

SPLENDID METAL PRODUCTS LIMITED

(Formerly Known as Sujana Metal Products Ltd)

Date: 22nd November, 2019

To

The Department of Corporate Services – CRD, BSE Limited, P.J.Towers, Dalal Street, MUMBAI – 400 001. Scrip Code: 513414	National Stock Exchange of India Ltd 5 th Floor, Exchange Plaza, Bandra (E), MUMBAI – 400 051 Scrip Symbol: SMPL
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Dear Sir/Madam,

Sub: Notice of 29th Annual General Meeting and Annual Report-2018-19-Reg

We wish to inform you that 29th Annual General Meeting ('AGM') of Splendid Metal Products Limited ('Company') is scheduled to be held on Saturday, 14th day of December, 2019 at Vedika, The Venue, Sri Sai Goverdhan Kunj, 5th Floor, 501/A, Opp: Dominos Pizza, SR Nagar, Hyderabad - 500 038, Telangana at 10.30 am.

The notice of 29th AGM and Annual Report of the Company for the financial year 2018-19 are enclosed herewith for your records.

Kindly take the above on your records and oblige.

Thanking you,
Yours faithfully,

For SPLENDID METAL PRODUCTS LIMITED



**SHAIK IBRAHEEM
COMPANY SECRETARY**

(A Company under Corporate Insolvency Resolution Process by NCLT order No. CP(IB)No. 666/7/HDB/2018)

CORPORATE INFORMATION

RESOLUTION PROFESSIONAL	:	T. SATHISAN IP Reg. No.: IBBI/IPA-001/IP-P00105/2017-2018/10212
BOARD OF DIRECTORS	:	(Powers Suspended on Account of CIRP)
<i>Independent Director</i>	:	Dr. K.Srinivasa Rao
<i>Managing Director</i>	:	Shri R.K.Birla
<i>Promoter- Non-Executive Director</i>	:	Shri G.Srinivasa Raju
<i>Non- Executive Director</i>	:	Shri S.Hanumantha Rao
STATUTORY AUDITORS	:	M/s. T. Raghavendra & Associates Chartered Accountants, Hyderabad
INTERNAL AUDITORS	:	Shri M. Balarama Krishnaiah Chartered Accountant, Hyderabad
COST AUDITORS	:	M/s. Nageswara Rao & Co Cost Accountants, Secunderabad
BANKERS & OTHERS	:	Andhra Bank Bank of Baroda Bank of India Edelweiss Arc Limited IDBI Bank Limited Indian Overseas Bank Indian Bank Stressed Assets Stabilization Fund - IDBI State Bank of India Punjab National Bank (PNB) Lakshmi Vilas Bank Oriental Bank of Commerce
REGISTERED OFFICE & CORPORATE OFFICE	:	Plot No.18, Municipal No. 8-2-248/1/7/18, First Floor, Nagarjuna Hills, Panjagutta , Hyderabad- 500082, Telangana

SPLENDID METAL PRODUCTS LIMITED

WORKS

Hyderabad:

- (i) Survey No.296/7/9,
- (ii) Plot No. 4, Survey No.296/7/7, 8 & 11,
- (iii) Survey No. 296/7/7, 296/7/8, 296/7/11
- (iv) Survey No. 296/7/7, 8 & 11
IDA Bollaram, Jinnaram Mandal,
Medak District - 502325, Telangana.
- (v) Survey No. 196 & 197, Parigi Road,
Elikatta Village, Shadnagar,
Mahaboobnagar District, Telangana.
- (vi) Cut and Bend Division: Survey No. 204, 205 & 206,
Elakatta Gram Panchayat, Farooq Nagar Mandal,
Mahaboob Nagar District-509216, Telangana.
- (vii) Trading Division : Plot No. 4, Survey No. 296/7/7A,
IDA Bollaram, Jinnaram Mandal,
Medak District-502325, Telangana.
- (viii) Survey No.473, 576 & 442,
Chikatigudem, Kethepally Mandal,
Nalgonda District, Telangana-508211.

Chennai:

- (i) Survey No. 204/8B, Manjankaranai Village,
Chennai, M.G.R. District - 620 502, Tamilnadu
- (ii) Plot No. B-20E, SIPCOT Industrial Complex,
Gummidi Pondi, Chennai, Tamilnadu.

Visakhapatnam:

Sanivada Village, Rajeevnagar,
Visakhapatnam-530046, Andhra Pradesh.

LISTING

: **Equity**
BSE Limited (BSE)
Phiroze Jeejeebhoy Towers, Dalal Street,
Mumbai - 400 001

National Stock Exchange of India Ltd (NSE)
Exchange Plaza, Bandra-Kurla Complex,
Bandra (E), Mumbai - 400 051.

REGISTRAR & SHARE TRANSFER AGENTS

: M/s. Bigshare Services Pvt. Ltd.
306, Right Wing, 3rd Floor, Amrutha Ville,
Opp: Yashoda Hospital, Raj Bhavan Road,
Somajiguda, Hyderabad - 500 082.
Phone No: 040 - 2337 4967.
Email: bsshyd@bigshareonline.com
Website: www.bigshareonline.com

NOTICE

NOTICE is hereby given that the Twenty Ninth (29th) Annual General Meeting of the members of the Company will be held on Saturday, the 14th day of December, 2019 at Vedika, The Venue, Sri Sai Goverdhan Kunj, 5th Floor, 501/A, Opp: Dominos Pizza, SR Nagar, Hyderabad - 500 038, Telangana at 10.30 am to transact the following business:

BACKGROUND:

The members are hereby informed that Corporate Insolvency Resolution Process ('CIRP') has been initiated for the Company under the provisions of Section 7 of the Insolvency and Bankruptcy Code, 2016 ('IBC') by the National Company Law Tribunal vide Order no. CP(IB)No. 666/7/HDB/2018 ('order') with effect from 04.04.2019 (uploaded on website on 16.04.2019). Further, vide the aforesaid NCLT order and pursuant to Section 17 of the IBC, the powers of the Board of Directors of the Company stood suspended, and such powers are vested with the Interim Resolution Professional, Mr. T.Sathisan (IP Registration No.IBBI/IPA-001/IP-P00105/2017-2018/10212). His appointment was subsequently confirmed by the Committee of Creditors ('COC') as the Resolution Professional (the 'RP'). Accordingly, Mr.T.Sathisan in his capacity as RP took control and custody of the management and operations of the Company from 19th April, 2019. Consequently, all actions that are deemed to be taken by the Board of Directors have been given effect to by the RP during the continuance of the CIRP as per the provisions of the IBC. In view thereof, the 29th Annual General Meeting (AGM) of the Members of the Company is being convened by the RP.

The appointment/re-appointments of the Directors are recommended only for the sole purpose of complying with the applicable provision(s) of the Companies Act, 2013 (as amended) and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Further, pursuant to Section 17 of the IBC, the powers of the Board of Directors shall stand suspended during the continuance of the CIRP.

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited

Financial Statements of the Company (including Audited Consolidated Financial Statements) for the financial year ended March 31st, 2019 and the reports of the Directors and Auditors thereon.

2. To appoint a director in place of Shri S.Hanumantha Rao (DIN: 00118801), Director, who retires by rotation and being eligible, offers himself for re-appointment.

SPECIAL BUSINESS

3. **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 provisions of Section 148 and all other applicable provisions of the Companies Act, 2013 and Companies (Audit and Auditors) Rules, 2014 (including any statutory modifications(s) or re-enactment thereof, for the time being in force), the remuneration of Rs.1,50,000/- (Rupees One Lakh Fifty Thousand Only) plus reimbursement of actual expenses, be fixed and paid to M/s. Nageswara Rao & Co, (Member Ship No: 000332) Cost Auditors of the Company, for the financial year 2019-20, as approved by the Resolution Professional of the Company, be and is hereby ratified."

For Splendid Metal Products Limited

T. SATHISAN

Resolution Professional
IP Reg No.: IBBI/IPA-001/IP-P00105/2017-2018/10212
(A Company under Corporate Insolvency
Resolution Process by NCLT
Order No. CP(IB)No. 666/7/HDB/2018)

Place: Hyderabad

Date : November 14th, 2019

NOTES:

1. The Explanatory Statements pursuant to Section 102(1) of the Companies Act, 2013 with respect to the special businesses set out in the Notice are annexed.
2. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON HIS / HER BEHALF AND THE PROXY NEED NOT BE

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A MEMBER OF THE COMPANY. Pursuant to the provisions of Section 105 of the Companies Act, 2013, a person can act as a proxy on behalf of not more than fifty (50) members and holding in aggregate not more than ten percent of the total Share Capital of the Company. Members holding more than ten percent of the total Share Capital of the Company may appoint a single person as proxy, who shall not act as a proxy for any other Member. The instrument of Proxy, in order to be effective, should be deposited at the Registered Office of the Company, duly completed and signed, not later than 48 hours before the commencement of the meeting. A Proxy Form is annexed to this Report.

3. Corporate Members intending to send their authorised representatives to attend the Meeting pursuant to Section 113 of the Companies Act, 2013 are requested to send to the Company, a certified copy of the relevant Board Resolution together with their respective specimen signatures authorising their representative(s) to attend and vote on their behalf at the Meeting.
4. During the period beginning 24 hours before the time fixed for the commencement of the meeting and ending with the conclusion of the meeting, a member would be entitled to inspect the proxies lodged at any time during the business hours of the Company, provided that not less than three days of notice in writing is given to the Company.
5. Members/ proxies should bring the duly filled Attendance Slip enclosed herewith to attend the meeting.
6. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote at the Meeting.
7. Relevant documents referred to in the accompanying Notice and in the Explanatory Statements are open for inspection by the Members at the Company's Registered Office on all working days of the Company, during business hours up to the date of the Meeting.
8. The Share Transfer Books and Register of

Members of the Company will remain closed on December 9th, 2019 (One day only).

9. The relevant details as required under Regulation 36(3) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Securities and Exchange Board of India Listing Regulations"), of the person seeking re-appointment are also annexed.

Shareholders desiring any information as regards the accounts are requested to write to the Company at an early date so as to enable the Management to keep the information ready at the meeting.
11. The registration of share transfers and other related correspondence will be dealt at M/s. Bigshare Services Private Limited of Mumbai, having its branch office at 306, Right Wing, 3rd Floor, Amruta Ville, Opp: Yashoda Hospital, Raj Bhavan Road, Somajiguda, Hyderabad - 500 082.
12. The shareholders / members of the Company, who are having equity shares of the Company in physical form, are advised to get dematerialized of their respective equity shares by way of surrendering their physical share certificates to the Registrar and Share Transfer Agents (RTA) of the Company (i.e., M/s Bigshare Services Pvt. Ltd., Hyderabad) through their respective Depository Participants. The shareholders /members, who are not having demat accounts are requested to open the demat accounts and thereafter approach the RTA for dematerialization of their equity shares.
13. The Securities and Exchange Board of India (SEBI) has mandated 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's RTA.
14. In accordance with the provisions of Section 72 of the Companies Act, 2013, members are

entitled to make nominations in respect of the Equity Shares held by them, in physical form. Members desirous of making nominations may procure the prescribed form from the Registrar & Share Transfer Agent of the Company (i.e., M/s Bigshare Services Pvt. Ltd., Hyderabad.

15. Members who hold shares in physical form in multiple folios in identical names or joint holding in the same order of names are requested to send the share certificates to RTA, for consolidation into a single folio.
16. Pursuant to Section 101 and Section 136 of the Companies Act, 2013 read with relevant Rules issued there under, Companies can serve Annual Reports and other communications through electronic mode to those shareholders who have registered their email address either with the Company or with the Depository. It is a welcome move for the society at large, as this will reduce paper consumption to a great extent and allow shareholders to contribute towards a greener environment. This is a golden opportunity for every shareholder of the Company to contribute to the cause of Green Initiative. Members who have not registered their e-mail address with the Company are requested to register the same by submitting the letter to Companies RTA. The Members holding shares in electronic form are requested to register their e-mail address with their Depository Participants only. The Members of the Company, who have registered their e-mail address, are entitled to receive communications in physical form, upon request.
17. M/s. T.Raghavendra & Associates, Chartered Accountants (Membership No.023806), were appointed as Statutory Auditors of the Company to hold office from the conclusion of 26th Annual General Meeting of the Company held on 30th September, 2016 till the conclusion of the 30th Annual General Meeting of the Company, subject to ratification by members every year as prescribed under then prevailing provisions of the Companies Act 2013. In view of the changes in provisions of Section 139 of the

Companies 2013 ratification of appointment is not proposed.

18. Electronic copy of the Annual Report for 2018-19 (including Notice of the 29th Annual General Meeting of the Company along with Attendance Slip and Proxy Form) is being sent to all the members whose email IDs are registered with the Company/Depository Participants(s) for communication purposes unless any member has requested for hard copy of the same. For members who have not registered their email address, physical copies of the Annual Report for 2018-19 is being sent in the permitted mode.
19. Members holding shares in electronic form are requested to intimate immediately any change in their address or bank mandates with their respective Depository Participants to receive all the communications in electronic mode. Members holding shares in physical form are requested to advise any change in their address or bank mandates immediately to the Company RTA.
20. Members may also note that the Notice of the 29th Annual General Meeting and the Annual Report for 2018-19 will also be available on the Company's website www.sujana.com for their download. The physical copies of the aforesaid documents will also be available at the Company's Registered Office in Hyderabad for inspection during normal business hours on working days.
21. Members who have not registered their e-mail addresses so far, are requested to register their e-mail address for receiving all communication including Annual Report, Notices, Circulars, etc., from the Company electronically
22. To prevent fraudulent transactions, members are advised to exercise due diligence and notify the Company of any change in address or demise of any member as soon as possible. Members are also advised not to leave their demat account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned Depository Participant and holdings should be verified.
- 23. Instructions for members for voting**

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electronically are as under:-

- In compliance with the provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 (“Amended Rules 2015”) and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, the Company is pleased to provide members facility to exercise their right to vote on resolutions proposed to be considered at the 29th Annual General Meeting by electronic means and the business may be transacted through e-voting services. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the Annual General Meeting (“remote e-voting”) will be provided by National Securities Depository Limited (NSDL).
- The facility for voting through ballot paper shall be made available at the Annual General Meeting and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through ballot paper.
- The members who have cast their vote by remote e-voting prior to the Annual General Meeting may also attend the Annual General Meeting but shall not be entitled to cast their vote again.
- The remote e-voting period commences on December 10th, 2019 (9:00 A.M.) and ends on December 13th, 2019 (5:00 P.M.). During this period members of the Company, holding shares either in physical form or in dematerialised form, as on the cut-off date of Saturday, December 7th, 2019, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.
- Mrs. Usha Bala Subramanian Practicing Company Secretary, Chennai, has been appointed as the scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
- The Chairman shall at the Annual General Meeting, 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” for all those members who are present at the Annual General Meeting but have not cast their votes by availing the remote voting facility.
- The Scrutinizer shall after the conclusion of voting at the Annual General Meeting, first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses and shall make, not later than 48 (Forty Eight) hours of the conclusion of the Annual General Meeting, a consolidated scrutinizer’s report of the total votes cast in favour or against, if any, to the Chairman or a person authorised by him in writing, who shall countersign the same and declare the result of the voting forthwith.
- The results declared along with the report of the Scrutinizer shall be placed on the website of the Company www.sujana.com and on the website of NSDL immediately after the declaration of result by the Chairman or a person authorised by him in writing. The results shall also be immediately forwarded to the stock exchanges at which the shares of the Company are listed.

How do I vote electronically using NSDL e-Voting system?

The way to vote electronically on NSDL e-Voting system consists of “Two Steps” which are mentioned below:

Step 1 : Log-in to NSDL e-Voting system at <https://www.evoting.nsdl.com/>

Step 2 : Cast your vote electronically on NSDL e-Voting system.

Details on Step 1 is mentioned below: How to Log-in to NSDL e-Voting website?

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is

launched, click on the icon “Login” which is available under ‘Shareholders’ section.

3. A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

4. Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****.
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***.

5. Your password details are given below:

- a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
- b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the ‘initial password’ which was communicated to you. Once you

retrieve your ‘initial password’, you need to enter the ‘initial password’ and the system will force you to change your password.

- c) How to retrieve your ‘initial password’?
 - i) If your email ID is registered in your demat account or with the company, your ‘initial password’ is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your ‘User ID’ and your ‘initial password’.
 - ii) If your email ID is not registered, your ‘initial password’ is communicated to you on your postal address.

