the “Code of Conduct for Members of the Board and Senior Management of Best Steel Logistics Limited” during the Financial Year ended March 31, 2017.



## Compliance Certificate on Corporate Governance

To the Members of  
Best Steel Logistics Limited,

We have examined the compliance of conditions of Corporate Governance by Best Steel Logistics Limited ("the Company") for the financial year ended March 31, 2017 as stipulated in Schedule V of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

1. The Compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
2. We have examined the relevant records of the Company in accordance with Guidance Note on Reports or Certificates for Special Purpose (Revised) 2016 issued by the Institute of Chartered Accountants of India.
3. In our opinion and to the best of our information and according to the explanations given to us and representations made by the Directors and Management, we certify that the Company has complied with the conditions of corporate governance as stipulated in the above mentioned regulations.
4. We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Place: Ghaziabad  
Date: May 23, 2017

For Anjali Yadav & Associates  
Practising Company Secretary  
Anjali Yadav  
FCS No.: 6628  
C P No.: 7257



## Independent Auditors' Report

**To The Members,  
BEST STEEL LOGISTICS LIMITED  
New Delhi**

### **Report on the Financial Statements**

1. We have audited the accompanying financial statements of Best Steel Logistics Limited which comprise the Balance Sheet as at March 31, 2017, the Statement of Profit and Loss and Cash Flow Statement for the year ended, and a summary of significant accounting policies and other explanatory information.

### **Management's Responsibility for the Financial Statements**

2. The Company's Board of Directors is responsible for the matters in Section 134(5) of the Companies Act, 2013 ("the act") with respect to preparation of these financial statements that give a true and fair view of the financial position and financial performance of the Company in accordance with the Accounting Principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act, read with rule 7 of the Companies (Accounts) Rule, 2014. This responsibility also includes the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the company and for preventing and detecting the frauds and other irregularities, selection and application of appropriate accounting policies, making judgments and estimates that are reasonable and prudent, and design, implementation and maintenance of internal financial control that were operating effectively for ensuring the accuracy and completeness of accounting records, relevant to the preparation and fair presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

### **Auditor's Responsibility**

3. Our responsibility is to express an opinion on these financial statements based on our audit.
4. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.
5. We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.
6. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.
7. We believe that the audit evidences we have obtained are sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

### **OPINION**

8. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the

state of affairs of the Company as at March 31, 2017, and its profit and its cash flows for the year ended on that date.

### **Report on Other Legal and Regulatory Requirements**

9. As required by 'the Companies(Auditor's Report) Order,2016', issued by the Central Government of India in terms of sub-section(11) of section 143 of the Act (hereinafter referred to as the "Order"), and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the Annexure B, a statement on the matters specified in paragraphs 3 and 4 of the order.
10. As required by section 143(3) of the Act, we report that:
- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b) In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.
  - c) The Balance Sheet and the Statement of Profit and Loss dealt with by this Report are in agreement with the books of account.
  - d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - e) On the basis of written representations received from the directors as on 31st March, 2017, taken on record by the Board of Directors, none of the directors is disqualified as on 31 March, 2017, from being appointed as a director in terms of Section 164(2) of the Act.
  - f) With respect to adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in Annexure A.
  - g) With respect to the other matters included in the Auditor's Report in accordance with Rule 11 of the Companies(Audit and Auditors) Rules, 2014, in our opinion and to our best of our information and according to the explanations given to us :
    - i. The Company does not have any pending litigations which could impact its financial position in the financial statements.
    - ii. The Company has made provision as at March 31,2017, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long term contracts including derivative contracts.
    - iii. There were no amounts required to be transferred, to the Investor Education and Protection Fund by the Company for the year ended March 31,2017.
    - iv. The Company has provided requisite disclosures in its financial statements as to holdings as well as dealings in Specified Bank Notes during the period from November 8, 2016 to December 30, 2016 and these are in accordance with the books of accounts maintained by the Company.

**For VAPS & Co.**  
Chartered Accountants  
Firm's Registration No. 003612N

**(Vipin Aggarwal)**  
**Partner**  
**Membership No. 082498**

**Place:** New Delhi  
**Date:** May 23, 2017

### **Annexure(A) to the Independent Auditors' Report**

Referred to in paragraph 10 (f) of the Independent Auditor's Report of even date to the members of Best Steel Logistics Limited on the financial statements for the year ended March 31,2017

Report on the Internal Financial Controls under clause (i) of the sub-section 3 of Section 143 of the Act:

1. We have audited the internal financial controls over financial reporting of Best Steel Logistics Limited ("the Company") as of March 31, 2017 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

#### **Management's Responsibility for Internal Financial Controls**

2. The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include of the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of its frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the act.

#### **Auditor's Responsibility**

3. Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing deemed to be prescribed under Sec 143(10) of the Act to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the ICAI. Those standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

#### **Meaning of Internal Financial Controls over Financial Reporting**

6. A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being

made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

#### **Inherent Limitations of Internal Financial Controls over Financial Reporting**

7. Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

#### **Opinion**

8. In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**For VAPS & Co.**

Chartered Accountants

Firm's Registration No. 003612N

**(Vipin Aggarwal)**

**Partner**

**Membership No. 082498**

**Place:** New Delhi

**Date:** May 23, 2017

### **Annexure (B) to the Independent Auditors' Report**

Referred to in paragraph 9 of the Independent Auditors' Report of even date to the members of M/s Best Steel Logistics Limited on the financial statements for the year ended March 31, 2017.

1. a) The company is maintaining proper records showing full particulars including quantitative and situation of fixed assets.
- b) The fixed assets are physically verified by the Management according to a phased programme designed to cover all the items over a period of 3 years which in our opinion is having regard to the size of the Company and the nature of its assets. Pursuant to the programme, a portion of the fixed assets has been physically verified by the management during the year and no material discrepancies were noticed on such physical verification.
- c) The title deeds of immovable properties, as disclosed in Note 12 on fixed assets to the financial statements, are held in the name of the Company.
2. There were no inventories at the end of the previous financial year.
3. The Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Act. Therefore, the provisions of Clause 3(iii), (iii)(a), (iii)(b) and (iii)(c) of the said Order are not applicable to the Company.
4. In our opinion, and according to the information and explanations given to us, the Company has complied with the provisions of Section 185 and 186 of the Companies Act, 2013 in respect of the loans and investments made, and guarantees and security provided by it.
5. The Company has not accepted any deposits from the public within the meaning of Sections 73, 74, 75 and 76 of the Act and the Rules framed there under to the extent notified.
6. The Central Government of India has not specified the maintenance of cost records under sub-section (1) of Section 148 of the Act for any of the products of the Company.
7. a) According to the information and explanations given to us and the records of the company, the company is not regular in depositing with appropriate authorities undisputed statutory dues including Provident Fund, Investor Education Protection Fund, Employees State Insurance, Income Tax, Sales Tax, Wealth Tax, Custom Duty, Excise Duty, Service Tax, Value Added Tax, Cess and other material statutory dues applicable to it and few delays have been observed.
- b) According to the information and explanations given to us, no undisputed amount payable in respect of Income Tax, Wealth Tax, Sales Tax, Customs Duty and Excise Duty, Service Tax, Value Added Tax, Cess etc. were outstanding as at 31<sup>st</sup> March, 2017 for a period of more than six months from the date they became payable.
8. According to the records of the Company examined by us and the information and explanation given to us, the Company has not defaulted in repayment of loans or borrowings to any financial institution or bank or Government or dues to debenture holders as at the balance sheet date.
9. In our opinion, and according to the information and explanations given to us, the moneys raised by way of term loans have been applied for the purposes for which they were obtained. The Company has not raised any money by way of initial public offer or further public offer (including debt instruments).
10. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information

and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such case by the Management. The company has not given any guarantee for loans taken by others from bank or financial institutions.

11. The Company has paid/ provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act. In our opinion, the term loans have been applied for the purpose for which they were raised.
12. As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it, the provisions of Clause 3(xii) of the Order are not applicable to the Company.
13. In our opinion and according to the information and explanation given to us, the Company is in compliance with Section 188 and 177 of the Companies Act, 2013, where applicable, for all transactions with related parties and details of the related party have been disclosed in the financial statement as required by the applicable accounting standards.
14. The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of Clause 3(xiv) of the Order are not applicable to the Company.
15. The Company has not entered into any non-cash transactions with its directors or persons connected with him. Accordingly, the provisions of Clause 3(xv) of the Order are not applicable to the Company.
16. The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the provisions of Clause 3(xvi) of the Order are not applicable to the Company.

**For VAPS & Co.**

Chartered Accountants

Firm's Registration No. 003612N

**(Vipin Aggarwal)**

**Partner**

**Membership No. 082498**

**Place:** New Delhi

**Date:** May 23, 2017



## BALANCE SHEET

AS AT MARCH 31, 2017

Particulars	Note No.	As at 31 March, 2017	As at 31 March, 2016
<b>Equity And Liabilities</b>			
<b>Shareholder's Fund</b>			
Share Capital	3	3,70,00,000	370,00,000
Reserves and Surplus	4	87,17,247	(53,93,300)
		<u>4,57,17,247</u>	<u>3,16,06,700</u>
<b>Non-Current Liability</b>			
Long Term Borrowing	5	31,76,25,000	10,92,46,857
Deferred Tax Liabilities (Net)	6	14,16,173	(3,600)
Long Term Provisions	7	6,68,264	-
		<u>31,97,09,437</u>	<u>10,92,43,257</u>
<b>Current Liability</b>			
Short-term Borrowing		-	4,70,44,626
Trade Payables	8	46,96,082	-
Other Current Liabilities	9	2,00,54,397	6,53,223
Short-Term Provisions	10	41,92,844	-
		<u>2,89,43,324</u>	<u>4,76,97,849</u>
<b>Total Equity &amp; Liabilities</b>		<b><u>39,43,70,008</u></b>	<b><u>18,85,47,806</u></b>
<b>Assets</b>			
<b>Non-Current Assets</b>			
Fixed Assets	11		
(i) Tangible Assets		24,64,71,761	15,02,19,490
(ii) Intangible Assets		1,888	-
(iii) Capital Work in Progress	12	16,89,049	-
Other Non-Current Assets		89,38,848	-
		<u>25,71,01,546</u>	<u>15,02,19,490</u>
<b>Current Assets</b>			
Trade Receivables	13	2,46,10,365	2,11,50,448
Cash and Bank Balance	14	81,44,071	1,34,940
Short-term Loans and Advances	15	9,50,59,964	1,70,42,928
Other Current Assets	16	94,54,062	-
		<u>13,72,68,462</u>	<u>3,83,28,316</u>
<b>Total Assets</b>		<b><u>39,43,70,008</u></b>	<b><u>18,85,47,806</u></b>

Notes referred to above form an integral part of Balance Sheet

This is the Balance Sheet referred to in our Report of even date.

### For VAPS & Co.

Firm Reg. No. 003612N

Chartered Accountants

(Vipin Aggarwal)

Partner

Membership No. 082498

### For and on behalf of the Board

Saket Agarwal

(Director)

DIN: 00203084

Gunjan Agarwal

(Director)

DIN: 00202902

Place: New Delhi

Date: May 23, 2017

Surbhi Arora

(Company Secretary)

M. No. A33370

## STATEMENT FOR PROFIT & LOSS

### FOR THE YEAR ENDED MARCH 31, 2017

Particulars	Note No.	For the period ended March 31, 2017	For the period ended March 31, 2016
<b>Revenues</b>			
Revenue from Operations	17	61,24,43,527	16,69,07,729
Other Income	18	66,37,310	83,12,584
Total Revenue		<b>61,90,80,837</b>	<b>17,52,20,313</b>
<b>Expenses</b>			
Cost of revenue operations	19	57,06,99,220	16,24,94,020
Employee Benefit Expenses	20	63,15,334	10,89,748
Finance Cost	21	1,72,42,401	98,99,069
Depreciation and Amortization	22	8,15,601	39,431
Other Expenses	23	17,50,661	13,73,137
Total Expenses		<b>59,68,23,216</b>	<b>17,48,95,405</b>
Profit before Tax		2,22,57,620	3,24,908
<b>Tax Expenses</b>			
Current Tax		67,27,300	1,19,545
Deferred Tax		14,19,773	393
Income Tax adjustment for earlier year		-	2,90,165
MAT Credit entitlement		-	-
Profit/(Loss) for the year		<b>141,10,547</b>	<b>(85,195)</b>
Earning per Equity Share of Rs. 2 each:			
Basic		0.76	0.00
Diluted		0.76	0.00

Notes referred to above form an integral part of Profit & Loss Statement  
This is the profit & Loss Statement referred to in our Report of even date.