6. If you are unable to retrieve or have not received the “ Initial password” or have forgotten your password:

- a. Click on “Forgot User Details/ Password?”(If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
- b. Physical User Reset Password?” (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
- c. If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN,your name and your registered address.
- d. Members can also use the OTP (One Time Password) based login for Casting the vote on the e-voting system of NSDL.

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7. After entering your password, tick on Agree to “Terms and Conditions” by selecting on the check box.
 8. Now, you will have to click on “Login” button.
 9. After you click on the “Login” button, Home page of e-Voting will open.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. 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 User Details/Password?” or “Physical User Reset Password?” option available on www.evoting.nsdl.com to reset the password.

Details on Step 2 is given below:

How to cast your vote electronically on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see the Home page of e-Voting. Click on e-Voting. Then, click on Active Voting Cycles.
2. After click on Active Voting Cycles, you will be able to see all the companies “EVEN” in which you are holding shares and whose voting cycle is in active status.
3. Select “EVEN” of company for which you wish to cast your vote.
4. Now you are ready for e-Voting as the Voting page opens.
5. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on “Submit” and also “Confirm” when prompted.
6. Upon confirmation, the message “Vote cast successfully” will be displayed.
7. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
8. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800-222-990 or send a request at evoting@nsdl.co.in

For Splendid Metal Products Limited

T. SATHISAN

Resolution Professional

IP Reg No.: IBBI/IPA-001/IP-P00105/2017-2018/10212

(A Company under Corporate Insolvency

Resolution Process by NCLT

Order No. CP(IB)No. 666/7/HDB/2018)

Place: Hyderabad

Date : November 14th, 2019

General Guidelines for shareholders

1. 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. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to ubaindia@gmail.com with a copy marked to evoting@nsdl.co.in.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 (1) OF THE COMPANIES ACT, 2013 (“the Act”):

The following statement sets out all material facts relating to the business mentioned in Item no. 3 of the accompanying Notice:

Item No. 3

Pursuant to Section 148 of the Companies Act, 2013 read with the Companies (Audit & Auditors) Rules, 2014, as amended from time to time, the cost audit records maintained by the Company are required to be audited by a Cost Accountant in Practice who shall be appointed by the Board of Directors on such remuneration as may be determined by the Members of the Company.

In light of Corporate Insolvency Resolution Professional, the Resolution Professional, on 14th August, 2019, has appointed of M/s. Nageswara Rao & Co, (Member Ship No: 000332) as the Cost Auditor of the Company for the FY 2019-20, at remuneration of Rs.1,50,000/- (Rupees One Lakh Fifty Thousand Only) plus reimbursement of actual expenses, subject to the ratification by the Members at the Annual General Meeting.

Accordingly, the resolution at Item No. 3 of the Notice is set out as an Ordinary Resolution for ratification by the Members in accordance with Section 148 of the Companies Act, 2013.

None of the Directors, Key Managerial Personnel of the Company and their relatives is in any way concerned or interested, finance ally or otherwise, in the Resolutions at Item No. 3.

The Resolution Professional recommends the Resolution at Item No. 3 for approval of the Members.

For Splendid Metal Products Limited

T. SATHISAN

Resolution Professional

IP Reg No.: IBBI/PA-001/IP-P00105/2017-2018/10212

(A Company under Corporate Insolvency

Resolution Process by NCLT

Order No. CP(IB)No. 666/7/HDB/2018)

Place: Hyderabad

Date : November 14th, 2019

SPLENDID METAL PRODUCTS LIMITED

Details of the Directors seeking appointment / re-appointment in the forthcoming Annual General Meeting

(In pursuance of Regulation 36(3) of the Listing Regulations, 2015)

Name of Director	Shri S. Hanumantha Rao
Director Identification Number	00118801
Date of Birth	18.07.1951
Date of Appointment	19.07.1999
Expertise	He has worked for more than 20 years in State Bank of India and 3 years as Financial and Management Consultant.
Qualifications	AICWA and B.Tech
Directorship held in other public companies (excluding foreign companies)	<ol style="list-style-type: none"> 1. Sujana Universal Industries Limited 2. Sujana Holding Limited 3. Sujana Towers Limited 4. Sujana Projects Limited 5. Sujana Energy Limited 6. Sujana Power (India) Limited
Membership/Chairmanship of Committees of other public companies (includes only Audit Committees and Shareholders' Grievances Committee) C=Chairman, M=Member	<p>Audit Committee:</p> <ol style="list-style-type: none"> 1. Sujana Universal Industries Limited(M). 2. Neueon Towers Limited(M). <p>Shareholders' Grievances Committee:</p> <ol style="list-style-type: none"> 1. Neueon Towers Limited(M & C)
Shareholdings in the Company	7 (Trustee for odd lot shares)
Relationship between directors inter-se	Nil

Route Map to the AGM Venue : Vedika, The Venue, Sri Sai Goverdhan Kunj, 5th Floor, 501/A, Opp: Dominos Pizza, SR Nagar, Hyderabad - 500 038, Telangana.



DIRECTORS' REPORT

To

The Members of Splendid Metal Products Limited,

Your Directors and the Resolution Professional have pleasure in presenting the Twenty Ninth Annual Report of your Company together with the Audited Financial Statements of Accounts for the Financial Year ended 31st March, 2019.

Company's Performance:

Your Directors hereby report that the Company has achieved a turnover of Rs. 45817.68 lakhs upto 31.03.2019 as against the turnover of Rs. 51495.04 lakhs during the previous financial year ended 31.03.2018.

The highlights of the financial results are as follows:

(Rs. In Lakhs)

Particulars	2018-2019	2017-2018
Profit Before Depreciation & Interest	(85569.11)	(78152.85)
Financial Costs	179.60	247.24
Depreciation	3137.95	3328.77
Profit/Loss Before Tax	(88886.66)	(81728.86)
Provision for Tax		
- Current Tax	-	-
- MAT credit relating to earlier years	-	211.57
- Deferred Tax	(19933.75)	(8741.78)
Profit/Loss After Tax	(68952.91)	(73198.65)

Operations & Overall Performance:

During the year under review, your Company reported total income of Rs. 45871.10 Lakhs as against Rs. 51,747.40 lakhs of previous year. Your Company incurred loss before tax of Rs. 88886.66 lakhs as against loss of Rs. 81,728.87 lakhs in the previous year. After making a provision of Rs.179.60 Lakhs towards interest and Rs.3137.95 Lakhs towards depreciation, the current financial year closed with a net loss of Rs. 68,952.91 Lakhs as against net loss of Rs. 73, 198.66 Lakhs last year.

The net worth of the Company as on 31st March, 2019 is (-) Rs 113,487 lakhs against (-) Rs. 44, 569. 39 lakhs in 2017-18. Net worth is decreased by Rs. 68917.61 lakhs.

Consolidated turnover of Rs. 45817.68 lakhs as against Rs. 53,743.23 lakhs in the previous

year and Consolidated Loss before Tax of Rs. 106,045.39 lakhs as against loss of Rs. 95,396.00 lakhs in the previous year.

Dividend:

In view of the losses, your Company does not recommend any dividend for the year under review.

Material Changes and Commitments:

There is no material change and commitment has occurred, affecting the financial position of the Company, between the end of the financial year of the Company i.e. 31st March, 2019 and the date of this report.

Details of significant and material Orders passed by the regulators or courts or tribunals impacting the going concern status of the Company and the Company's operations in future:

The Company petition (C.P.175/2013) filed by Standard Bank (Mauritius) Limited (SBML) against the Company u/s 433 of the Companies Act, 1956, in connection with the Corporate Guarantee furnished by the Company on behalf of its step down subsidiary Optimix Enterprises Limited, Mauritius was admitted by the Hon' ble High Court of Judicature at Hyderabad for the States of Telangana and Andhra Pradesh. The Company has preferred appeal OSA 12 of 2015 against the said admission. In OSA 12 of 2015, the Hon'ble High Court on 28.08.2016 has dismissed as in fruituous. The Company Petition No.175 of 2013 is pending for disposal. The Company is also exploring the process of settlement with Standard Bank (Mauritius) Limited.

Members may kindly note that on 4th April, 2019 the Hon'ble National Company Law Tribunal (NCLT) had admitted the petition for initiating the Corporate Insolvency Resolution (CIR) Process under the provisions of the Insolvency Bankruptcy Code, 2016 (IBC). Further, vide the aforesaid NCLT order (uploaded on website on 16.04.2019) and pursuant to Section 17 of the IBC, the powers of the Board of Directors stood suspended, and such powers were vested with the Interim Resolution Professional, Mr. T.Sathisan (IP Registration No.IBBI/IPA-001/IP-P00105/2017-2018/10212). His appointment was subsequently confirmed by the Committee of Creditors ('COC') as the Resolution Professional (the 'RP'). Accordingly, Mr.T.Sathisan

SPLENDID METAL PRODUCTS LIMITED

in his capacity as RP took control and custody of the management and operations of the Company from 19th April, 2019. Hon' ble National Company Law Tribunal, Hyderabad bench vide its order dated 1st October, 2019 has granted an extension of CIRP for a further period of 90 (Ninety) days with effect from 02.10.2019.

Except the above, there are no significant and material orders passed by the regulators or courts or tribunals impacting the on going concern status of the Company and the Company's operations in future.

Deposits:

Your Company has not accepted Deposits from Public or Members under Chapter V of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014 for the year under review.

Related Party Transactions:

All contracts/arrangements/transactions entered by the Company during the financial year with related parties were in ordinary course of business and on arm's length basis. During the year, the Company had not entered into any contract/arrangement/transaction with related parties which could be considered material under Regulation 23 of Listing Regulation. Accordingly, the disclosure of Related Party Transactions as required under Section 134(3) (h) of the Companies Act, 2013 in Form AOC - 2 is not applicable. The Policy on materiality of related party transactions and dealing with related party transactions as approved by the Board is also posted in the Investors section of the Company's website www.sujana.com. Your Directors draw attention of the members to Note No. 30 to the financial statements which sets out related party disclosures.

Prior omnibus approval is obtained on an annual basis for the transactions with related parties which are of a foreseeable and repetitive nature. The transactions entered into pursuant to the omnibus approval so granted and a statement giving details of all transactions with related parties are placed before the Audit Committee and Board of Directors for their review on a periodic basis.

None of the Directors, other than to the extent of their shareholding, receipt of remuneration /

commission, has any pecuniary relationships or transactions vis-à-vis the Company.

Corporate Social Responsibility:

Corporate Social Responsibility Policy framed in consonance with Section 135 of the Companies Act, 2013 read with the rules framed there under duly indicating the activities to be undertaken by the Company as specified in the Schedule VII of the Companies Act, 2013. The Corporate Social Responsibility Policy is posted in the Investors section of the Company's website. The Company is not falling under any of the applicability criteria's of CSR as mentioned under the provisions of Section 135 of the Companies Act, 2013 as amended by the Companies Amendment Act, 2019. Reporting as required under the aforesaid Section, for the FY 2018-19 as **Annexure-I** and forms part of this report.

Directors' Responsibility Statement:

Directors' Responsibility Statement as required under the provisions of Section 134(3) (c) of the Companies Act, 2013, is given in the **Annexure - II** attached hereto and forms part of this Report.

Auditors:

(a) Statutory Auditors:

M/s. T.Raghavendra & Associates, Chartered Accountants (Membership No.023806), are the Statutory Auditors of the Company and they hold the office till the conclusion of the 30th Annual General Meeting of the Company in the year 2020.

During the year under review, the Auditors of the Company have not reported any fraud as specified under Section 143 (12) of the Companies Act, 2013 to the Audit Committee

Statutory Auditors' Qualification / Comment on the Company's Standalone Financial Statements

- a) Refer note No. 8 and note No. 10 forming part of the financial statements regarding The Trade receivable could not be verified as the confirmation of balances have not been received and made available to us. The Company has made a provision of Rs.70,765.55 Lakhs towards bad and doubtful receivables and Rs. 7,091.98 Lakhs towards bad and doubtful advances during the year

ended 31st March 2019. The Company has Rs.428.08 Crores as Trade Receivables and Rs. 52.81 Crores of Advances which are long overdue and not provided for. We are unable to form an opinion on the uncertainty regarding the collection of these long outstanding and other receivables.

Management's response :

We have sent letters to the debtors requesting for confirmation of balance as on 31.03.2019. The Company is following up with the Debtors for the confirmations. However, the Company has made provision for bad and doubtful debts to the extent of Rs.1226.11 crores only.

The company has made provision for bad and doubtful advances to the extent of Rs.123.72 crore and is confident of realizing the balance amount of Rs.57.59 crore.

- b) The Company's Net Worth has been eroded on account of losses incurred continuously during the previous years, which is negative. The Current Liabilities of the Company exceeded the Current Assets as at 31st March 2019 by Rs.199,654.59 lakhs and the Company's ability to continue a going concern is in doubt.

Management's response :

Application by Punjab National Bank has filed before NCLT, Hyderabad bench, Hyderabad, has been admitted and the Corporate Insolvency Resolution Process commenced from 04-April-2019 (posted in website on 16.04.2019).

- c) Refer note No. 33 regarding the winding up petition filed by Standard Bank (Mauritius) Ltd., in the High Court of Telangana against the company for giving corporate guarantee for loan extended by the said bank to the step down subsidiary Optimix Enterprises Limited for Rs. 4,087.50 lakhs. We are unable to form an opinion on the uncertainty regarding the outcome of High Court of Telangana decision.

Management's response :

Self Explanatory

- d) The Company has adjusted certain Trade Payables amount with Trade Receivables to the tune Rs.157.01 Crores during the year

with the consent of both the parties.

Management's response : We are already submitted tripartite conformation letters to Auditors subsequently.

- e) Bank Statements were not available with the Company for all the Banks except that of Vizag Branch. Interest calculations are on the basis of the last interest rates on the outstanding balances.

Management's response : We have only one operating Bank account. i.e Bank of India of Kukatpally Branch, Hyderabad. Other Bank accounts are either non operating accounts or freezed by banks. Hence, we could not get theses bank statements.

- f) The GST Returns are yet to be reconciled for all the Branches and that of the Telangana State were not made available. We are unable to form an opinion on the veracity of the sales figures of the Company.

Management's response : GST Returns of Feb, March 19 are not yet filed for Telangana and Mar'19 for Tamilnadu.

Statutory Auditors' Qualification / Comment on the Company's Consolidated Financial Statement:

- a) Note 07and 09 forming part of the financial statements regarding the Trade Receivables which are long overdue to the extent of Rs. 42808.03lakhs of which Rs.1,51,126.38 lakhs (As per standalone Financials- Rs.122611.36 lakhs) was provided as doubtful debts by the management. And Rs. 5,280.76lakhs of advances are long overdue of which Rs. 12,372.74lakhs was provided as doubtful advances by the management as they consider the balance as good and recoverable and estimates that provision for doubtful debts is not necessary.We are unable to form an opinion on the uncertainty regarding the collection of these long outstanding.

Management's response :

We have sent letters to the debtors requesting for confirmation of balance as on 31.03.2019. The Company is following up with the Debtors for the confirmations. However, the company

SPLENDID METAL PRODUCTS LIMITED

has made provision for bad and doubtful debts to the extent of Rs.1511.26 crore only.

The company has made provision for bad and doubtful advances to the extent of Rs.123.72 crore and is confident of realizing the balance amount of Rs.59.76 crore.

- b) Refer note No. 32 regarding the winding up petition filed by Standard Bank (Mauritius) Ltd., in the High Court of Andhra Pradesh against the company for giving corporate guarantee for loan extended by the said bank to the step down subsidiary Optimix Enterprises Limited for Rs. 4,087.50 lakhs. We are unable to form an opinion on the uncertainty regarding the outcome of Andhra Pradesh High Court decision.

Management's response : Self Explanatory

- c) The Company's Net Worth has been eroded on account of losses incurred continuously during the previous years, which is negative. The Current Liabilities of the Company exceeded the Current Assets as at 31st March 2019 by Rs.2,007.36Crores and the Company's ability to continue a going concern is in doubt.