**For VAPS & Co.**  
Firm Reg. No. 003612N  
Chartered Accountants

**For and on behalf of the Board**

(Vipin Aggarwal)  
Partner  
Membership No. 082498

Saket Agarwal  
(Director)  
DIN: 00203084

Gunjan Agarwal  
(Director)  
DIN: 00202902

Place: New Delhi  
Date: May 23, 2017

Surbhi Arora  
(Company Secretary)  
M. No. A33370

## CASH FLOW STATEMENT

FOR THE YEAR ENDED MARCH 31, 2017

PARTICULARS	AMOUNT	TOTAL
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit before tax and extra ordinary items		2,22,57,620
<u>Add/(Less): Adjustment for:</u>		
Depreciation	8,15,601	
Interest & Finance Charges	1,72,42,401	
<b>Total</b>		1,80,58,002
<b>Operating profit before working capital changes</b>		4,03,15,622
<b>Adjustment for:</b>		
(Increase)/Decrease in Sundry debtors	(34,59,917)	
(Increase)/Decrease in Other receivables	(8,74,71,098)	
(Increase)/Decrease in Inventories	-	
Increase/(Decrease) in Trade & Other payable	(1,80,86,261)	(10,90,17,277)
<b>Cash generated from operations</b>		(6,87,01,655)
Cash flow before extra ordinary items		(6,87,01,655)
Income Tax Paid		(67,27,300)
Extra ordinary items		-
<b>Net cash from operating activities</b>		<b>(7,54,28,955)</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
(Purchase) of Fixed Assets	(9,87,58,809)	
<b>Net Cash used in investing activities</b>		<b>(9,87,58,809)</b>
<b>C. CASH FLOW FROM FINANCE ACTIVITIES</b>		
Receipt/(Repayment) of secured loans	20,83,78,143	
Receipt/Repayment of unsecured loans	-	
Interest & Finance Charges Paid	(1,72,42,401)	
Receipt against issue of Equity Shares	-	
<b>Net cash generated from Financing activities</b>		<b>19,11,35,742</b>
<b>NET CHANGE IN CASH EQUIVALENT (A+B+C)</b>		<b>1,69,47,978</b>
<b>CASH &amp; CASH EQUIVALENT</b>		
Opening Balance		1,34,940
Closing Balance		<b>1,70,82,919</b>

**For VAPS & Co.**

Firm Reg. No. 003612N  
Chartered Accountants  
(Vipin Aggarwal)  
Partner  
Membership No. 082498

Place: New Delhi  
Date: May 23, 2017

**For and on behalf of the Board**

Saket Agarwal      Gunjan Agarwal  
(Director)              (Director)  
DIN: 00203084      DIN: 00202902

Surbhi Arora  
(Company Secretary)

## NOTES FORMING PART OF BALANCE SHEET AND PROFIT & LOSS ACCOUNT

FOR THE YEAR ENDED MARCH 31, 2017

### 1. General Information

Best Steel Logistics Limited (formerly known as Potential Investments and Finance Limited) incorporated on January 12, 1983 is engaged in the Trading of Steel and Related Products and has added a new line of business of providing Warehousing and Storage Services. The Company is a public company listed on BSE Ltd.

### 2. Summary of significant accounting policies

#### 2.1 Basis of Accounting

These financial statements have been prepared as per the Going Concern assumption in accordance with the Generally Accepted Accounting Principles in India under the historical cost convention on accrual basis, except for certain tangible assets which are being carried at revalued amounts. Pursuant to Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014 till the standard of accounting or any addendum are prescribed by the Central Government in consultation and recommendation of the National Financial Reporting Authority, the existing accounting standards notified under Companies Act, 1956 shall continue to apply.

All assets and liabilities have been classified as current or non-current as per the Company's operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current – noncurrent classification of assets and liabilities.

#### 2.2 Revenue Recognition

- a) Domestic sales on transfer of significant risks and rewards to the customer which takes place on dispatch of goods.
- b) Interest income is recognised on a time proportion basis taking into account the amount outstanding and the rate applicable.
- c) Income from services on completion of rendering of services.

#### 2.3 Fixed Assets

##### Tangible Assets

Fixed Assets (except Freehold Land, which is carried at cost) are carried at cost of acquisition or construction or at manufacturing cost (in case of own manufactured costs) in the year of capitalisation, less accumulated depreciation.

#### 2.4 Depreciation

- i. Tangible Assets are stated at acquisition cost, net of accumulated depreciation. Items of Fixed Assets that have been retired from active use and are held for disposal are stated at the lower of their Net Book Value and Net Realisable Value and are shown separately in the financial statements. Any expected loss is recognised immediately in the Statement of Profit and Loss. Losses arising from the retirement of, and gains or losses arising from disposal of fixed assets which are arrived at cost are recognised in the Statement of Profit and Loss.
- ii. Depreciation has been provided in accordance with useful lives prescribed in the Companies Act, 2013 except for certain fixed assets where, based on technical evaluation of the useful lives of the assets, higher depreciation has been provided on the straight line method over the following useful lives:

Computers and Computer Hardware (Servers)	5 Years
Computer Software	5 Years
Plant & Machinery	20 Years

## 2.5 Foreign Currency Transactions

Transactions in foreign exchange are accounted for at the closing rate of previous month. Monetary assets and liabilities denominated in foreign currency are translated at the rates of exchange at the balance sheet date and the resultant gain or loss is recognized in the Statement of Profit and Loss. Exchange difference arising on payment or translation of liabilities and receivables is recognized as income or expense in the year in which the same arises.