Management's response : Application by Punjab National Bank has filed before NCLT,Hyderabad bench, has been admitted Corporate Insolvency Resolution Process commenced from 04.04.2019(posted in website on 16.04.19)

- d) The Company has adjusted certain Trade Payables amount with Trade Receivables to the tune Rs.157.01Crores during the year with the consent of both the parties in the Holding Company. And, Rs. 1.72 Crores in subsidiary companies.i.e. M/s. Glade Steels Limited and M/s. Alpha Ventures Limited.However the tripartite agreement if any was not made available for our verification.

Management's response : We are already submitted tripartite conformation letters to Auditors subsequently.

- e) Bank Statements were not available with the Company for all the Banks except that of Vizag Branch. Interest calculations are on the basis of the last interest rates on the outstanding balances.

Management's response : We have only one operating Bank account. i.e Bank of India of Kukatpally Branch, Hyderabad. Other Bank accounts are either non operating accounts or freezed by banks. Hence, we could not get theses bank statements.

- f) The GST Returns are yet to be reconciled for all the Branches and that of the Telangana State were not made available. We are unable to form an opinion on the veracity of the sales figures of the Company.

Management's response : GST Returns of Feb, March 19 are not yet filed for Telangana and Mar'19 for Tamilnadu

Reference is invited to Note 33(foot Note) of the financial statements, the company has not provided interest on secured loans being borrowing from banks and financial institutions during the year ended 31.03.2019 amounting to Rs.26723.26 Lakhs. This constitutes a departure from the Accounting Standards notified under the Companies Act, 2013. Had the company accounted for the said interest component in the financials, the loss will increase from Rs. 1,06,054.38lakhs to Rs. 1,32,777.64 lakhs and cumulative loss upto 31.03.2019 will increased from Rs. 1,87,778.57 lakhs to Rs. 2,42,857.33 lakhs.

Management's response : The Banks/ Financial Institutions have classified our loan accounts as NPA. The Company is putting in efforts for settlement of dues by way of Resolution process through NCLT, Hyderabad which admitted the application on 4th April 2019 and posted on 16th April,2019. Hence the Company has not provided unpaid interest amounting to Rs.267.23 crores, for the current financial year 2018-19 in the books of account.

(b) Cost Auditors:

M/s. Nageswara Rao & Co, Cost Accountants [Firm No.000332] have been appointed as the Cost Auditor of the Company for financial year 2019-20 pursuant to provisions of Section 148 and other applicable provisions of the Companies Act 2013. As required by Section 148 of the Companies Act, 2013, necessary resolution has been included in

the notice convening the Annual General Meeting seeking ratification by the members to the remuneration proposed to be paid to the cost auditors for the financial year ending 31st March, 2020.

The Company is in process of filing the Cost Audit Report, for the financial years 2016-17, 2017-18 and 2018-19 with the Central Government.

(c) Secretarial Audit:

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and rules framed there under, the Resolution Professional has appointed Mrs. Usha Balasubramanian, Company Secretaries (CP. No. 7444, FCS No. 9267), to undertake the secretarial audit of the Company. The secretarial audit report issued by Mrs. Usha Balasubramanian, Practicing Company Secretary for the financial year ending 31st March, 2019 is given in the **Annexure- III-A** attached hereto and forms part of this Report. There are no qualifications, reservations or adverse remarks made by the secretarial auditor and the observation made is self explanatory and requires no further explanation from the Board.

(d). Secretarial Compliance Report

Pursuant to Regulation 24A of SEBI (Listing Obligations and Disclosure Requirement) Regulations 2015 the Company has obtained annual Secretarial Compliance Report for the financial year ended 31st March, 2019. The report has been annexed herewith as **“Annexure – III-B”**

Share Capital:

The paid up equity share capital as on 31st March, 2019 was Rs.15050.54 Lakhs. During the year 2018-19, there was no change in the share capital of the Company.

The Company has not issued any share with differential voting rights nor has granted any stock options or sweat equity as on 31st March, 2019. None of the Directors of the Company hold instruments convertible into equity shares of the Company.

Extract of Annual Return:

Pursuant to the provisions of Section 92 of the Companies Act, 2013 and rules framed there under, the extract of the Annual Return in form MGT-9 is annexed herewith as **Annexure - IV** and forms part of this Report.

Particulars of Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo:

Particulars with respect to Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo as required under Section 134 of the Companies Act, 2013, read with the Companies (Accounts) Rules, 2014 are given in the **Annexure - V** attached hereto and forms part of this Report.

Meetings:

During the year under review 5 (Five) board meetings were held on May 30th, 2018, August 14th, 2018, August 29th, 2018, November 14th, 2018 and February 14th, 2019. The maximum time gap between any two consecutive meetings was within the period prescribed under the Companies Act, 2013 and and SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015.

Directors:

Pursuant to the provisions of Section 152 of the Companies Act, 2013 and in accordance with the Articles of Association of the Company, Shri. S. Hanumantha Rao (DIN: 00118801), Director of the Company will retire by rotation at the ensuing Annual General Meeting and, being eligible, offers himself for re-appointment.

The Resolutions proposing their re-appointment/ appointments as Directors will be placed before the Shareholders for their approval at the ensuing Annual General Meeting of the Company.

Dr. V. Malakonda Reddy (DIN: 00839850) Independent Director of the Company has resigned due to personal reasons from the directorship of the Company w.e.f May 30th, 2018. The Board places on record its deep appreciation for the valuable services rendered by him during his association of about 26 years as a Director and Independent Director of the Company.

Smt G. Uma Devi-DIN; 07958472) Independent

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Director of the Company has resigned due to her full time employment in a private organization w.e.f: April 18th, 2019. Smt G.Uma Devi has communicated and confirmed that there are no material reasons other than those provided above.

Shri Venkatakrishnan (DIN: 08067933-), Nominee Director of the Company has resigned due to withdrawal of nomination by the IDBI Bank Limited with effect from September 18th, 2018.

The Company has received declarations from all the Independent Directors of the Company confirming that they continue to meet with the criteria of independence as prescribed under sub-section (6) of Section 149 of the Companies Act, 2013 and under Regulation 16(1)(b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015.

None of the Directors of your Company is disqualified under Section 164 (2) of the Companies Act, 2013. As required by law, this position is also reflected in the Auditors' Report.

The following persons are Key Managerial Personnel of the Company:

Shri R.K.Birla : Managing Director

Shri Shaik Ibraheem : Company Secretary

Shri Laxman Rao, resigned as Chief Financial Officer of the Company, w.e.f. 02.03.2019.

For Directors seeking appointment/re-appointment in the forthcoming Annual General Meeting of the Company; the particulars as required to be disclosed in accordance with Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, forms part of this Report.

Board Evaluation:

The Board of Directors evaluated the annual performance of the Board as a whole, its committee's and the directors individually in accordance with the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 in the following manner:

- Structured evaluation forms, after taking into consideration inputs received from the

Directors, covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, Board culture, execution and performance of specific duties, obligations and governance, for evaluation of the performance of the Board, its Committee's and each director were circulated to all the members of the Board along with the Agenda Papers.

- The members of the Board were requested to evaluate by filling the evaluation forms and the duly filled in evaluation forms were required to be sent to the Company Secretary in a sealed envelope or personally submitted to the Chairman at the concerned meeting.
- The Board also provided an individual feedback to the concerned director on areas of improvement, if any.

A separate meeting of Independent Directors was held on 30th March, 2019 to evaluate the performance of the Chairman, the Non Independent Directors, the Board and flow of information from management.

Particulars of Employees:

The information required pursuant to the provision of Section 197 read with Rule, 5 of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of the Company, are set out in **Annexure - VI** of this Report.

Management Discussion and Analysis Report:

Management Discussion and Analysis, forming part of this report as required under Regulation 34(2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 is attached hereto as **Annexure - VII** and forms part of this Report.

Corporate Governance:

Your Company is committed to principles of good Corporate Governance. The Board of Directors ensures that your Company is in compliance with all the applicable regulations of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 pertaining to Corporate Governance. A detailed report on Corporate Governance is attached as **Annexure - VIII** and forms part of this report. Certificate from the

Practicing Company Secretary confirming the compliance with the conditions of Corporate Governance as stipulated under Regulation 34(3) read with Schedule V of SEBI(Listing Obligations and Disclosure Requirements) Regulations 2015 is attached to this report.

Subsidiaries of the Company:

Details of the subsidiaries are given below:

S. No.	Name of the Company	Status	Nature of Business	Country of Incorporation	Percentage of ownership interest
1	Glade Steel Private Limited	Subsidiary	It is engaged in the business of manufacturing, distributing, supplying, selling and other wise dispose of Rounds, Flats, Squares, Angles, Channels, Girders and Allied Products with installed capacity of 75,000 MT/per annum of re-rolling and 50,000 MT/per annum of MS ingots	India	51.15%
2	Asian Tide Enterprises Limited	Wholly Owned Subsidiary	It was incorporated in Hong Kong for carrying on the business of trading of goods and services with accent on procuring raw materials (in bulk) for manufacturing activities of the Company (melting scarp for its rolling division) and sale surplus in the market.	Hong Kong	100%
3	Alpha Ventures Limited	Wholly Owned Subsidiary (WOS)	Alpha Ventures Limited has been promoted to carry out any object not prohibited by the Companies Law (2004) Revision, or as the same may be revised from time to time, or any other law of the Cayman Islands. As per the law prevailing in Cayman Islands	Cayman Islands	100%
4	Optimix Enterprises Limited	Stepdown Subsidiary (WOS of Asian Tide Enterprises Limited)	It was incorporated in Mauritius for carrying on the business or businesses which are not prohibited under the laws for the time being in force in the Republic of Mauritius. This includes (inter alia) to engage in the business of all forms of investments including but not limited to venture capital and private equity investments whether directly, indirectly through any special purpose vehicles or otherwise.	Mauritius	100%

A separate statement containing the salient features of the Financial Statement for the financial year ended 31st March, 2019 of the aforesaid subsidiary companies are included in the Annual Report as Form AOC-1 as an 'Annexure - IX'. The Financial statements of the said Subsidiaries Companies are available for inspection by the Shareholders at the Registered office of your Company. Your Company undertakes that the Financial statements of the Subsidiaries Companies shall be made available to the Shareholders of the Company on demand.

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Consolidated Financial Statements:

The consolidated financial statements of your Company for the financial year 2018-19, are prepared in compliance with applicable provisions of the Companies Act, 2013, Accounting Standards and Listing Regulations as prescribed by the Securities and Exchange Board of India (SEBI).

The consolidated financial statements have been prepared on the basis of audited financial statements of the Company and its subsidiaries.

Audit Committee:

Your Company has constituted an Audit Committee as per the requirements of Section 177 of the Companies Act, 2013. The details of the composition of the Audit Committee as required under the provisions of Section 177(8) of the Companies Act, 2013, is given in the Corporate Governance Report furnished as part of the Annual Report. During the year under review, the Board has accepted all the recommendations of the Audit Committee.

Internal Control Systems and their adequacy:

Your Company has an effective Internal Control System to prevent fraud and misuse of Company's resources and protect shareholders' interest. Your Company has an independent Internal Audit Department to monitor and review and focus on the compliances of various business processes. The internal audit report alongwith audit findings and tracking of process improvements & compliances is presented for review to the Audit Committee of Board of Directors.

The Board of Directors of the Company have adopted various policies like Related Party Transactions Policy, Whistle Blower Policy, Corporate Social Responsibility Policy, Risk Management Policy, Dissemination of Material Events Policy, Documents Preservation Policy, Monitoring and Reporting of Trading by Insiders, Code of Internal Procedures and Conduct for Regulating, Code of Practices and Procedures for Fair Disclosures and such other procedures for ensuring the orderly and efficient conduct of its business for safeguarding of its assets, the accuracy and completeness of the accounting records and the timely preparation of reliable financial information.

Vigil Mechanism:

The Board of Directors, on recommendation of the Audit Committee, established a vigil mechanism by framing a Whistle Blower Policy to deal with instance of fraud and mismanagement, if any. The Vigil Mechanism framework ensures that strict confidentiality is maintained whilst dealing with concerns and also that no discrimination shall be meted out to any person for a genuinely raised concern. The designated officer/ Audit Committee Chairman can be directly contacted to report any suspected or confirmed incident of fraud/ misconduct.

Remuneration Policy:

The Board of Directors, on recommendation of the Nomination and Remuneration Committee framed a Nomination and Remuneration policy for selection, appointment and remuneration of Directors, KMP and Senior Management and matters covered u/s 178(3) of the Companies Act 2013. The details of the same are provided in the Corporate Governance Report.

The Policy is also posted in the Investors section of the Company's website www.sujana.com

Particulars of Loans, Guarantees or Investments:

Particulars of Loans, Guarantees and Investments as required under the provisions of Section 186 of the Companies Act, 2013 are provided in the notes to the Financial Statements.

Risk Management :

The Risk Management programme at The Company is focused on ensuring that risks are known and addressed. The Board of Directors, on recommendation of the Audit Committee, established a robust Risk Management framework by framing a Risk Management Policy to deal with all risks including possible instances of fraud and mismanagement, if any. The Risk Management Policy details the Company's objectives and principles of Risk Management along with an overview of the Risk Management process, procedures and related roles and responsibilities.

The Board is of the opinion that there are no elements of risks that may threaten the existence of the Company. The board periodically tracks

the progress of implementation of the Risk Management policy.

Industrial Relations:

Your directors are happy to report that the Industrial Relations have been extremely cordial at all levels throughout the year.

Sexual Harassment Policy:

The Company as required under the provisions of “The Sexual Harassment of Women at Workplace (Prohibition, Prevention and Redressal) Act, 2013” has framed a Policy on Prohibition, Prevention and Redressal of Sexual Harassment of Women at Workplace and matters connected therewith or incidental thereto.

In the year under review, the Company has not received any complaint under the said Policy.

Environment and Social Obligation:

The Company’s plants comply with all norms set up for clean and better environment by the competent authorities. The Company undertakes regular checks / inspections including certification for the maintenance of the environment. The Company values environmental protection and safety as the major considerations in its functioning. The Company has adequate effluent Treatment Plants to prevent pollution. The Company is continuously endeavoring to improve the health and quality of life in the communities surrounding its industrial complexes.

Human Resource Management:

The Company believes that Human Resource is its most valuable resource, which has to be nurtured well and equipped to meet the challenges posed by the dynamics of Business Developments. The Company has a policy of continuous training of its employees both in-house. The staff is highly motivated due to good work culture, training, remuneration packages and the values, which the company maintains. Your Directors would like to place on record their deep appreciation of all employees for rendering quality services and to every constituent of the Company be its customers, shareholders, regulatory agencies or creditors. Industrial relations have remained harmonious throughout the year.

Insurance:

All the properties and insurable assets of the Company, including Building, Plant and Machinery, stocks etc., wherever necessary and to the extent required, have been adequately covered.

Quality:

Your Company accorded high priority to quality, safety, training, development, health and environment. The Company endeavours to ensure continuous compliance and improvements in this regard.

Appreciations:

The Management take this opportunity to express their deep sense of gratitude to the Central,

State Government and Local Authorities, Financial Institutions, Banks, Customers, Dealers, Vendors and all the stakeholders for their continued cooperation and support to your Company.

The Management wishes to express its appreciation to all the employees of the Company for their outstanding contribution to the successful operations of the Company.

The Management specially thank to the shareholders for their continued confidence and faith in the Company.

For Splendid Metal Products Limited

T. SATHISAN

Resolution Professional
IP Reg No.: IBBI/IPA-001/IP-P00105/2017-2018/10212
(A Company under Corporate Insolvency
Resolution Process by NCLT
Order No. CP(IB)No. 666/7/HDB/2018)

Place: Hyderabad

Date : November 14th, 2019

SPLENDID METAL PRODUCTS LIMITED

Annexure - I

Annual Report on Corporate Social Responsibility (CSR) activities

1. **A brief outline of the Company's CSR policy, including overview of projects or programmes proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programmes.**

Corporate Social Responsibility is a Company's sense of responsibility towards the community and environment in which it operates. The Company is committed on remaining a responsible corporate entity mindful of its social responsibilities. CSR Policy posted in the Investors section of the Company's website www.sujana.com

2. **Composition of the CSR Committee:**

- Shri S Hanumantha Rao - Chairman
- Shri G Srinivasa Raju - Member
- Dr. K Srinivasa Rao - Member

3. **Average net profit of the Company for last three financial years:**

Average Net Profit of the Company for the last three years is (-) Rs. (58,775.57) lakhs, Hence not applicable.