## 2.6 Employee Benefits

### Compensated Absences:

Accumulated compensated absences, which are expected to be availed or encashed within 12 months from the end of the year end are treated as short term employee benefits. The obligation towards the same is measured at the expected cost of accumulating compensated absences as the additional amount expected to be paid as a result of the unused entitlement as at the year end. Accumulated compensated absences, which are expected to be encashed beyond 12 months from the end of the year end are treated as other long term employee benefits. The Company's liability is actuarially determined (using the Projected Unit Credit method) at the end of each year. Actuarial losses/ gains are recognised in the Statement of Profit and Loss in the year in which they arise.

### Gratuity:

The Company has Defined Benefit plan, namely gratuity for employees (unfunded), the liability for which is determined on the basis of an actuarial valuation (using the Projected Unit Credit method) at the end of the year. Gains and losses arising out of actuarial valuations are recognised immediately in the Statement of Profit and Loss as income or expense.

### Provident Fund:

The Company has Defined Contribution plan for the post employment benefits namely Provident Fund which is recognised by the income tax authorities. These funds are administered through the Regional Provident Fund Commissioner and the Company's contributions thereto are charged to Statement of Profit and Loss every year.

## 2.7 Investment

Investments that are readily realisable and are intended to be held for not more than one year from the date, on which such investments are made, are classified as Current Investments. All other investments are classified as Non Current Investments. Current Investments are valued at lower of Cost and Fair Value. Non Current Investments are valued at cost, except in the case other than temporary decline in value, in which case necessary provision is made.

## 2.8 Leases

Lease of assets under which, all the risks and benefits of ownership are effectively retained by the lessor are classified as Operating Lease. Lease rental in respect of assets taken on operating leases are charged to Statement of Profit and Loss on a straight-line basis over the lease term.

## 2.9 Taxes

Tax expense for the period, comprising current tax and deferred tax, are included in the determination of the net profit or loss for the period. Current tax is measured at the amount expected to be paid to the tax authorities in accordance with the taxation laws prevailing in the respective jurisdictions.

Deferred tax is recognised for all the timing differences, subject to the consideration of prudence in respect of deferred tax assets. Deferred tax assets are recognised and carried forward only to the extent that there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised. Deferred tax assets and liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted by the Balance Sheet date. At each Balance Sheet date, the Company re-assesses unrecognised deferred tax assets, if any.

Current tax assets and current tax liabilities are offset when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle the asset and the liability on a net basis. Deferred tax assets and deferred tax liabilities are offset when there is a legally enforceable right to set off assets against liabilities representing current tax and where the deferred tax assets and the deferred tax liabilities relate to taxes on income levied by the same governing taxation laws.

Minimum Alternate Tax credit is recognised as an asset only when and to the extent there is convincing evidence that the company will pay normal income tax during the specified period. Such asset is reviewed at each Balance Sheet date and the carrying amount of the MAT credit asset is written down to the extent there is no longer a convincing evidence to the effect that the Company will pay normal income tax during the specified period.

## 2.10 Provision

Provisions: Provisions are recognised when there is a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and there is a reliable estimate of the amount of the obligation. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the Balance sheet date and are not discounted to its present value.

## 2.11 Cash and Cash Equivalents

In the Cash Flow Statement, cash and cash equivalents include cash in hand, demand deposits with bank, other short term highly liquid investments with original maturities of three months or less.

## 2.12 Earnings per Share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. Earnings considered in ascertaining the Company's earnings per share consist of the net profit for the period and any attributable tax thereon. The weighted average number of shares outstanding during the period and for all periods presented is adjusted for events other than the conversion of potential equity shares outstanding, without a corresponding change in resources. For the purposes of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.



**Note 3 - Share Capital:**
**( Figures in Rs.)**

Particulars	As at 31.03.2017	As at 31.03.2016
<b>A. Authorized, Issued, Subscribed and Paid-up Share Capital</b>		
2,00,00,000 (Previous year 2,00,00,000 of Rs. 2 each) Equity Shares of Rs.2 each	4,00,00,000	4,00,00,000
	<b>4,00,00,000</b>	<b>4,00,00,000</b>
<b>Issued, Subscribed &amp; Paid up:</b>		
1,85,00,000 (Previous year 1,85,00,000 of Rs. 2.00 each) Equity Shares of Rs.2 each fully paid up	3,70,00,000	3,70,00,000
<b>Total</b>	<b>3,70,00,000</b>	<b>3,70,00,000</b>

**B. Reconciliation of Number of Shares**

Equity Shares	As at 31-March-2017		As at 31-March-2016	
	Number of Shares	Amount	Number of Shares	Amount
Balances as at the beginning of the year	1,85,00,000	3,70,00,000	1,85,00,000	3,70,00,000
Add: Shares Brought back during the year	-	-	-	-
Add: Addition during the year	-	-	-	-
Add: Deletion during the year	-	-	-	-
<b>Balance as at the end of the year</b>	<b>1,85,00,000</b>	<b>3,70,00,000</b>	<b>1,85,00,000</b>	<b>3,70,00,000</b>

**C. Detail of shareholder holding more than 5% shares of the Company :**

Name of Shareholder	As at 31-March-2017		As at 31-March-2016	
	Numbers of Shares held	% of holding	Numbers of Shares held	% of holding
Saket Agarwal	72,22,910	39.04	-	-
Share India Securities Limited	16,76,354	9.06	18,40,601	9.95
Sangeeta Pareekh	11,00,403	5.95	11,00,403	5.95
Rahul Gupta	10,00,000	5.41	-	-
Sonia Jyoti	10,00,000	5.41	18,00,000	9.73
Integrated Master Securities Private Limited	-	-	71,00,000	38.38
Vikash Gupta	-	-	10,00,000	5.41
Kanav Gupta	-	-	15,00,000	8.11
Surabh Jindal	-	-	15,25,000	8.24

**D. Right, preference and restrictions attached to shares Equity Shares**

The Company has only one class of equity shares having a par value of Rs. 2 per share. Each Shareholder is eligible for one vote per share. In the event of liquidation, the equity shareholders

are eligible to receive the remaining assets of the Company, after distribution of all preferential amount, in proportion of their shareholding.