4. **Prescribed CSR Expenditure (two percent of the amount as in item 3 above): Nil**

5. **The Company is required to spend: Nil**

6. **Details of CSR spent during the financial year:**

- Total amount spent for the financial year: NIL
- Amount unspent, if any: N.A.
- Manner in which the amount spent during the financial year is detailed below:

S. No.	Projects/ Activities	Sector	Locations (State)	Amount Outlay (Budget) Project or Programs wise	Amount Spent on Project or Programs wise	Cumulative expenditure upto reporting period	Amount Spent directly or through implementing agency
Not Applicable							

7. **Reasons for not spending two percent of the average net profit of the last three financial years on CSR: Not Applicable**

8. **The CSR Committee Confirms that the implementation and monitoring of the CSR Policy is in compliance with the CSR objectives and policy of the company : Not Applicable**

For Splendid Metal Products Limited

T. SATHISAN

Resolution Professional

IP Reg No.: IBBI/IPA-001/IP-P00105/2017-2018/10212

(A Company under Corporate Insolvency Resolution Process by NCLT

Order No. CP(IB)No. 666/7/HDB/2018)

Place: Hyderabad

Date : November 14th, 2019

Annexure - II
Directors' Responsibility Statement

Members may kindly note that on 4th April, 2019 the Hon'ble National Company Law Tribunal (NCLT) had admitted the petition for initiating the Corporate Insolvency Resolution (CIR) Process under the provisions of the Insolvency Bankruptcy Code, 2016 (IBC). Further, vide the aforesaid NCLT order (uploaded on website on 16.04.2019) and pursuant to Section 17 of the IBC, the powers of the Board of Directors stood suspended, and such powers were vested with the Interim Resolution Professional, Mr. T.Sathisan (IP Registration No.IBBI/IPA-001/IP-P00105/2017-2018/10212). His appointment was subsequently confirmed by the Committee of Creditors ('COC') as the Resolution Professional (the 'RP'). Accordingly, Mr.T.Sathisan in his capacity as RP took control and custody of the management and operations of the Company from 19th April, 2019.

In light of the aforesaid and pursuant to the requirements under sub section (3)(c) and (5) of Section 134 of the Companies Act, 2013, with respect to Directors' Responsibility Statement, it is hereby confirmed by the RP that:

- I. In preparation of the Annual Accounts for the year ended 31st March, 2019; all the applicable Accounting Standards prescribed by the Institute of Chartered Accountants of India have been followed along with proper explanation relating to material departures, if any.
- II. Accounting policies have been selected and applied consistently and judgments and estimates made that were 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 and of the loss of the Company for the financial year ended 31st March, 2019.
- III. The proper and sufficient care 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.
- IV. The Annual Accounts for the year ended 31st March, 2019, has been prepared on a going concern basis.
- V. The proper internal financial control were in place and that the financial controls were adequate and were operating effectively.
- VI. The systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.

For Splendid Metal Products Limited

T. SATHISAN
Resolution Professional
IP Reg No.: IBBI/IPA-001/IP-P00105/2017-2018/10212
(A Company under Corporate Insolvency Resolution Process by NCLT
Order No. CP(IB)No. 666/7/HDB/2018)

Place: Hyderabad

Date : November 14th, 2019

SPLENDID METAL PRODUCTS LIMITED

Annexure – III A

Form No. MR-3

SECRETARIAL AUDIT REPORT

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

FOR THE FINANCIAL YEAR ENDED 31st March, 2019

To,

The Members,

M/s. Splendid Metal Products Limited

Plot No.18, Municipal No. 8-2-248/1/7/18, West Wing,

First Floor, Nagarjuna Hills, Panjagutta ,

Hyderabad- 500082, Telangana.

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by M/s. Splendid Metal Products Limited (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our 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, we hereby report that in our opinion, the company has, during the audit period covering the Financial Year ended on March 31, 2019, (i.e. from April 01, 2018 to March 31, 2019) generally 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:

1. We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2019 according to the provisions of:
 - a) The Companies Act, 2013 (the Act) and the rules made thereunder;
 - b) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
 - c) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
 - d) 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;
 - e) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 1. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 2. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 3. 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;
2. Provisions of the following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') were not applicable to the Company during the financial year under report:-
 - a. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;

- b. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
 - c. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
 - d. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;
3. The Company operations are under general sector, there is no specific industrial law.
 4. We have also examined compliance with the applicable clauses/regulations of the following:
 - (i) Secretarial Standards issued by The Institute of Company Secretaries of India (ICSI)
 - (ii) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Uniform Listing Agreements entered into with BSE Limited (BSE) and National Stock Exchange of India Limited (NSE);

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

We have not examined compliance by the Company with applicable financial laws, like direct and indirect tax laws, since the same have been subject to review by statutory financial audit and other designated professionals.

5. The Company petition (C.P.175/2013) filed by Standard Bank (Mauritius) Limited (SBML) against the Company u/s 433 of the Companies Act, 1956, in connection with the Corporate Guarantee furnished by the Company on behalf of its step down subsidiary Optimix Enterprises Limited, Mauritius was admitted by the Hon' ble High Court of Judicature at Hyderabad for the States of Telangana and Andhra Pradesh. The Company has preferred appeal OSA 12 of 2015 against the said admission. In OSA 12 of 2015, the Hon'ble High Court on 28.08.2016 has dismissed as infructuous. The Company Petition No.175 of 2013 is pending for disposal. The Company is also exploring the process of settlement with Standard Bank (Mauritius) Limited.

Based on the information received and records maintained, we 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 notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent in advance as required, 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 decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

We 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.

We further report that during the audit period no specific major events have happened which are deemed to have major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.

Usha Balasubramanian
Practicing Company Secretary
FCS No. 9267
C P No. 7444

Place: Hyderabad
Date : 31st August, 2019

Note: This Report is to be read with our letter of even date which is annexed as Annexure and forms part of this report.

SPLENDID METAL PRODUCTS LIMITED

ANNEXURE

To,
The Members of
M/s. Splendid Metal Products Limited
(Formerly known as Sujana Metal Products Ltd)
Plot No. 18, Nagarjuna Hills, Punjagutta,
Hyderabad – 500 082.

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

1. Maintenance of Secretarial records is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in Secretarial records. We believe that the process and practices followed by us provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and books of accounts of the Company.
4. Wherever required, we have obtained the Management representations about the compliance of laws, rules and regulations and happening of events etc.,
5. The Compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedure on test 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.

Place: Hyderabad
Date : 31st August, 2019

Usha Balasubramanian
Practicing Company Secretary
FCS No. 9267
C P No. 7444

ANNEXURE - IIIB

Secretarial Compliance Report under Regulation 24A of SEBI (LODR) Regulations, 2015 of Splendid Metal Products Limited for the year ended March 31, 2019.

We ARUB & Associates, Practising Company Secretaries have examined:

- (a) all the documents and records made available to us and explanation provided by Splendid Metal Products Limited [CIN: L28120TG1988PLC008610] (“the listed entity”),
- (b) the filings/ submissions made by the listed entity to the stock exchanges,
- (c) website of the listed entity,
- (d) any other document/ filing, as may be relevant, which has been relied upon to make this certification,

for the year ended March 31, 2019 (“Review Period”) in respect of compliance with the provisions of :

- (a) the Securities and Exchange Board of India Act, 1992 (“SEBI Act”) and the Regulations, circulars, guidelines issued thereunder; and
- (b) the Securities Contracts (Regulation) Act, 1956 (“SCRA”), rules made thereunder and the Regulations, circulars, guidelines issued thereunder by the Securities and Exchange Board of India (“SEBI”);

The specific Regulations, whose provisions and the circulars/ guidelines issued thereunder, have been examined, include:-

- (a) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
- (b) Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 - not applicable during the period under review;
- (c) Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- (d) Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 - not applicable during the period under review;
- (e) Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 not applicable during the period under review;
- (f) Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 not applicable during the period under review;
- (g) Securities and Exchange Board of India (Issue and Listing of Non-Convertible and Redeemable Preference Shares) Regulations, 2013 not applicable during the period under review;
- (h) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 not applicable during the period under review;

and based on the above examination, we hereby report that, during the Review Period:

- (a) The listed entity has complied with the provisions of the above Regulations and circulars/ guidelines issued thereunder, except in respect of matters specified below:-

SPLENDID METAL PRODUCTS LIMITED

Sr. No.	Compliance Requirement (Regulations/ circulars / guidelines including specific clause)	Deviations	Observations/ Remarks of the Practicing Company Secretary
1	Regulation 19(1)/(2) of SEBI (LODR) Regulations	on composition of Remuneration Committee for the quarter 30.09.2018	Company complied the provisions of Regulation 19 by reconstituting the Nomination and Remuneration Committee on 14.11.2018
2	Regulation 31 SEBI (LODR) Regulations	Non-submission of Shareholding pattern for the Quarter ended 31.03.2018 within the prescribed time period under this regulation.	Company submitted the shareholding pattern for the quarter ended 31.03.2018 on 18.05.2018.

- (b) The listed entity has maintained proper records under the provisions of the above Regulations and circulars/ guidelines issued thereunder insofar as it appears from our examination of those records.
- (c) The following are the details of actions taken against the listed entity/ its promoters/ directors/ material subsidiaries either by SEBI or by Stock Exchanges (including under the Standard Operating Procedures issued by SEBI through various circulars) under the aforesaid Acts/ Regulations and circulars/ guidelines issued thereunder:

Sr. No.	Action taken by	Details of violation	Details of action taken E.g. fines, warning letter, debarment, etc.	Observations/ remarks of the Practicing Company Secretary, if any.
1	BSE	Regulation 19(1)/(2) of SEBI (LODR) Regulations	letter No. LIST/COMP/Reg.27(2) & Reg.17 to 21/ Sept -18/513414/960/2018-19 dated 31.10.2018	Company complied the provisions of Regulation 19 by reconstituting the Nomination and Remuneration Committee on 14.11.2018 and also submitted reply to the Stock Exchanges on 15.11.2018(BSE)/20.11.2018(NSE)
2	NSE	Regulation 19(1)/(2) of SEBI (LODR) Regulations	NSE/LIST-SOP/FINES/65217/15 dated 05.11.2018	
3	BSE	Regulation 31 SEBI (LODR) Regulations	Non-Compliance letter No.LIST/COMP/513414/REG-31-MAR18/30/2018-19 dated 09.05.2018	Company submitted the shareholding pattern for the quarter ended 31.03.2018 on 18.05.2018 and also submitted reply to the Stock Exchange on 25.05.2018.
4	NSE	Regulation 31 SEBI (LODR) Regulations	Non-Compliance Letter No. Fines/2018-19/46521 dated 09.05.2018	

- (d) The listed entity has taken the following actions to comply with the observations made in previous reports:

Sr. No.	Observations of the Practicing Company Secretary in the previous reports	Observations made in the secretarial compliance report for the year ended... (The years are to be mentioned)	Actions taken by the listed entity, if any	Comments of the Practicing Company Secretary on the actions taken by the listed entity
Not Applicable				

Place: Hyderabad
Date : 29th May, 2019

Usha Balasubramanian
Practicing Company Secretary
FCS No. 9267
C P No. 7444

ANNEXURE - IV**FORM NO. MGT 9****EXTRACT OF ANNUAL RETURN**

As on financial year ended on 31.03.2019

Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company (Management & Administration) Rules, 2014.

I. REGISTRATION & OTHER DETAILS:

1	CIN	L28120TG1988PLC008610
2	Registration Date	02.05.1988
3	Name of the Company	SPLENDID METAL PRODUCTS LIMITED
4	Category/Sub-category of the Company	COMPANY LIMITED BY SHARES INDIAN NON-GOVERNMENT COMPANY
5	Address of the Registered office & contact details	Plot No. 18, Municipal No. 8-2-248/1/7/18, West Wing, First Floor, Nagarjuna Hills, Punjagutta, Hyderabad - 500082
6	Whether listed company	YES
7	Name, Address & contact details of the Registrar & Transfer Agent, if any.	M/s Bigshare Services Pvt. Ltd. 306, Right Wing, 3rd Floor, Amrutha Ville, Opp: Yashoda Hospital, Raj Bhavan Road, Somajiguda, Hyderabad - 500 082. Phone No: 040 – 2337 4967. Email: bsshyd@bigshareonline.com Website: www.bigshareonline.com

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

(All the business activities contributing 10 % or more of the total turnover of the company shall be stated)

S. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1	IRON AND STEEL PRODUCTS	241	100

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

S. No.	Name and address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1	GLADE STEEL PRIVATE LIMITED, Plot No.18, Nagarjuna Hills, Panjagutta, Hyderabad - 500082 Telanagana	U27109TG2005PTC046213	SUBSIDIARY	51	Section 2(87)(ii)
2	ASIANTIDE ENTERPRISES LIMITED Suite 605, 6/F., China Insurance Group Building, 141 Des Voeux Road Central, Hong Kong	NA	*WOFS	100	Section 2(87)(ii)
3	ALPHA VENTURES LIMITED PO Box 309GT, Uglan House, South Church Street, George Town Grand Cayman, Cayman Islands	NA	*WOFS	100	Section 2(87)(ii)

*WOFS- Wholly Owned Foreign Subsidiary

SPLENDID METAL PRODUCTS LIMITED

IV. SHARE HOLDING PATTERN

(Equity share capital breakup as percentage of total equity)

(i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year [As on 01-April-2018]				No. of Shares held at the end of the year [As on 31-March-2019]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/ HUF	3,200,028	-	3,200,028	1.06%	3,200,028	-	3,200,028	1.06%	0.00%
b) Central Govt	-	-	-	0.00%	-	-	-	0.00%	0.00%
c) State Govt(s)	-	-	-	0.00%	-	-	-	0.00%	0.00%
d) Bodies Corp.	170,104,720	-	170,104,720	56.51%	170,104,720	-	170,104,720	56.51%	0.00%
e) Banks / FI	-	-	-	0.00%	-	-	-	0.00%	0.00%
f) Any other	7	-	7	0.00%	7	-	7	0.00%	0.00%
Sub Total (A) (1)	173,304,755	-	173,304,755	57.57%	173,304,755	-	173,304,755	57.57%	0.00%
(2) Foreign									
a) NRI Individuals	-	-	-	0.00%	-	-	-	0.00%	0.00%
b) Other Individuals	-	-	-	0.00%	-	-	-	0.00%	0.00%
c) Bodies Corp.	-	-	-	0.00%	-	-	-	0.00%	0.00%
d) Any other	-	-	-	0.00%	-	-	-	0.00%	0.00%
Sub Total (A) (2)	-	-	-	0.00%	-	-	-	0.00%	0.00%
TOTAL (A)	173,304,755	-	173,304,755	57.57%	173,304,755	-	173,304,755	57.57%	0.00%
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	-	-	-	0.00%	-	-	-	0.00%	0.00%
b) Banks / FI	13,759,682	200	13,759,882	4.57%	13,759,682	200	13,759,882	4.57%	0.00%
c) Central Govt	-	-	-	0.00%	-	-	-	0.00%	0.00%
d) State Govt(s)	-	-	-	0.00%	-	-	-	0.00%	0.00%
e) Venture Capital Funds	-	-	-	0.00%	-	-	-	0.00%	0.00%
f) Insurance Companies	-	-	-	0.00%	-	-	-	0.00%	0.00%
g) FIs	-	-	-	0.00%	-	-	-	0.00%	0.00%
h) Foreign Venture Capital Funds	-	-	-	0.00%	-	-	-	0.00%	0.00%
i) Others (specify)	-	-	-	0.00%	-	-	-	0.00%	0.00%
Sub-total (B)(1):-	13,759,682	200	13,759,882	4.57%	13,759,682	200	13,759,882	4.57%	0.00%
2. Non-Institutions									
a) Bodies Corp.									
i) Indian	12,334,083	51,665	12,385,748	4.11%	11,520,854	2,700	11,523,554	3.83%	-0.29%
ii) Overseas	-	-	-	0.00%	0	0	-	0.00%	0.00%
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 2 lakh	49,174,149	610,738	49,784,887	15.83%	45,902,613	653,503	46,556,116	15.47%	-0.36%

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ii) Individual shareholders holding nominal share capital in excess of Rs 2 lakh	50,216,199	-	50,216,199	16.68%	54262679	0	54,262,679	18.03%	1.34%
c) Others (specify)	-	-	-	0.00%	0	0	-	0.00%	0.00%
Non Resident Indians	1,387,383	200	1,387,583	0.46%	1499291	0	1,499,291	0.50%	0.04%
Overseas Corporate Bodies	-	-	-	0.00%	-	-	-	0.00%	0.00%
Foreign Nationals	-	-	-	0.00%	0	0	-	0.00%	0.00%
NBFCs registered with RBI	-	-	-	0.00%	2000	0	-	0.00%	0.00%
Clearing Members	171,877	-	171,877	0.06%	102554	0	102,554	0.03%	-0.02%
Trusts	50	-	50	0.00%	50	0	50	0.00%	0.00%
Foreign Bodies - D R	-	-	-	0.00%	-	-	-	0.00%	0.00%
Sub-total (B)(2):-	113,283,741	662,603	113,946,344	37.85%	113,290,041	656,203	113,944,244	37.85%	-0.00%
Total Public (B)	127,043,423	662,803	127,706,226	42.43%	127,049,723	656,403	127,706,126	42.43%	-0.00%
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	300,348,178	662,803	301,010,981	100.00%	300,354,478	656,403	301,010,881	100.00%	

(ii) Shareholding of Promoter

S. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged/ encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	Y.S.Chowdary	3,200,024	1.06%	1.1%	3,200,024	1.06%	1.06%	0.00%
2	Yalamanchili Finance & Trading Pvt Ltd	131,426,585	43.66%	43.66%	131,426,585	43.66%	43.66%	-0.00%
3	Sujana Pumps and Motors Private Limited	1,000,000	0.33%	0.33%	1,000,000	0.33%	0.33%	-0.00%
4	Shri S.Hanumantha Rao-Trusee for odd lot shares	7	0.00%	0	7	0.00%	0%	0.00%
5	Sujana Holdings Limited	10,000,000	3.32%	3.32%	10,000,000	3.32%	3.32%	-0.00%
6	Foster Infin and Trading Private Limited	25,000,000	8.31%	8.31%	25,000,000	8.31%	8.31%	0.00%
7	Golkonda Finance and Trading Private Limited	2,041,505	0.68%	0.68%	2,041,505	0.68%	0.68%	0.00%
8	Prime Infoinvest Limited	636,630	0.21%	0.21%	636,630	0.21%	0.21%	-0.00%
9	Y.Padmaja	4	0.00%	0.00%	4	0.00%	0.00%	0.00%
	Total	173,304,755	57.57%	57.57%	173,304,755	57.57%	57.57%	-0.00%

(iii) Change in Promoters' Shareholding (please specify, if there is no change)

S. No.	Particulars	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares	No. of shares	% of total shares
	At the beginning of the year	01.04.2018		173,304,755	57.57%		
	Changes during the year	Nil			0.00%	173,304,755	57.57%
	At the end of the year	31.03.2019		-		173,304,755	57.57%

SPLENDID METAL PRODUCTS LIMITED

(iv) Shareholding Pattern of top ten Shareholders

(Other than Directors, Promoters and Holders of GDRs and ADRs):

Sl. No.	For each of the Top 10 shareholders	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares	No. of shares	% of total shares
1	Stressed Assets Stabilization Fund						
	At the beginning of the year	01/04/2018		12,759,682	4.24%		
	Changes during the year	Nil		-	0.00%	-	
	At the end of the year	31/03/2019				12,759,682	4.24%
2	Raghunatha Reddy Meda						
	At the beginning of the year	01/04/2018		6,700,000	2.23%		
	Changes during the year	Nil			0.00%		
	At the end of the year	31/03/2019				6,700,000	2.23%
3	Prakash Arts Private Limited						
	At the beginning of the year	01/04/2018		5,500,000	1.83%		
	Changes during the year	Nil			0.00%		
	At the end of the year	31/03/2019				5,500,000	1.83%
4	Srihari Babu Kancherla						
	At the beginning of the year	01/04/2018		3,045,481	1.01%		
	Changes during the year	Nil			0.00%		
	At the end of the year	31/03/2019				3,045,481	1.01%
5	MRKR Constructions Pvt Ltd						
	At the beginning of the year	01/04/2018		1,500,000	0.50%		
	Changes during the year	Nil			0.00%		
		31/03/2019				1,500,000	0.50%
6	Tarun Shantilal Joshi						
	At the beginning of the year	01/04/2018		1,400,000	0.47%		
	Changes during the year	Nil			0.00%		
		31/03/2019				1,400,000	0.47%
7	Mubasher Hussain Ansari						
	At the beginning of the year	01/04/2018		1,112,346	0.37%		
	Changes during the year	Nil			0.00%		
	At the end of the year	31/03/2019				1,112,346	0.37%
8	Indian Overseas Bank						
	At the beginning of the year	01/04/2018		1,000,000	0.33%		
	Changes during the year	Nil		-		-	
	At the end of the year	31/03/2019				1,000,000	0.03%
9	Shiv Kumar Nathany						
	At the beginning of the year	01/04/2018		1,240,000	0.41%		
	Changes during the year	11/05/2018	Transfer	(139,671)	-0.05%		
		18/05/2018	Transfer		-0.07%		
	At the end of the year	31/03/2019				900,000	0.30%
10	RANGANATHAN P						
	At the beginning of the year	01/04/2018		664,747	0.22%		
	Changes during the year	06/04/2018	Transfer		0.001%		
	At the end of the year	31/03/2019				719,747	0.24%

(v) Shareholding of Directors and Key Managerial Personnel:

Sl. No.	Shareholding of each Directors and each Key Managerial Personnel	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares	No. of shares	% of total shares
1	Shaik Ibraheem-cs						
	At the beginning of the year	01/04/2018		30,000	0.00%	30,000	0.01%
	Changes during the year	Nil		-		-	
	At the end of the year	31/03/2019				30,000	0.00%
2	R.K.Birla-Managing Director						
	At the beginning of the year	01/04/2018		-	0.00%		
	Changes during the year	Nil					
	At the end of the year	31/03/2019		-			0.00%
3	S.Hanumantha Rao-Non- Executive Director						
	At the beginning of the year	01/04/2018		7	0.00%	7	0.00%
	Changes during the year	Nil					
	At the end of the year	31/03/2019				7	0.00%
4	G.Srinivasa Raju-Non-Executive Director						
	At the beginning of the year	01/04/2018		Nil	0.00%	Nil	0.00%
	Changes during the year	Nil					
	At the end of the year	31/03/2019			0.00%	Nil	0.00%
5	Dr.K.Srinivasa Rao-Independent Director						
	At the beginning of the year	01/04/2018		Nil	0.00%	Nil	0.00%
	Changes during the year	Nil					
	At the end of the year	31/03/2019			0.00%	Nil	0.00%
6	Nitil Pandya(PNB Nominee)						
	At the beginning of the year	01/04/2018		Nil	0.00%	Nil	0.00%
	Changes during the year	Nil					
	At the end of the year	31/03/2019			0.00%	Nil	0.00%
7	G.Uma Devi-Independent Director						
	At the beginning of the year	01/04/2018		Nil	0.00%	Nil	0.00%
	Changes during the year	Nil					
	At the end of the year	31/03/2019				Nil	0.00%

V. INDEBTEDNESS

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

(Amt. Rs. / Lakhs)

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	-	-	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	-	-	-	-
Change in Indebtedness during the financial year				
*Addition	-	-	-	-
*Reduction	-	-	-	-
Net Change	-	-	-	-
Indebtedness at the end of the financial year				
i) Principal Amount	-	-	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	-	-	-	-

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VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

S. No.	Particulars of Remuneration	Name of MD/WTD / Manager	Total Amount (Rs in Lakhs)
	Name	R.K.Birla	
	Designation	Managing Director	
1	Gross salary		
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	60.00	60.00
	(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	-	-
3	Sweat Equity	-	-
4	Commission		-
	- as % of profit	-	-
	- others, specify	-	-
5	Others, please specify	-	-
	Total (A)	60.00	60.00
	Ceiling as per the Act	The overall ceiling is as per limits stipulated in Schedule V / Section 197 of the Companies Act, 2013 the Act	

B. Remuneration to other Directors

S. No.	Particulars of Remuneration	Name of Directors			Total Amount (Rs in lakhs)
		Dr.K.Srinivasa Rao	G.Uma devi		
1	Independent Directors				
	Fee for attending board committee meetings	0.90	0.90		1.80
	Commission	-	-		-
	Others, please specify	-	-		-
	Total (1)	0.90	0.90		1.80
2	Other Non-Executive Directors	G.Srinivasa Raju	S.Hanumantha Rao	Nitil Pandya (PNB Nominee)	
	Fee for attending board committee meetings	-	-	0.40	0.40
	Commission	-	-	-	-
	Others, please specify	-	-	-	-
	Total (2)	-	-	0.40	0.40
	Total (B)=(1+2)				2.20
	Total Managerial Remuneration				2.20
	Overall Ceiling as per the Act	The overall ceiling is as per limits stipulated in Schedule V / Section 197 of the Companies Act, 2013			

C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD

S. No.	Particulars of Remuneration	Name of Key Managerial Personnel	Total Amount (Rs in lakhs)
	Name	Shaik Ibraheem	
	Designation	CS	
	Gross salary		
1	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	12.38	12.38
	(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	-	-
3	Sweat Equity	-	-
	Commission	-	
4	- as % of profit	-	-
	- others, specify	-	-
5	Others, please specify	-	-
	Total	12.38	12.38

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)
A. COMPANY					
Penalty			NONE		
Punishment					
Compounding					
B. DIRECTORS					
Penalty			NONE		
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty			NONE		
Punishment					
Compounding					

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Annexure - V

Statement of particulars of the conservation of energy, technology absorption, foreign exchange earnings and outgo as per Rule 8 of Companies (Accounts) Rules, 2014

A. Conservation of energy-

- a. Steps taken or impact on conservation of energy:
NIL
- b. Steps taken by the company for utilising alternate sources of energy:
NIL
- c. Capital investment on energy conservation equipment:
NIL

B. Technology absorption-

- a. Efforts made towards technology absorption;
NIL
- b. The benefits derived like product improvement, cost reduction, product development or import substitution;
NIL
- c. In case of imported technology (imported during the last three years reckoned from the beginning of the financial year) NIL
 - i. the details of technology imported;
 - ii. the year of import;
 - iii. whether the technology been fully absorbed;
 - iv. if not fully absorbed, areas where absorption has not taken place, and the reasons thereof;
- d. Details of the expenditure incurred on Research and Development.
NIL

C. Foreign exchange earnings and Outgo:

The Foreign Exchange earned in terms of actual inflows during the year and the Foreign Exchange outgo during the year in terms of actual outflows

Rs. In Lakhs.

Particulars	Amount
Receipts	
Share Capital/Share application money	0
Foreign Loans	0
Exports	0
Others	0
Total	0
Payments	
Imports	0
Travelling Expenses, Others	0
Total	0

Annexure - VI**Details pertaining to remuneration as required u/s 197(12) of The Companies Act, 2013 read with rule 5 of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014**

1. The ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2018-19, percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary in the financial year 2018-19, and the comparison of remuneration of each Key Managerial Personnel (KMP) against the performance of the Company are as under:

S. No.	Name of the Director / KMP (Designation)	Remuneration for FY 2018-19 (in lacs)	Ratio of remuneration to the median remuneration of the employees	% increase in remuneration in the FY2018-19
01	R.K. Birla (Managing Director)	60.00	33.33	Nil
02	Shaik Ibraheem (Company Secretary)	12.38	6.88	Nil

Notes:

- (a) None of the other directors except as disclosed above draws any remuneration in the Company.
- (b) The median remuneration of employees of the Company during the financial year 2018-19 was Rs. 1.80 lakhs against the median remuneration of Rs. 1.78 lakhs of the previous year.
- (c) The number of permanent employees on the rolls of Company as on March 31st, 2019 is 306.
2. **The Explanation on the relationship between average increase in remuneration and company performance:**

The average increase in remuneration during the financial year 2018-19 is Nil. The total employees cost for the financial year ended 31st March, 2019 is Rs. 1331.24 lakhs against Rs. 1030.23 lakhs for the financial year ended 31st March 2018. During the year the Company achieved a total income of Rs. 45871.10 lakhs against Rs. 51747.40 lakhs of last year. The Company incurred a net loss of Rs. 6895.91 lakhs during the year 2018-19 as against a loss of Rs. 73198.66 lakhs in the year 2017-18. There has been no increase in remuneration of managerial personnel.

3. **Comparison of Remuneration of the Key Managerial Personnel(s) against the performance of the Company:**

Particulars	2018-19	2017-18
Total Revenue (Rs in lakhs)	45871.10	51747.40
Aggregate Remuneration of Key Managerial Personnel (KMP) in F.Y. 2018-19 (Rs. In lakhs)	102.38	37.00
Remuneration of KMPs (as a % of revenue)	0.22	0.07

4. **Variations in the market capitalisation of the Company, price earnings ratio as at the closing date of the current financial year and previous financial year and percentage increase over decrease in the market quotations of the shares of the Company in comparison to the rate at which the company came out with the last public offer:**

Particulars	March 31st, 2019	March 31st, 2017	% of change
Market capitalisation (Rs in lakhs)*	1625.46	3311.12	(51)
Price Earnings Ratio	Nil	Nil	Nil

* Based on closing Market price on BSE on the respective year and dates.

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Particulars	March 31st, 2019	October 30th, 1992 (IPO)	% of change
Market Price(BSE) (Rs)	0.54	10	(95)
Market Price (NSE) (Rs)	0.55	10	(95)

5. **Average percentage increase made in the salaries of employees other than the managerial personnel in the last financial year:**

Not applicable since there was no increase in salaries as compared to the previous year.

6. **Comparison of the each remuneration of the KMP against the performance of the Company:**

S. No.	Particulars of Remuneration	KMP	
		R.K. Birla	Shaik Ibraheem
		Managing Director	Company Secretary
1	Remuneration in FY 2019 (Rs in Lakhs)	60	12.38
2	Revenue in FY 2019 (Rs in Lakhs)	45871.10	
3	Remuneration as % of revenue	0.13	0.03

7. **The key parameters for the variable component of remuneration availed by the directors are considered by the Board of Directors based on the recommendations of the Nomination and Remuneration Committee as per the Remuneration Policy of the Company:**

There is no variable component availed by any Director.

8. **The ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year:**

Not applicable, since no employees of the Company receives remuneration in excess of the highest paid director i.e., MD and there are no employees falling under Rule 5(2).

9. It is hereby affirmed that the remuneration paid is as per the Remuneration Policy of the Company.

Annexure – VII

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Pursuant to the Regulation 34 read with the Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 your Directors wish to report as follows:

a) Industry Structure and Developments

India was the world's second-largest steel producer@ with production standing at 106.5 MT in 2018. The growth in the Indian steel sector has been driven by domestic availability of raw materials such as iron ore and cost-effective labour. Consequently, the steel sector has been a major contributor to India's manufacturing output. The Indian steel industry is very modern with state-of-the-art steel mills. It has always strived for continuous modernisation and up-gradation of older plants and higher energy efficiency levels. Indian steel industries are classified into three categories such as major producers, main producers and secondary producers. The Government has taken various steps to boost the sector including the introduction of National Steel Policy 2017 and allowing 100 per cent Foreign Direct Investment (FDI) in the steel sector under the automatic route. Between April 2000 and December 2018, inflow of US\$ 11.18 billion has been witnessed in the metallurgical industries as Foreign Direct Investment (FDI). India's per capita consumption of steel grew to 68.9 kgs, during 2017-18. National Steel Policy 2017 aims to increase the per capita steel consumption to 160 kgs by 2030-31.

b). Opportunities & Threats :

India is being a very attractive destination for steel consumption, imports have grown by 4.5% whereas exports have fallen by 16 %. The consumption growth is tipped to be driven by expected 7.1% growth in domestic steel demand in calendar year 2019, the Indian Steel Association said adding that demand is likely to grow marginally in the next calendar year 2020 by 7.2%. For financial years 2019-20 and 2020-21, however, the forecast for steel demand growth is 7.2%. Consumption growth is expected to improve driven by measures for farmers, unorganized sector and government employees. Cumulatively, the Indian economy is likely to maintain above 7% growth in the next couple of years.

c) Risks and Concerns :

In accordance with regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, your Company has duly adopted steps for framing, implementing and monitoring the risk management plan and accordingly your Directors have put in place a critical risk management framework across the Company for identification and evaluation of all potential risks. Your Company is continuously evolving and improving systems and measures to take care of all the risk exigencies involved in the business. All inherent risks are identified, measured, monitored and regularly reported to the management. The management decides required measures to overcome these risks and ensures implementation of proper risk mitigation plans. The risk report and mitigation plans are presented to the Board of Directors periodically.

d) Outlook

World Steel Association(WSA) has projected Indian steel demand to grow by above 7% in 2019 and 2020 while globally, steel demand has been projected to grow by 4.1% in 2019 and 2020 respectively. As per WSA, Indian economy is expected to achieve faster growth starting in the second half of 2019. While the fiscal deficit might weigh on public investment to an extent, the wide range of continuing infrastructure projects is likely to support growth in steel demand above 7% in 2019 and 2020. With the commitment of the Government towards infrastructure development in the country, the demand of steel is expected to increase which in turn will provide a great opportunity for the manganese ore industry in the country as well.