**Note 4 - Reserves and Surplus:**

Particulars	As at 31-March-2017	As at 31-March-2016
<b>Surplus in Statement of Profit &amp; Loss</b>		
Opening balance	(53,93,300)	(53,08,105)
Add: Net Profit for the year	1,41,10,547	(85,195)
<b>Closing Balance</b>	<b>87,17,247</b>	<b>(53,93,300)</b>

**Note 5 - Long Term Borrowing**

Particulars	As at 31-March-2017	As at 31-March-2016
Loan From Directors	-	88,70,032
Loan and Advances from Related parties	-	4,91,76,825
Term Loan		
- From Corporate Bodies	-	5,12,00,000
- From Banks	31,76,25,000	-
<b>Total</b>	<b>31,76,25,000</b>	<b>10,92,46,857</b>

Amount of Loan	Terms of Repayment
Term Loan of Rs. 33,00,00,000/- from Yes Bank Ltd, is secured against mortgage of Residential Property located at G8, Maharani Bagh, New Friends Colony, New Delhi, Pari-Pasu charge over entire Current Assets & Movable Fixed Assets of the Company.	Repayable in 84 monthly instalments carrying rate of interest 10.5 % p.a. commencing from July, 2017. Last instalment due in June, 2024.

**Note:** Instalments falling due in respect of all above loans up to March 31, 2017 have been grouped under Current Maturities of Long Term Borrowings (Refer note. 9 below)

**Note 6- Deferred Tax Liabilities(Net)**

Particulars	As at 31-March-2017	As at 31-March-2016
Opening Balance	(3,600)	(3,993)
Addition during the year	14,19,773	393
<b>Total</b>	<b>14,16,173</b>	<b>(3,600)</b>

**Note 7 - Long Term Provisions**

Particulars	As at 31-March-2017	As at 31-March-2016
Provision for Employee Benefits:		
Provision for Compensated Absences	1,15,294	-
Provision for Gratuity	5,52,970	-
<b>Total</b>	<b>6,68,264</b>	<b>-</b>

**Note 8 - Trade Payables**

Particulars	As at 31-March-2017	As at 31-March-2016
Total Outstanding dues of Micro, Small and Medium Enterprises	-	-
Total Outstanding dues of Creditors other than Micro, Small and Medium Enterprises	46,96,082	-
<b>Total</b>	<b>46,96,082</b>	<b>-</b>

**Note 9 - Other Current Liabilities**

Particulars	As at 31-March-2017	As at 31-March-2016
Current Maturities of Long Term Debt	1,23,75,000	-
Interest Accrued but not due on Borrowings	29,42,877	-
Statutory dues including Provident Fund and Tax Deducted at Source	9,46,211	5,23,032
Employee Benefits Payable	4,08,368	-
Other Payables	33,81,942	1,30,191
<b>Total</b>	<b>2,00,54,397</b>	<b>6,53,223</b>

**Note 10 - Short Term Provisions**

Particulars	As at 31-March-2017	As at 31-March-2016
Provision for Employee Benefits:		
Provision for Compensated Absences	14,846	-
Provision for Gratuity	7,310	-
Provision for Tax (Net of TDS)	41,70,688	-
<b>Total</b>	<b>41,92,844</b>	<b>-</b>

**Note 12- Other Non Current Assets**

Particulars	As at 31-March-2017	As at 31-March-2016
Long Term Deposits with maturity of more than 12 months	89,38,848	-
<b>Total</b>	<b>89,38,848</b>	<b>-</b>

**Note 13- Trade Receivables**

Particulars	As at 31-March-2017	As at 31-March-2016
<b><u>Unsecured, considered good :</u></b>		
Outstanding for a period exceeding Six Months from the date they are due for payment	1,58,47,630	1,58,47,630
Others	87,62,735	53,02,818
<b>Total</b>	<b>2,46,10,365</b>	<b>2,11,50,448</b>

### Note: 11 Fixed Assets & Depreciation

Particulars	Value at the beginning	Gross Block		Value at the end	Value at the beginning	Depreciation		Value at the end	Net Block	
		Addition during the year	Deduction during the year			During the year	Adjustment during the year		WDV as on 31.03.2017	WDV as on 31.03.2016
<b>(A) Tangible Assets</b>										
Land	15,01,70,000	5,23,43,850	-	20,25,13,850	-	-	-	-	20,25,13,850	15,01,70,000
Building	-	3,28,71,751	-	3,28,71,751	-	5,04,334	-	5,04,334	3,23,67,417	
Vehicles	52,534	-	-	52,534	44,163	5,253	-	49,416	3,118	8,37
Computer Furniture and Fittings	98,350	-	-	98,350	68,364	19,670	-	88,034	10,316	29,98
Office Equipment	18,515	-	-	18,515	12,870	1,852	-	14,722	3,794	5,64
Plant & Machinery	-	1,00,33,056	-	1,00,33,056	-	2,30,898	-	2,30,898	98,02,158	
<b>Total</b>	<b>15,03,39,399</b>	<b>9,70,69,760</b>	<b>-</b>	<b>24,74,09,159</b>	<b>1,25,397</b>	<b>8,12,001</b>	<b>-</b>	<b>9,37,398</b>	<b>24,64,71,761</b>	<b>15,02,14,00</b>
<b>(B) Intangible Assets</b>										
Software	18,000	-	-	18,000	12,512	3,600	-	16,112	1,888	5,48
<b>Total</b>	<b>18,000</b>	<b>-</b>	<b>-</b>	<b>18,000</b>	<b>12,512</b>	<b>3,600</b>	<b>-</b>	<b>16,112</b>	<b>1,888</b>	<b>5,48</b>
<b>(C) Capital Work in Progress</b>										
Furniture and Fixture	-	16,89,049	-	16,89,049	-	-	-	-	16,89,049	
<b>Total</b>	<b>-</b>	<b>16,89,049</b>	<b>-</b>	<b>16,89,049</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>16,89,049</b>	
<b>TOTAL</b>	<b>15,03,57,399</b>	<b>9,87,58,809</b>	<b>-</b>	<b>24,91,16,208</b>	<b>1,37,909</b>	<b>8,15,601</b>	<b>-</b>	<b>9,53,510</b>	<b>24,81,62,698</b>	<b>15,02,19,49</b>
(Previous Year)	1,87,399	15,01,70,000	-	15,03,57,399	98,478	39,431	-	1,37,909	15,02,19,490	88,92

**Note 14 - Cash and Bank Balances**

Particulars	As at 31-March-2017	As at 31-March-2016
<b>Cash and Cash Equivalents :</b>		
- Balance with Banks	77,25,542	5,107
- Cash in hand	4,18,530	1,29,833
- Cash in hand		
<b>Other Bank Balances</b>	-	-
<b>Total</b>	<b>81,44,071</b>	<b>1,34,940</b>

**Note 15 - Short Term Loans and Advances**

Particulars	As at 31-March-2017	As at 31-March-2016
<b><u>Unsecured considered good, unless otherwise stated</u></b>		
<i>Advance Recoverable in cash or in kind</i>		
Considered Good	9,45,00,000	1,60,03,597
Balance with Government Authorities	4,93,106	-
<b>Other Loans &amp; Advances</b>		
Mat Credit Entitlement	-	10,10,380
Advance Income Tax	-	28,951
Prepaid Expenses	9,858	-
Loans to Employees	57,000	-
<b>Total</b>	<b>9,50,59,964</b>	<b>1,70,42,928</b>

**Note 16 - Other Current Assets**

Particulars	As at 31-March-2017	As at 31-March-2016
Commission Receivable	26,50,500	-
Unamortised Expenses	68,03,562	-
<b>Total</b>	<b>94,54,062</b>	<b>-</b>

**Note 17 - Revenue from Operations**

Particulars	As at 31-March-2017	As at 31-March-2016
Sale of Products		
Traded Goods	56,98,96,033	16,69,07,729
Sale of Services	4,25,47,494	-
<b>Total</b>	<b>61,24,43,527</b>	<b>16,69,07,729</b>
<b>Details of Sales of Products</b>		
Iron and Steel Products	56,98,96,033	16,69,07,729
<b>Total</b>	<b>56,98,96,033</b>	<b>16,69,07,729</b>

Details of Sales of Services	As at 31-March-2017	As at 31-March-2016
Warehousing and Storage	4,25,47,494	-
<b>Total</b>	<b>4,25,47,494</b>	<b>-</b>

**Note 18 -Other Income**

Particulars	As at 31-March-2017	As at 31-March-2016
Interest Income	-	-
On bank deposits	18,62,172	2,89,509
Dividend Income	-	3,000
From other investments	-	3,000
Liabilities no longer required written back	14,500	-
Profit on Sale of Investments	-	(63,784)
Commission Income	26,50,500	46,23,707
Rental Income	20,00,000	30,00,000
Miscellaneous Income	1,10,138	4,60,152
<b>Total</b>	<b>66,37,310</b>	<b>83,12,584</b>

**Note 19 -Cost of Revenue Operations**
**(A) Cost of Materials Sold**

Particulars	As at 31-March-2017	As at 31-March-2016
<b>Traded Goods</b>		
Opening Inventory	-	-
Purchases	55,69,69,274	16,02,45,555
Closing Inventory	-	-
Other Expenses	8,80,244	22,48,465
<b>Total</b>	<b>55,78,49,519</b>	<b>16,24,94,020</b>

**(B) Service Costs**

Particulars	As at 31-March-2017	As at 31-March-2016
Electricity, Power and Fuel	21,88,461	-
Handling Charges	40,83,604	-
Loading and Unloading Charges	32,35,476	-
Parking Charges	2,72,400	-
Stores Expenses	1,90,293	-
Lease rent	50,000	-
Security Services	15,13,339	-
Warehouse Expenses	8,48,198	-
Miscellaneous Expenses	17,930	-
<b>Total</b>	<b>1,28,49,701</b>	<b>-</b>
<b>Total(A+B)</b>	<b>57,06,99,220</b>	<b>16,24,94,020</b>



**Note 20 -Employee Benefit Expenses**

Particulars	As at 31-March-2017	As at 31-March-2016
Wages & Salary	51,19,396	10,89,748
Contribution to Provident and Other Funds	4,79,437	-
Gratuity (a)	5,60,280	-
Leave Encashment (b)	1,30,140	-
Staff Welfare Expenses	26,081	-
<b>Total</b>	<b>63,15,334</b>	<b>10,89,748</b>

**A) Defined Benefit Plan (Unfunded)**

**Gratuity:** The Company has a defined benefit gratuity plan which entitles every employee who departs after the completion of 5 or more years of service to a gratuity calculated at fifteen days salary (last drawn salary) for each completed year of service, in accordance with the Payment of Gratuity Act, 1972. The same is payable at the time of separation from the Company or retirement, whichever is earlier. The benefits vest after five years of continuous service.

**(i) Present Value of Defined Benefit Obligation**

Particulars	As at 31-March-2017	As at 31-March-2016
<b>Balance at the beginning of the year</b>	-	-
Interest cost	-	-
Current service cost	1,49,646	-
Benefits paid	-	-
Actuarial (gains) / losses on obligation	4,10,634	-
<b>Balance at the end of the year</b>	<b>5,60,280</b>	-

**(ii) Assets and Liabilities recognised in the Balance Sheet**

Particulars	As at 31-March-2017	As at 31-March-2016
<b>Liability at the end of Year</b>	5,60,280	-
Unrecognised past service cost/transition liability	-	-
<b>Amount Recognised in the Balance Sheet</b>	<b>5,60,280</b>	-
Recognised Under:		
Long Term Provision (Refer Note 7)	5,52,970	-
Short Term Provision (Refer Note 10)	7,310	-
<b>Total</b>	<b>5,60,280</b>	

**(iii) Expense recognised in the Statement of Profit and Loss**

Particulars	As at 31-March-2017	As at 31-March-2016
Current service cost	1,49,646	-
Past service cost	-	-
Interest cost	-	-
Expected Return on Plan Assets	-	-
Net actuarial (gain)/loss recognised in the period	4,10,634	-
<b>Expenses recognised in the Statement of Profit and Loss</b>	<b>5,60,280</b>	-

**(iv) Actuarial assumptions**

Particulars	As at 31-March-2017	As at 31-March-2016
Discount Rate per annum	8%	-
Salary Escalation rate per annum	6%	-
Attrition Rate (Age Related)		-
For Service 4 years and below	20%	-
For Service 5 years and above	2%	-

The estimate of future salary increases considered in the actuarial valuation takes into account inflation, seniority, promotion and other relevant factors such as demand and supply in the employment market.