As always, your Company looks forward to do well in the year ahead and is optimistic of its abilities to address the set of opportunities and challenges that the coming year will present.

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e) Internal Control Systems and their adequacy:

Your Company has an effective Internal Control System to prevent fraud and misuse of Company's resources and protect shareholders' interest. Your Company has an independent Internal Audit Department to monitor and review and focus on the compliances of various business processes. The internal audit report alongwith audit findings and tracking of process improvements & compliances is presented for review to the Audit Committee of Board of Directors.

f) Discussion on Financial Performance with respect to operational performance:

The operating performance of the Company has been discussed in Directors Report under the head 'Financial Highlights' & 'Operations and Overall Performance' in the current period.

g) Segment Wise Performance:

Since your Company operates only in one Segment, segment-wise or product- wise analysis of performance is not applicable.

h) Statutory Compliance:

The Company has complied with the various provisions of the Companies Act, 2013, the SEBI regulations, Listing Agreements and provisions of various statutes. Compliance certificates are obtained from various units of the Company and the Board is informed of the same at every Board meeting.

i) Material developments in Human Resources:

The Company's human resource policies and strategies seek to ensure a high level of motivation among employees so that they play a significant role in achieving the Company's goal. The Company has initiated various in-house training programs for skill advancement. The Company accords highest priority to ensure safety and protection of health of its employees which are essential to, and form an integral part of, every HR development endeavor. .

There were no cases of sexual harassment of woman at work place. Also, there are no instances of child labour/forced labour/ involuntary labour and discriminatory employment during the year.

j) Details of significant changes (i.e. change of 25% or more as compared to the immediately previous financial year) in key financial ratios, along with detailed explanations therefor, including:

Ratios	FY 2018-19	FY 2017-18	Reason for change
Debtor Turnover in days	331	154	Liquidity Crunch
Inventory Turnover	45871	51747	Recession
Interest Coverage Ratio	(476)	(316)	Due to Losses
Current Ratio	0.20	0.72	Regrouping of Loans
Debt Equity Ratio	(2.14)	(5.44)	Regrouping of Loans
Operating Profit Margin(%)	13.53%	(17.52%)	-
Net Profit Margin(%)	(194%)	(158.71%)	Provision for Bad Debts
Return on Net worth (%)	(78%)	(183%)	Losses

k) details of any change in Return on Net Worth as compared to the immediately previous financial year along with a detailed explanation thereof:- given in the above table.

Cautionary Statement

Statements in this management discussion and analysis describing the Company's objectives, projections, estimates and expectations may be 'forward looking statements' within the meaning of applicable laws and regulations. Actual results may differ substantially or materially from those expressed or implied. Important developments that could affect the Company's operations include a downtrend in the industry – global or domestic or both, significant changes in political and economic environment in India, applicable statutes, litigations, labour relations and interest costs.

Annexure – VIII

REPORT ON CORPORATE GOVERNANCE

(Pursuant to Regulation 34 (3) and Schedule V (C) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015)

1. THE COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE :

The philosophy of the Company in relation to the Corporate Governance is to ensure timely disclosures and shareholder value without compromising in any way on compliance with the extant laws and regulations. The Company believes that good governance brings sustained corporate growth and long-term benefits for the stakeholders.

In line with this philosophy, Splendid Metal Products Limited, is following timely disclosure practices. The Company, as a continuous process, strengthens the quality of disclosures, on the Board composition and its functioning, and level of compliance.

Your Company confirms the compliance of Corporate Governance as contained in Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended, the details of which are given below:

2. BOARD OF DIRECTORS:

Corporate Insolvency Resolution Process ('CIRP') has been initiated for the Company under the provisions of Section 7 of the Insolvency and Bankruptcy Code, 2016 ('IBC') by the National Company Law Tribunal vide Order no. CP(IB)No. 666/7/HDB/2018 ('order') with effect from 04.04.2019 (uploaded on website on 16.04.2019). Further, vide the aforesaid NCLT order and pursuant to Section 17 of the IBC, the powers of the Board of Directors of the Company stood suspended, and such powers are vested with the Interim Resolution Professional, Mr. T.Sathisan (IP Registration No.IBBI/PA-001/IP-P00105/2017-2018/10212). His appointment was subsequently confirmed by the Committee of Creditors ('COC') as the Resolution Professional (the 'RP'). Accordingly, Mr.T.Sathisan in his capacity as RP took control and custody of the management and operations of the Company from 19th April, 2019. Hon' ble National Company Law Tribunal, Hyderabad bench vide its order dated 1st October, 2019 has granted an extension of CIRP for a further period of 90 (Ninety) days with effect from 02.10.2019.

(a) Composition of Board of Directors:

The Directors of the Company (except Nominee Directors) are appointed by the shareholders at General Meetings. All Executive Directors are subject to retirement by rotation and at every Annual General Meeting, 1/3rd of such Directors as are liable to retire by rotation, if eligible, generally offer themselves for re-election, in accordance with the provisions of Section 152 of the Companies Act, 2013 and that of the Articles of Association of the Company.

(b) Board composition, category of Directors, meetings and attendance Record of each director:

The strength of Board of Directors prior to commencement of CIRP was 6 (Six) Directors. Your Company maintain an optimum combination of Executive and Non-Executive Independent Directors with at least Woman Director as on March 31, 2019, the Board consists of 6 Directors with considerable experience in their respective fields. The Company has a Non-Executive Chairman and 2 Independent Directors (Including Woman Director), one (1) Managing Director, Two (2) Non-Executive Directors and One (1) is Nominee Director. Shri Nitil Pandya-. Punjab National Bank Nominee. Accordingly, the composition of the Board is in conformity with Regulation 17(1) of the Listing Regulations.

Details of the Directorship / Committee Chairmanship and Memberships held by the Directors

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as on 31st March, 2019 in other Companies and attendance record of them at the Board Meeting for the financial year 2018-19 and at the last AGM:

S. No.	Name of the Director	Category of Directorship	Attendance at		Number of Other Directorships	Chairperson of the Board	Board Committee	
			Board Meetings	Last AGM			Director is a member	Director is a Chairperson
1	Dr.K.Srinivasa Rao	Independent	5	Yes	1	1	1	1
2	Shri R.K.Birla	Managing Director & CEO	3	Yes	3	-	-	-
3	Shri G.Srinivasa Raju	Non-Executive	5	Yes	14	-	2	1
4	Shri S.Hanumantha Rao	Non-Executive	5	Yes	8	-	3	-
5	³ Smt G.Uma Devi	Independent	5	No	2	-	-	-
6	Shri Nitil Pandya	Nominee	3	No	1	-	-	-

Notes:

1. Including private limited Companies.
2. Only Audit and Shareholders' Grievances Committees considered.
3. Resignation of Smt G.Uma Devi, Independent & Non-Executive Director of the Company w.e.f: April 18th, 2019.

(c) Name of Listed Entities where the Directors are holding Directorship other than Splendid Metal Products Limited as on 31.03.2019:

S. No.	Name of the Directors	Name of the Listed Entity	Category
1	Dr. K. Srinivasa Rao	Sujana Universal Industries Limited	Independent
2	Shri R.K. Birla	Nil	--
3	Shri G. Srinivasa Raju	1. Sujana Universal Industries Limited	Managing Director
		2. Neueon Towers Limited	Managing Director
4	Shri S.Hanumantha Rao	1. Sujana Universal Industries Limited	Whole Time Director
		2. Neueon Towers Limited	Non-Executive Director
5	³ Smt G.Uma Devi	1. Sujana Universal Industries Limited	Independent
		2. Neueon Towers Limited	Independent
6	Shri Nitil Pandya	Nil	--

(d) Meetings:

The Board of Directors of the Company met five times during the Financial Year 2018-19 on following dates and the gap between two meetings did not exceed four months.

- 1) 30.05.2018, 2). 14.08.2018, 3). 29.08.2018, 4). 14.11.2018, 5). 14.02.2019

(e) Disclosure of relationships between Directors:

No Director is related to any other Director on the Board in terms of the definition of "relative" as defined in Section 2(77) of the Companies Act, 2013.

(f) Number of Shares and Convertible Instruments held by Non- Executive Directors:

Statement showing number of Equity Shares held by the Non-Executive Directors as on March 31, 2019:

Name of the Director	Designation	No. of Shares held
Shri G.Srinivasa Raju	Non-Executive Director	Nil
Shri S.Hanumantha Rao	Non-Executive Director	7 (Trustee for odd lot shares)
Dr.K.Srinivasa Rao	Independent Director	Nil
Smt G Uma Devi	Independent Director	Nil
Shri Nitil Pandya	PNB Nominee	Nil

(g) Disclosure for Independent Directors:

All Independent Directors meet with the criteria of independence as prescribed under Sub-Section (6) of Section 149 of the Companies Act, 2013 and under Regulation 16 (1) (b) of the Listing Regulations. During the year under review, a separate Meeting of Independent Directors was held on March 30th, 2019 and all the Independent Directors were present in that Meeting.

(h) Familiarization programme for Independent Directors:

The Company has held familiarization programme for the Independent Directors by way of presentations by business heads of the Company from time to time and deliberations held on major developments in legal and regulatory areas, particularly regarding Companies Act, 2013 and Regulation 25(7) of SEBI LODR Regulations.

(i) List of core skills/expertise/competencies identified by the Board of Directors as required in the context of its business and sector to function effectively and those actually available with the Board:

The Company's Board comprises qualified members who bring in required skills, competence and expertise which allow them to make effective contribution to the Board and its Committees. The Board members are committed to ensure that the Company is in compliance with the highest standards of corporate governance.

The below summarizes the list of core skills/ expertise/ competencies identified by the Board of Directors for conducting effectively business of the Company.

i) Industry knowledge ii) Financial literacy Expertise iii) Leadership acumen iv) Strategic expertise v) Legal and Compliance vi) Risk Management vii) Human Development viii) General Management.

(j) None of the Independent Directors has any pecuniary relationship or transactions with the Company which in the judgment of the Board may affect the independent of the director except receiving sitting fee for attending Board/Committee meetings.

(k) Smt G.Uma Devi, who served as an Independent Director, has resigned from the Board of the Company w.e.f. 18.04.2019 due to her full time employment in a private organisation.

Smt G.Uma Devi has communicated and confirmed that there are no material reasons other than those provided above.

3. BOARD COMMITTEES

In addition to functional Committees, your Board has constituted the following Committees as stipulated under the Listing Regulations,2015.

3.1 Audit Committee

(a) Brief Description of Terms of Reference:

The Audit Committee of the Company is constituted in line with the provisions of Regulation 18 of the Listing Regulations, 2015 read with Section 177 of the Companies Act, 2013. The terms of reference, role and powers of the Audit Committee are as mentioned in Regulation 18(3) of

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the Listing Regulations, 2015 read with Section 177 of the Companies Act, 2013 and includes overseeing of the Company's financial reporting process, reviewing with the management of the financial statements and the adequacy of the internal audit function, internal control and to discuss significant internal audit findings, statutory compliance and issues related to risk management and compliances.

(b) Composition:

As on 31st March, 2019, the Audit Committee comprises of three Directors (3), out of which Two (2) are independent and non-executive directors and one (1) Non-Executive Director. The Members possess adequate knowledge of Accounts, Audit, Finance, etc. The composition of the Committee and the attendance of each member at the Committee Meetings during the Financial Year ended 31st March, 2019, are as given below:

Sl. No.	Name of the Director	Category	Attendance of the Audit Committee Meetings held on			
			30.05.2018	14.08.2018	14.11.2018	14.02.2019
1.	Dr. K.Srinivasa Rao	Independent Director (Chairman)	Yes	Yes	Yes	Yes
2.	Shri S. Hanumantha Rao	Non-Executive Director (Member)	Yes	Yes	Yes	Yes
3	Smt G.Uma Devi*	Independent Director (Member)	Yes	Yes	Yes	Yes

*Resignation of Smt G.Uma Devi, Independent & Non-Executive Director of the Company w.e.f: April 18th, 2019.

The requisite quorum was present at all the Meetings. Chairman of the Audit Committee, Dr.K.Srinivasa Rao was present at the last Annual General Meeting held on 29th September, 2018.

Audit Committee meetings are attended by the Chief Financial Officer, Representatives of Statutory Auditors, representatives of Cost Auditors and Representatives of Internal Auditors. The Company Secretary acts as the Secretary of the Audit Committee.

3.2. Nomination and Remuneration Committee

(a) Brief Description of Terms of Reference:

Your Company has set up the Nomination & Remuneration Committee as prescribed under the Regulation 19 of the Listing Regulations and Section 178 of the Companies Act, 2013. The role of committee is interalia to formulate the Company's policy to determine qualifications, positive attributes and independence of Directors and to formulate the criteria for evaluation of Independent Directors and also to approve payment of remuneration to Directors, Managerial personnel and Senior Executives.

(b) Composition:

Members of the Nomination and Remuneration Committee of the Company are either Non-Executive Director or Independent Director.

Sl.No.	Name of the Director	Category
1	Smt. G.Uma Devi*	Independent Director(Chairman)
2.	Dr. K. Srinivasa Rao	Independent Director(Member)
3.	Shri S.Hanumantha Rao	Non-Executive Director(Member)

No Nomination and Remuneration Committee meeting was held during the year 2018-19.

*Smt G.Uma Devi, resigned as Director and Non-Executive chairman of the Board with effect from 18th April, 2019.

(c) Remuneration Policy:

The remuneration recommendations about the remuneration of Directors are subject to the approval of the Members of the Company and the remuneration of the key managerial persons is to be recommended by the Nomination and Remuneration Committee to the Board.

Remuneration Packages paid to Executive Directors during the year:

Name	Salary P.A. (Rs in lakhs)	Commission / Incentives P.A. (Rs in lakhs)	Deferred Benefits (Perquisites) (Rs in lakhs)	Others (Rs in lakhs)	Total (Rs in lakhs)
Shri R.K.Birla	60.00	--	--	--	60.00

Sitting Fee details:

Sl. No.	Name of the Director	Sitting fee paid During the year (Rs)
1	Dr. K. Srinivasa Rao	90000
2	Shri Nitil Pandya (Nominee from PNB)	40000
3	Smt G.Uma Devi	90000
	Total	220000

The Company pays sitting fees at the rate of Rs.10,000/-for each meeting of the Board and sub-committees attended by them.

(d) Performance evaluation criteria for independent directors :

In compliance with the provisions of Section 134 of the Companies Act, 2013 ('the Act') read with the Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, the Board during the year adopted a formal mechanism for evaluation of its performances as well as that of its committees and individual Directors, including the Chairman of the Board. A questionnaire was prepared after taking into consideration inputs received from the Directors, covering various aspects of the Board's functioning such as performance of specific duties, obligations and governance. A separate exercise was carried out to evaluate the performance of individual Directors including the Chairman of the Board, who were evaluated on various parameters. The performance evaluation of the Independent Directors was carried out by the entire Board. The performance evaluation of the Chairman and the Non-Independent Directors was carried out by the Independent Directors. The Directors expressed their satisfaction with the evaluation process.

3.3. Shareholders' Grievances Committee

Scope of the Shareholders' Grievance Committee:

The Shareholders' Grievance Committee of your Company shall look into the redressing of shareholder and investor complaints like non-receipt of Balance Sheet, non-receipt of declared Dividend, etc.,

(a) Constitution and Composition of the Shareholders' Grievance Committee:

The Shareholders' Grievance Committee of your Company comprises of two (2) members.