**(v) Expected contribution to the Funds in next year**

Particulars	As at 31-March-2017	As at 31-March-2016
Gratuity	5,60,280	-

**(B) Compensated Absences**

**Leave Encashment:** The employees are entitled for each year of service and part thereof and subject to the limits specified, the unavailed portion of such leaves can be accumulated or encashed during/at the end of the service period. The plan is not funded.

The reconciliation of opening and closing balances of the present vale of the defined benefit obligations are as below:

**(i) Present Value of Defined Benefit Obligation**

Particulars	As at 31-March-2017	As at 31-March-2016
<b>Balance at the beginning of the year</b>	-	-
Interest cost	-	-
Current service cost	77,824	-
Benefits paid	-	-
Actuarial (gains) / losses on obligation	52,316	-
<b>Balance at the end of the year</b>	<b>1,30,140</b>	-

**(ii) Assets and Liabilities recognised in the Balance Sheet**

Particulars	As at 31-March-2017	As at 31-March-2016
<b>Liability at the end of Year</b>	1,30,140	-
Unrecognised past service cost/transition liability	-	-
<b>Amount Recognised as Liability in the Balance Sheet</b>	<b>1,30,140</b>	-
Recognised Under:		
Long Term Provision (Refer Note 7)	1,15,294	-
Short Term Provision (Refer Note 10)	14,846	-
	<b>1,30,140</b>	-

**(iii) Expense recognised in the Statement of Profit and Loss**

Particulars	As at 31-March-2017	As at 31-March-2016
Current service cost	77,824	-
Past service cost	-	-
Interest cost	-	-
Expected Return on Plan Assets	-	-
Net actuarial (gain)/loss recognised in the period	52,316	-
<b>Expenses recognised in the Statement of Profit and Loss</b>	<b>1,30,140</b>	<b>-</b>

**(iv) Economic assumptions**

Particulars	As at 31-March-2017	As at 31-March-2016
Discount Rate per annum	7.40%	-
Salary Escalation rate per annum	8%	-
Expected Rate of Return on Plan Assets	0%	-
Retirement Age	60 Years	-
Mortality Table	IALM [06-08]	-
Employee Turnover/Attrition Rate		-
18 to 30 Years	3%	-
30 to 45 Years	2%	-
Above 45 Years	1%	-

**Note 21 -Finance Cost**

Particulars	As at 31-March-2017	As at 31-March-2016
Interest Expense on :		
Long Term Borrowings	1,58,88,082	96,64,365
Other Borrowing	10,07,699	-
Other Borrowing Costs	3,37,880	2,34,704
Other Expenses	8,740	-
<b>Total</b>	<b>1,72,42,401</b>	<b>98,99,069</b>

**Note 22 -Depreciation and Amortisation**

Particulars	As at 31-March-2017	As at 31-March-2016
Depreciation	8,15,601	39,431
<b>Total</b>	<b>8,15,601</b>	<b>39,431</b>

**Note 23-Other Expenses**

Particulars	As at 31-March-2017	As at 31-March-2016
Repairs and Maintenance:		
Others	-	1,200
Rates and Taxes	4,81,604	2,58,179
Auditor's Remuneration (Refer note below)	1,40,000	1,14,500
Legal & Professional Charges	1,99,375	82,933
Director Sitting Fees	15,000	-
Lease Rent	40,000	-
Printing & Stationery	1,03,791	-
Advertisement and Publicity Expenses	29,755	-
Loss on Foreign Currency Transaction and Translation	5,76,815	-
Miscellaneous Expenses	1,64,322	9,16,325
<b>Total</b>	<b>17,50,661</b>	<b>13,73,137</b>

**Auditor's Remuneration**

Particulars	As at 31-March-2017	As at 31-March-2016
Statutory Audit	1,00,000	1,14,500
Internal Audit	20,000	-
Secretarial Audit	20,000	-
<b>Total</b>	<b>1,40,000</b>	<b>1,14,500</b>

**Note 24 - CIF Value of Imports:**

Particulars	As at 31-March-2017	As at 31-March-2016
Traded Goods	55,72,18,476	-
<b>Total</b>	<b>55,72,18,476</b>	<b>-</b>

**Note 26 - Earnings Per Share :**

Particulars	As at 31-March-2017	As at 31-March-2016
Net Profit after Tax attributable to shareholders	1,41,10,547	(85,195)
Weighted average number of equity shares outstanding during the year (nos.)	1,85,00,000	1,85,00,000
Nominal value per share	2.00	2.00
Basic earning per share	0.76	-
Diluted earning per share	0.76	-

**Note 27 - Details of dues to Micro and Small Enterprises as defined under the MSMED Act, 2006**

Particulars		As at 31-March-2017	As at 31-March-2016
a)	The amounts remaining unpaid to micro, small and medium enterprises as at the end of the year	-	-
b)	The amount of interest paid by the buyer as per the Micro Small and Medium Enterprises Development Act, 2006	-	-
c)	The amounts of the payments made to micro and small suppliers beyond the appointed day during each accounting year	-	-
d)	The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro Small and Medium Enterprises Development Act, 2006	-	-
e)	The amount of interest accrued and remaining unpaid at the end of each accounting year	-	-
f)	The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under the Micro Small and Medium Enterprises Development Act, 2006	-	-
<b>Total</b>		<b>NIL</b>	<b>NIL</b>

**Note 25 - Disclosure as per Schedule III of Companies Act, 2013**
**Details of Specified Bank Notes held and transacted during the period 08 Nov., 2016 to 30 Dec., 2016.**

Particulars	SBNs	Other denomination notes	Total
Closing cash in hand as on 08.11.2016	2,79,500	3,12,052	5,91,552
(+) Permitted Receipts	-	50,000	50,000
(-) Permitted Payments	-	84,042	84,042
(-) Amount deposited in Banks	2,79,500	-	2,79,500
<b>Closing cash in hand as on 30.12.2016</b>	<b>-</b>	<b>2,78,010</b>	<b>2,78,010</b>