No Shareholders' Grievance Committee Meeting was held during the financial year 2018-19.

The existing Committee consists of Two Directors. The details of the same are:

Sl.No.	Name of the Director	Category
1.	Shri G.Srinivasa Raju	Non-Executive Director (Chairman)
2.	Shri S.Hanumantha Rao	Non-Executive Director (Member)

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Name and Designation of the Compliance Officer :

The name and designation of the Compliance Officer of your Company is Shri Shaik Ibraheem, Company Secretary of your Company.

(b) Status of the Complaints:

Number of Shareholders Complaints received during the Financial Year 2018-19	Nil
Number of complaints not solved to the satisfaction of the shareholders	Nil
Number of pending Complaints	Nil

3.4. Share Transfer Committee

The Share transfer committee comprises of Shri G.Srinivasa Raju and Shri R.K.Birla. The role, terms of reference, the authority and powers of the Share Transfer Committee are in conformity with the provisions of the Companies Act, 2013. During the year under review the Share Transfer Committee met 1 (One) time.

There are no share transfers pending for more than a fortnight.

3.5. Management Committee

The Management Committee comprises of Shri G.Srinivasa Raju, Shri R.K.Birla and Shri S.Hanumantha Rao. The role, terms of reference, the authority and powers of the management committee are in conformity with the provisions of the Companies Act, 2013. During the year under review the management committee met 15 (Fifteen) times.

3.6. CSR Committee as per the provisions of Section 135 of Companies Act, 2013

Your Company constituted the 'Corporate Social Responsibility (CSR) Committee pursuant to the provisions of Section 135 of the Companies Act, 2013, CSR Committee consisting of the following Directors:

Sl.No.	Name of the Director	Category
1	Shri S.Hanumantha Rao	Non-Executive Director (Chairman)
2	Shri G.Srinivasa Raju	Non-Executive Director(Member)
3.	Dr.K.Srinivasa Rao	Independent Director(Member)

No CSR committee was held during the year 2018-19.

The Company Secretary to the Company shall act as Secretary to the CSR Committee.

3.7. Risk Management Committee pursuant to Regulation 21 of the Listing Regulations, 2015:

'Risk Management Committee of the Board of Directors of the Company constituted pursuant to the Regulation 21 of the Listing Regulations, 2015. Risk Management Committee consisting of the following Directors :

Sl.No.	Name of the Director	Category
1	Shri S.Hanumantha Rao	Non-Executive Director (Chairman)
2	Shri G.Srinivasa Raju	Non-Executive Director(Member)
3.	Dr.K.Srinivasa Rao	Independent Director(Member)

The Risk Management Committee shall be responsible for framing, implementing & monitoring the risk management plan of the Company.

4. GENERAL BODY MEETINGS

4.1 Details of Last three AGMS held :

Sl. No.	No. of Annual General Meeting	Date of the Annual General Meeting	Location	Time	Details of Special Resolutions
1.	28th A.G.M.	29th September, 2018	Katriya Hotel & Towers, Raj Bhavan, Somajiguda, Hyderabad - 500082	12.00 Noon	<ol style="list-style-type: none"> To continue the Directorship of Dr.K.Srinivasa Rao, as Independent Director till the conclusion of 29th Annual General Meeting. To approve Sale/Disposal of Asset(s)/ Undertaking(s) of the Company and/ or of its subsidiaries by way of Special Resolution under Section 180(1)(a) of the Companies Act, 2013.
2.	27th A.G.M.	29th September, 2017	Katriya Hotel & Towers, Raj Bhavan, Somajiguda, Hyderabad - 500082	12.00 Noon	<ol style="list-style-type: none"> Re-appointment of Shri R.K.Birla, Managing Director of the Company for a period not exceeding three years.
3.	26th A.G.M	30th September, 2016	Katriya Hotel & Towers, Raj Bhavan, Somajiguda, Hyderabad - 500082	12.00 Noon	<ol style="list-style-type: none"> To fix the remuneration of Shri R K Birla Managing Director of the Company for the balance tenure. Name change of the Company from "Sujana Metal Products Limited" to "Splendid Metal Products Limited". Increase of Authorised Share Capital of the Company from Rs.200 crores to Rs.1000 crores. Issue of Cumulative Redeemable preference shares (CRPS). Approve and confirm the Strategic Debt Restructuring scheme (SDR)/ outside SDR formulated by Reserve Bank of India.

4.2 No Extra-ordinary General Meeting of the shareholders was held during the year.

4.3 Details of resolutions passed in the last year through postal ballot: Nil

4.4 Details of special resolution which is proposed to be passed through postal ballot : Nil

5. DISCLOSURES

(a). *Materially Significant related party transactions:*

There were no materially significant related party transactions during the year having potential conflict with the interest of the Company at large. The Company has formulated the Policy on Materiality of Related party transactions to decide the materiality for the related party transaction and to deal with related party transaction.

SPLENDID METAL PRODUCTS LIMITED

The said Policy has been posted on the website of the Company www.sujana.com. All transactions were carried out on an arms-length basis and were not prejudicial to the interest of the Company.

(b). Details of non-compliance by the listed entity, penalties, strictures imposed on the listed entity by stock exchange(s) or the board or any statutory authority, on any matter related to capital markets, during the last three years:

For the last three financial years, except for the last financial year (the details mentioned herein below), the Company has complied with the applicable requirements of the Stock Exchange, SEBI and other Statutory Authorities on all matters related to capital markets.

During the last financial year 2018-19, the Company was levied fines by BSE Limited (BSE) and National Stock Exchange of India Limited (NSE) for delay in submission of Shareholding pattern under Regulation 31 of the Listing Regulations for the quarters ended 31st March, 2018 and on non-compliance of Regulation 19(1)/(2) on composition of Remuneration Committee for the quarter 30.09.2018 stated as below:

Regulation and relevant Quarter Non-Compliance	Fines Imposed on the Company (Rs)		Action Taken by the Company
	BSE	NSE	
Regulation 19(1)/(2) of Listing Regulations for the Quarter ended 30.09.2018	2,17,120	2,17,120	Company complied the provisions of Regulation 19 by reconstituting the Nomination and Remuneration Committee on 14.11.2018 and also submitted reply to the Stock Exchanges on 15.11.2018(BSE)/20.11.2018(NSE)
Regulation 31 of the Listing Regulations for the Quarter ended 31.03.2018	18,05,464	18,05,464	Company submitted the shareholding pattern for the quarter ended 31.03.2018 on 18.05.2018 and also submitted reply to the Stock Exchange on 25.05.2018.

*Amounts mentioned above are inclusive of service tax.

(c) Details of establishment of vigil mechanism, whistle blower policy and affirmation that no personnel has been denied access to the audit committee:

The Whistle Blower Policy and Vigil Mechanism has been laid down by the Company in view to provide a mechanism for the Directors and employees of the Company to report existing/probable violations of laws, rules, regulations or unethical conduct. It is confirmed that each and every employee has access to the Audit Committee and no personnel has been denied access to the Committee.

(d). Details of compliance with mandatory requirements and adoption of the non-mandatory requirements:

Vide National Company Law Tribunal Order no. CP(IB)No. 666/7/HDB/2018 ('order') with effect from 04.04.2019 (uploaded on website on 16.04.2019), Corporate Insolvency Resolution Process ('CIRP') under the provisions of Section 7 of the Insolvency and Bankruptcy Code, 2016 ('IBC') was initiated for the Company. Further, vide the aforesaid NCLT order and pursuant to Section 17 of the IBC, the powers of the Board of Directors of the Company stood suspended, and such powers are vested with the Resolution Professional, Mr. T.Sathisan (IP Registration No.IBBI/IPA-001/IP-P00105/2017-2018/10212). His appointment was subsequently confirmed by the Committee of Creditors ('COC') as the Resolution Professional (the 'RP'). Accordingly, Mr.T.Sathisan in his capacity as RP took control and custody of the management and operations of the Company from 19th April, 2019. Prior to the date of RP taking control of the management, the Board of Directors was responsible for complying with the conditions of Corporate Governance as stipulated under the Listing Regulations.

The Company has complied with all the mandatory requirements of Listing Regulations. Subsequent to date of Resolution Professional taking control and custody of the management and operations of the Company i.e. effective from 19th April, 2019, complying with the provisions as stipulated in the said Listing Regulations, referred to in paragraph 1 above, were not applicable on account of suspension of the powers of the Board of Directors and its Committees thereof, however, requirements of such provisions were fulfilled by the Resolution Professional to the extent deemed appropriate/applicable.

Discretionary requirements as specified in Part E of Schedule II of the Listing Regulations:

- (i). **The Board :** Prior to commencement of CIRP, the Company had an Non-Executive Chairman and his position is separate from that of the Managing Director and Chief Executive Officer of the Company.
 - (ii). **Shareholders Rights:** The Company's financial results are furnished to the Stock Exchanges and are also published in the newspapers and on the website of the Company and therefore results are not separately sent to the Members. The financial results of the Company are displayed on the website of the Company i.e. www.sujana.com.
 - (iii). **Modified opinion(s) in audit report :** During the year under review there are audit qualifications on the Company's financial statements and the Company has given clarifications in the Directors' Report.
 - (iv). **Reporting of Internal Auditor :** Prior to commencement of CIRP, the Internal Auditor reports to the Audit Committee of the Company.
- (e). ***Web link where policy for determining material subsidiaries is disclosed:*** Policy for determining material subsidiary has been posted on the website of the Company www.sujana.com
- (f). ***Risk Management:***
The Company has laid down procedures to inform the Board of Directors about the Risk Assessment and Minimization Procedure. These procedures are periodically reviewed by the Board to ensure that Executive management controls risk through means of a properly defined framework.
- (g). ***Code of Conduct***
The Company has adopted a Code of Conduct as required under Listing Regulations, 2015, which applies to all the Board Members and Senior Management of the Company. The Board Members and Senior Management personnel have affirmed their compliance with the Code on annual basis and their confirmations have been received in this regard. The Code of Conduct has been posted on the Company's website. A separate declaration to this effect signed by the Resolution Professional is attached.
- (h). ***Disclosure of Accounting Treatment***
In the preparation of the financial statements, the Company has followed Accounting Standards notified by Ministry of Corporate Affairs. The significant accounting policies which are consistently applied have been set out in the Notes to the Financial Statements.
- (i). ***Compliance Certificate pursuant to Regulation 17(8) of Listing Regulations:***
Shri T.Sathisan, Resolution Professional of the Company have given annual certification on financial reporting and internal controls to the Board in terms of Regulation 17(8) of Listing Regulations,2015. Prior to commencement of CIRP, the Managing Director and the Chief Financial Officer also give quarterly certification on financial results while placing the financial results before the Board in terms of Regulation 33(2)(a) of Listing Regulations, 2015.

SPLENDID METAL PRODUCTS LIMITED

(j). Compliance Certificate on Corporate Governance and Certificate on Disqualification of Directors:

Compliance Certificate for Corporate Governance from the Practicing Company Secretary is annexed hereto and forms part of this Report.

A Certificate from a Company Secretary in practice has been received stating that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Directors of Companies by SEBI/ Ministry of Corporate Affairs or any such statutory authority.

(k). The Company has not raised any funds from the capital market (public/rights/preferential issues etc.) during the financial year under review.

(l). Management Discussion and Analysis Report

A management Discussion and Analysis Report form part of this Annual Report and is in accordance with the requirements as laid down in the Listing Regulations, 2015.

(m). Shareholders Information

(a). Appointment/Re-appointment of Directors: The brief resume of directors retiring by rotation , appointment of Directors and re-appointment of directors, including nature of their experience in specific functional areas, names of companies in which they hold directorship and membership of committees of the Board is appended to the Notice for calling Annual General Meeting.

(b). None of the Directors are related to each other.

(n). Prevention of Insider Trading

The Company has adopted a Code of Conduct for Prevention of Insider Trading with a view to regulate trading in securities by the Directors and designated employees of the Company. The Code requires pre-clearance for dealing in the Company's shares and prohibits the purchase or sale of Company shares by the Directors and the designated employees while in possession of unpublished price sensitive information in relation to the Company and during the period when the Trading Window is closed. The Company Secretary is responsible for implementation of the Code.

(o). Disclosure of Commodity Price Risks and Commodity hedging activities: Nil

(p). Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:

Number of Complaints filed during the financial year 2018-19	NIL
Number of complaints dissolved during the financial year	NIL
Number of pending as on end of the during the financial year	NIL

(q). Consolidated payment to Statutory Auditors:

During the year 2018-19, ₹ 30,22,011/- was paid on consolidated basis to Statutory Auditors of the Company and all entities in the network firm/ network entity of which the Statutory Auditor is a part, towards services rendered by them.

(r). Registration of E-Mail Address :

To contribute towards greener environment, the Company proposes to send documents like Shareholders Meeting Notice/ other Notices, Audited Financial Statements, Directors' Report, Auditors' Report or any other document to Members in electronic form at the e-mail address provided by them and/ or made available to the Company by the Depositories.

Members who have not yet registered their e-mail address (including those who wish to change their already registered e-mail address) may get the same registered/updated either with their depository participants or by writing to the Company.

6. MEANS OF COMMUNICATION

(i). Quarterly Results:

The quarterly, half-yearly and yearly financial results of the Company are sent to the Stock Exchanges immediately after they are approved by the Board through the mode specified by the respective Stock Exchanges.

(ii). Newspapers wherein results normally published:

Publication of Quarterly/Annual Financial Results in daily newspapers –Andhra Prabha (Telugu) or Financial Express(English) or Business Standard(English).

(iii). Website :

The Company has maintained a functional website www.sujana.com containing basic information about the Company like the details of its business, financial information, shareholding pattern, codes and policies etc. The disclosures made by the Company to the Stock Exchanges where the securities of the Company are listed are also hosted on the website of the Company.

(iv). Presentations made to institutional investors or to the analysts:

The Company has not made any presentation to anyone during the year.

(v). Sending Balance Sheet, Profit & Loss Account, Directors' Report & Auditors' Report to Shareholders through Post/Courier/Email.

(vi). Uploading on NEAPS & BSE Listing Centre: The quarterly results, quarterly compliances and all other corporate communications to the Stock Exchanges are filed electronically on NEAPS for NSE and on BSE listing Centre for BSE

(vii) Annual Report: Annual Report containing, inter alia, Audited Annual Accounts, Consolidated Financial Statements, Directors' Report, Auditor's Report and other important information is circulated to members and others entitled thereto. The Management Discussion and Analysis (MD&A) Report forms part of the Annual Report.

7. GENERAL SHAREHOLDERS INFORMATION

1.	Date	14.12.2019
2.	Time	10.30 am
3.	Venue	Vedika, The Venue, Sri Sai Goverdhan Kunj, 5th Floor, 501/A, Opp. Dominos Pizza, SR Nagar, Hyderabad - 500 038.
4.	Financial year	2018-2019, (consisting of 12 months from 01.04.2018 to 31.03.2019)
5.	Book Closure Date	09.12.2019 (One day only)
6.	Dividend Payment Date	Not Applicable
7.	Listing on Stock Exchanges	BSE Limited (BSE) Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai-400 001 National Stock Exchange of India Ltd Exchange Plaza, Bandra-Kurla Complex, Bandra(E) Mumbai - 400 051.