**Note 28 - Related Party Disclosures**
**(A) Name of Related Party and Description of Relationship**

- 1 Key Management Personnel**
- (i) Mr. Saket Agarwal – Director
  - (ii) Ms. Gunjan Agarwal – Director

**(B) Details of Related Party Transactions**

Particulars	Key Management Personnel	Total
(i) Office Rent	46,000	46,000

**Note 29 – Leases**

The Company has taken various residential/commercial premises under cancellable operating leases. The rental expense for the current year, in respect of operating leases was Rs. 5,40,000 (Previous Year: NIL)

The future minimum lease payments in respect of such leases are as follows:

Particulars	As at 31-March-2017	As at 31-March-2016
Within 1 year	6,08,000	-
After 1 year and not more than 5 years	-	-
<b>Total</b>	<b>6,08,000</b>	<b>-</b>

**Note 30 - Previous Year's Figures**

The previous year's figures have been reclassified wherever necessary to conform to the current year's classification.

**For VAPS & Co.**

Firm Reg. No. 003612N  
Chartered Accountants

(Vipin Aggarwal)  
Partner  
Membership No. 082498

Place: New Delhi  
Date: May 23, 2017

**For and on behalf of the Board**

Saket Agarwal      Gunjan Agarwal  
(Director)      (Director)  
DIN: 00203084      DIN: 00202902

Surbhi Arora  
(Company Secretary)  
M. No.: A33370



# BEST STEEL LOGISTICS LIMITED

Regd. Office: L-506, Agrasen Apartment, Plot no. 66,

I.P. Extension, Delhi-110092

CIN: L74900DL1983PLC014972; Telephone No. 91-120-6401829

Website: [www.beststeel.co.in](http://www.beststeel.co.in); email: [info@beststeel.co.in](mailto:info@beststeel.co.in)



## ATTENDANCE SLIP

35<sup>th</sup> ANNUAL GENERAL MEETING – Wednesday, September 27, 2017 AT IMA-East Delhi Building, 35-X, Institutional Area, Karkardooma, Delhi-110092

DP ID*		NAME AND ADDRESS OF THE REGISTERED SHAREHOLDER/PROXY
Client ID*/ Folio No.		
No. of shares held		

I/We certify that I/We am/are registered shareholder/proxy of the Company.

I/We hereby record my/our presence at the 35<sup>th</sup> Annual General Meeting of the Company on Wednesday, September 27, 2017 at 1:00 P.M. at IMA-East Delhi Building, 35-X, Institutional Area, Karkardooma, Delhi-110092.

.....  
Signature

NOTE: Please complete this and hand it over at the entrance of the hall.

\* Applicable for shares held in electronic form.

No Gift/Gift coupon/Refreshment Coupon will be distributed at the Meeting

# BEST STEEL LOGISTICS LIMITED

Regd. Office: L-506, Agrasen Apartment, Plot no. 66,

I.P. Extension, Delhi-110092

CIN: L74900DL1983PLC014972; Telephone No. 91-120-6401829

Website: [www.beststeel.co.in](http://www.beststeel.co.in); email: [info@beststeel.co.in](mailto:info@beststeel.co.in)



## PROXY FORM

35<sup>th</sup> ANNUAL GENERAL MEETING – Wednesday, 27 September, 2017 AT IMA-East Delhi Building, 35-X, Institutional Area, Karkardooma, Delhi-110092

Name of the Member(s): Registered Address:		Email Id Folio No./Client Id* DP Id*	
---	--	--	--

I/We being the member(s) holding.....Shares hereby appoint:

(1) Name: .....Address: .....email Id.....or failing him;

(2) Name: .....Address: .....email Id.....or failing him;

(3) Name: .....Address: .....email Id.....or failing him;

as my/our proxy to attend and vote (on a poll) for me/ us and on my/our behalf at the **35<sup>th</sup> Annual General Meeting** of the Company, to be held on **September 27, 2017** at IMA-East Delhi Building, 35-X, Institutional Area, Karkardooma, Delhi-110092 at 01:00 P.M. and at any adjournment thereof in respect of such resolutions as are indicated below:

Res. No.	Resolution	For *	Against#
1.	Adoption of Audited Financial Statements for the year financial year ended March 31, 2017.		
2	Re-appointment of Mr. Saket Agarwal (DIN: 00203084), who retire by rotation.		
3	Ratification of Appointment of M/s VAPS & Co., Chartered Accountants (ICAI Firm Registration No. 03621N), New Delhi, as the Statutory Auditors of the Company.		
4	Appointment of Mrs. Gunjan Agarwal (DIN: 00202902) as Non- Executive Director of the Company.		

\* Applicable for shares held in electronic form.

Signed this.....day of ..... 2017.

.....  
Signature

.....  
Signature of proxy holder(s)

Affix  
Re. 1

Revenue  
Stamp

P.T.O

**Notes:**

- 1) **This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company not less than 48 hours before the commencement of the meeting.**
- 2) **A Proxy need not be a member of the Company.**
- 3) A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. A member holding more than 10% of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.
- 4) # This is only optional. Please put a 'X' or '√' in the appropriate column against the resolution(s) indicated in the Box. If you leave the 'For'/or 'Against' column blank against any or all the resolutions, your Proxy will be entitled to vote in the manner as he/she deems appropriate.
- 5) Appointing a proxy does not prevent a member from attending the meeting in person, if he so desire.
- 6) In the case of joint holders, the signature of any one holder will be sufficient, but names of all the joint holders should be mentioned.



## **BEST STEEL LOGISTICS LIMITED**

(formerly known as Potential Investments and Finance Limited)

Registered Office: L-506, Agrasen Apartment, Plot No. 66,

I.P. extension, delhi-110092

Corporate Office: Shop No. 29, Sudesh square, Plot No. 92, Prakash Industrial estate, Sahibabad, Ghaziabad-  
201005

Tel: +91-120-640129

Email: [info@beststeel.co.in](mailto:info@beststeel.co.in) | Website: [www.beststeel.co.in](http://www.beststeel.co.in)