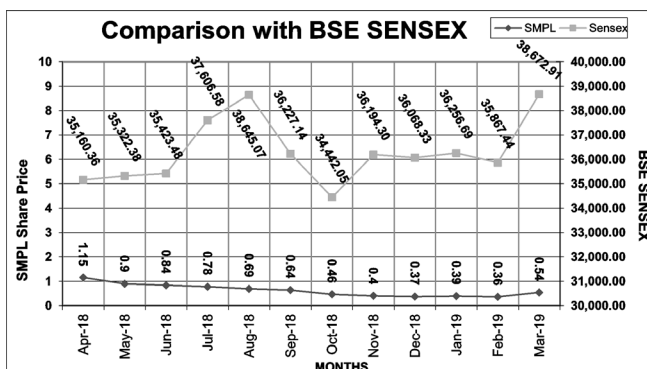
SPLENDID METAL PRODUCTS LIMITED

8.	Stock code	(a). BSE Scrip Code: 513414 NSE Symbol : SMPL (b). Demat ISIN for equity shares: INE215G01021 (c). Corporate Identity Number (CIN) : L28120TG1988PLC008610
9	Listing Fee	The Listing fee for the year 2018-2019 has not been paid to both the above said Stock Exchanges.
10.	E-voting facility	www.evoting.nsdl.com Open Date: December 10th, 2019@ 9:00 A.M. Closing Date: December 13th, 2019@ 5:00 P.M. cut-off date is December 7th , 2019
11	Company's website	www.sujana.com
12	Outstanding GDRs/ ADRs/ Warrants or any Convertible Instruments, Conversion Date and likely impact on Equity	Nil
13	Credit Rating	Not Applicable

Market Price Data:

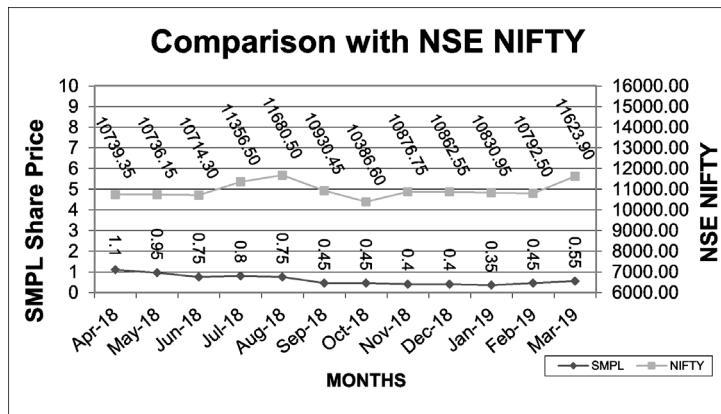
The monthly high and low stock prices during the financial year 2018-19 and performance in comparison to the Broad-based indices such as BSE- Sensex is provided hereunder.

Month	High Price	Low Price	Close Price	BSE SENSEX
				(Closing)
April 2018	1.32	1.02	1.15	35160.36
May 2018	1.15	0.72	0.9	35322.38
June 2018	0.98	0.77	0.84	35423.48
July 2018	0.84	0.72	0.78	37606.58
August 2018	0.8	0.69	0.69	38645.07
September 2018	0.77	0.62	0.64	36227.14
October 2018	0.64	0.44	0.46	34442.05
November 2018	0.46	0.4	0.4	36194.3
December 2018	0.42	0.36	0.37	36068.33
January 2019	0.46	0.36	0.39	36256.69
February 2019	0.4	0.35	0.36	35867.44
March 2019	0.54	0.37	0.54	38672.91



The monthly high and low stock prices during the financial year 2018-19 and performance in comparison to the Broad-based indices such as NSE-Nifty is provided hereunder.

Date	High Price	Low Price	Close Price	NSE-Nifty Closing
April 2018	1.2	1.1	1.1	10739.35
May 2018	0.95	0.9	0.95	10736.15
June 2018	0.8	0.75	0.75	10714.30
July 2018	0.8	0.75	0.8	11356.50
August 2018	0.75	0.7	0.75	11680.50
September 2018	0.5	0.45	0.45	10930.45
October 2018	0.45	0.4	0.45	10386.60
November 2018	0.4	0.35	0.4	10876.75
December 2018	0.4	0.35	0.4	10862.55
January 2019	0.4	0.35	0.35	10830.95
February 2019	0.45	0.4	0.45	10792.50
March 2019	0.55	0.5	0.55	11623.90



Share Transfer System :

Your Company has appointed M/s. Bigshare Services Private Limited for dealing in with the shares of the Company in physical and electronic mode. Presently they are completing the process of transfer within a period of 10 to 15 days from the date of receipt, subject to the documents being valid and complete in all respects. Pursuant to Regulation 40 of SEBI (LODR) Regulations, 2015. Certificates, on half-yearly basis, have been given by a Practicing Company Secretary duly certifying compliance of shares transfer formalities

Dematerialization of Shares:

99.78% of the Company’s Paid-up capital has been dematerialized upto 31.03.2019 as per the following details.

Particulars	Number of Shares	% of share capital
NSDL	236077297	78.43
CDSL	64277181	21.35
Physical	656403	0.22
Total	301010881	100.00

SPLENDID METAL PRODUCTS LIMITED

Distribution of Shareholding:

As on 31st March, 2019, the Distribution Shareholding was as follows:

Range (Rs)	No. of Shares	% of Shareholdings	No. of Shareholders	% of Shareholders
1. Upto - 5,000	6775348	2.25	21562	74.68
2. 5,001 - 10,000	3869882	1.29	2333	8.08
3. 10,001 - 20,000	4777312	1.59	1590	5.50
4. 20,001 - 30,000	5266222	1.75	1039	3.60
5. 30,001 - 40,000	2541639	0.84	355	1.23
6. 40,001 - 50,000	4892566	1.63	510	1.77
7. 50,001-1,00,000	9886356	3.28	672	2.33
8. 1,00,001 and above	263001556	87.37	810	2.90
Total	301010881	100.00	28871	100.09

Pattern of shareholding as on 31st March, 2019 (Face Value: Rs. 5/- each)

Category	Number of Shares	Percentage %
Promoter and Promoter Group	17,33,04,755	57.57
Financial Institutions/Banks	1,37,59,882	4.57
Body Corporate	1,15,23,554	3.83
Individuals	10,08,18,795	33.50
Others	16,03,895	0.53
Shares held by Custodians and against which Depository Receipts have been issued	Nil	N.A
Total	301010881	100.00

Plant Location:

S.No.	State	Location
1	Telangana	Survey No.296/7/9, IDA Bollaram, Jinnaram Mandal Medak District-502325, Telangana .
2	Telangana	Plot No. 4, Survey No.296/7/7, 8 & 11, IDA Bollaram, Jinnaram Mandal Medak District-502325, Telangana
3	Telangana	Survey No. 296/7/7, 296/7/8, 296/7/11, IDA Bollaram, Jinnaram Mandal Medak District-502325, Telangana
4	Telangana	Survey No. 296/7/7, 8 & 11, IDA Bollaram, Jinnaram Mandal Medak District-502325, Telangana
5	Telangana	Survey No. 196 & 197, Parigi Road, Elikatta Village, Shadnagar, Mahaboobnagar District, Telangana.
6	Telangana	Cut and Bend Division : Survey No. 204, 205 & 206 Elikatta Gram Panchayat, Farooq Nagar Mandal, Mahaboob Nagar District-509216, Telangana.
7	Telangana	Trading Division : Plot No. 4, Survey No. 296/7/7A, IDA Bollaram, Jinnaram Mandal, Medak District-502325, Telangana.
8	Telangana	Survey No.473, 576 & 442,Chikatigudem, Kethepally Mandal, Nalgonda District, Telangana-508211.
9	Tamilnadu	Survey No. 204/8B, Manjankaranai Village, Chengai, M.G.R. District - 620 502, Tamilnadu
10	Tamilnadu	Plot No. B-20E, SIPCOT Industrial Complex, Gummidi Pondi, Chennai, Tamilnadu.
11	Andhra Pradesh	Sanivada Village, Rajeevnagar, Visakhapatnam-530046.

Address for Correspondence :

S.No.	Name of the Office	Address
1	Company Secretarial Department	Plot No.18, Municipal No. 8-2-248/1/7/18, West Wing, First Floor, Nagarjuna Hills, Panjagutta , Hyderabad- 500082, Telangana. Phone No.2335 1882/85/87, Fax No: +91-40-23358499. Email: ibracs130276@sujana.com
2	Registered Office and Corporate Office	Plot No.18, Nagarjuna Hills, Panjagutta, Hyderabad - 500 082, Telangana.
3	Registrars and Share Transfer Agents:	M/s. Bigshare Services Private Limited, 306, Right Wing, Third Floor, Amruta Ville, Opp: Yashoda Hospital, Raj Bhavan Road, Somajiguda, Hyderabad – 500 082. Phone No.040-23374967, Email: bsshyd@bigshareonline.com

THE DISCLOSURES OF THE COMPLIANCE WITH CORPORATE GOVERNANCE REQUIREMENTS SPECIFIED IN REGULATION 17 TO 27 AND CLAUSES (B) TO (I) OF SUB-REGULATION (2) OF REGULATION 46:

The Company has complied with the corporate governance requirements specified in Regulations 17 to 27 and the Company has also complied with the requirements of clauses (b) to (i) of sub - regulation (2) of Regulation 46 of Listing Regulations.

For Splendid Metal Products Limited

T. SATHISAN

Resolution Professional

IP Reg No.: IBBI/IPA-001/IP-P00105/2017-2018/10212

(A Company under Corporate Insolvency Resolution Process by NCLT
Order No. CP(IB)No. 666/7/HDB/2018)

Place: Hyderabad

Date : November 14th, 2019

DECLARATION ON COMPLIANCE WITH CODE OF BUSINESS CONDUCT AND ETHICS IN TERMS OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015.

To the best of my knowledge and belief, this is to affirm and declare, on behalf of the Board of Directors of the Company and senior management personnel, that;

- The Board of Directors has laid down a Code of Conduct, Ethics and Business Principles for all Board members and Senior Management of the Company [‘the Code of Conduct’];
- The Code of conduct has been posted on the website of the Company;
- All the Board Members and Senior Management personnel have affirmed their compliance and adherence with the provisions of the Code of Conduct for the financial year ended 31st March 2019.

For Splendid Metal Products Limited

T. SATHISAN

Resolution Professional

IP Reg No.: IBBI/IPA-001/IP-P00105/2017-2018/10212

(A Company under Corporate Insolvency Resolution Process by NCLT
Order No. CP(IB)No. 666/7/HDB/2018)

Place: Hyderabad

Date : November 14th, 2019

SPLENDID METAL PRODUCTS LIMITED

CERTIFICATE UNDER REGULATION 17(8) OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) Regulations, 2015

I, undersigned in my capacity as the Resolution Professional of Splendid Metal Products Limited ("the Company"), to the best of my knowledge and belief, certify that

- a). I have reviewed financial statements and the cash flow statement for the year ended 31.03.2019 and based on my knowledge and belief:
 - (i) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - (ii) These statements together present a true and fair view of the listed entity's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- b). I further states that to the best of our knowledge and belief, there are no transactions entered by the company during the year which are fraudulent, illegal or violative of the Company's code of conduct.
- c). I am responsible for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of our company pertaining to financial reporting and I have not come across any reportable deficiencies in the design or operation of such internal controls.
- d). I have indicated to the auditors :
 - (1) Significant changes in internal control over financial reporting during the year;
 - (2) Significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - (3) Instances of significant fraud of which I have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

For Splendid Metal Products Limited

T. SATHISAN

Resolution Professional

IP Reg No.: IBB/PA-001/IP-P00105/2017-2018/10212

(A Company under Corporate Insolvency Resolution Process by NCLT

Order No. CP(IB)No. 666/7/HDB/2018)

Place: Hyderabad

Date : November 14th, 2019)

Certificate on Corporate Governance

To

The Members of Splendid Metal Products Limited,

I have examined the compliance of conditions of Corporate Governance by M/s. Splendid Metal Products Limited ("the Company"), for the financial year ended March 31, 2019, as stipulated in the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ["SEBI (LODR) Regulations, 2015"].

The compliance of conditions of corporate governance is the responsibility of the Management. My 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.

In my opinion and to the best of my knowledge and according to the explanations given to me, I certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Regulations.

I 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.

Usha Balasubramanian

Practicing Company Secretary

CP. No. 7444

FCS. No. 9267

Place: Hyderabad

Dated: November 14th, 2019

ANNEXURE - IX**From AOC – I**

(Pursuant to first Proviso to Sub Section 129 Read with Rule 5 Of Companies (Accounts) Rules, 2014) Statement Containing Salient Features of the Financial Statement of Subsidiaries

PART “A” Subsidiary companies

Particulars	Details										
Name of the Subsidiary	Reporting Currency and Exchange Rate	Share capital	Reserves & surplus	Total Assets	Total Liabilities	Investment	Turn-over	PBT	PAT	Proposed Dividend	% of Share holding
Reporting period for the subsidiary concerned is the same i.e. 31st March 2019											Rs. In lakhs
Glade Steel Private Limited	Indian Rupee	1318.84	(17.74)	1310.68	1310.68	-	-	(55.96)	(54.53)	-	51.15%
Asian Tide Enterprises Ltd	USD 65.04	11786.18	(17757.57)	2569.86	2569.86	-	-	(11758.20)	(11758.20)	-	100%
Alpha Ventures Limited	USD 65.04	4372.42	105.20	4540.11	4540.11	-	-	5344.56	5344.56	-	100%

Part “B”: Associates and Joint Ventures

Statement pursuant to section 129(3) of the Companies Act, 2013 related to Associate Companies and Joint Venture

NOT APPLICABLE

For Splendid Metal Products Limited

T. SATHISAN

Resolution Professional

IP Reg No.: IBBI/IPA-001/IP-P00105/2017-2018/10212

(A Company under Corporate Insolvency Resolution Process by NCLT

Order No. CP(IB)No. 666/7/HDB/2018)

Place: Hyderabad

Date : November 14th, 2019

SPLENDID METAL PRODUCTS LIMITED

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF SPLENDID METAL PRODUCTS LIMITED

Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of Splendid Metal Products Limited ('the Company') (Formerly known as Sujana Metal Products Limited), which comprise the Balance Sheet as at March 31, 2019, the Statement of Profit and Loss and the Cash Flow Statement for the year ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ('the Act') with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, as applicable. This responsibility also includes 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 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 adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of these standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these standalone financial statements based on our audit. 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 thereunder and the Order under Section 143(11) of the Act. 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 standalone financial statements are free from material misstatement. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the standalone financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the standalone financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Basis for Qualified Opinion

Reference is invited to Note 41(foot Note) of the financial statements, the company has not provided interest on secured loans being borrowing from banks and financial institutions during the year ended 31.03.2019 amounting to Rs.26723lakhs. This constitutes a departure from the Accounting Standards notified under the Companies Act, 2013. Had the company accounted for the said interest component in the financials, the loss will increase from Rs.88,886.66 lakhs to Rs. 115,609.92 lakhs.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone 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, 2019, and its loss and its cash flows for the year ended on that date.

Emphasis of Matters

We draw attention to the following matters in the Notes to the financial statements:

- a) Refer note No. 8 and note No. 10 forming part of the financial statements regarding The Trade receivable could not be verified as the confirmation of balances have not been received and made available to us. The Company has made a provision of Rs.70,765.55 Lakhs towards bad and doubtful receivables and Rs. 7,091.98 Lakhs towards bad and doubtful advances during the year ended 31st March 2019. The Company has Rs.428.08 Crores as Trade Receivables and Rs. 52.81 Crores of Advances which are long overdue and not provided for. We are unable to form an opinion on the uncertainty regarding the collection of these long outstanding and other receivables.

- b) The Company's Net Worth has been eroded on account of losses incurred continuously during the previous years, which is negative. The Current Liabilities of the Company exceeded the Current Assets as at 31st March 2019 by Rs.199,654.59 lakhs and the Company's ability to continue a going concern is in doubt.
- c) Refer note No. 33 regarding the winding up petition filed by Standard Bank (Mauritius) Ltd., in the High Court of Telangana against the company for giving corporate guarantee for loan extended by the said bank to the step down subsidiary Optimix Enterprises Limited for Rs. 4,087.50 lakhs. We are unable to form an opinion on the uncertainty regarding the outcome of High Court of Telangana decision.
- d) The Company has adjusted certain Trade Payables amount with Trade Receivables to the tune Rs. 157.01 Crores during the year with the consent of both the parties. However the triparty agreement if any was not made available for our verification.
- e) Bank Statements were not available with the Company for all the Banks except that of Vizag Branch. Interest calculations are on the basis of the last interest rates on the outstanding balances.
- f) The GST Returns are yet to be reconciled for all the Branches and that of the Telangana State were not made available. We are unable to form an opinion on the veracity of the sales figures of the Company.

Our opinion is not modified in respect of these matters

Report on Other Legal and Regulatory Requirements

- 1. 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 relating to preparation of the standalone financial statements have been kept by the Company so far as it appears from our examination of those books.
 - (c) The Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of these standalone financial statements.
 - (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, as applicable.
 - (e) On the basis of the written representations received from the Directors as on March 31, 2019, taken on record by the Board of Directors, none of the Directors is disqualified as on March 31, 2019 from being appointed as a Director in terms of Section 164 (2) of the Act.
 - (f) With respect to the 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'. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
 - (g) With respect to the other matters to be included in the Independent Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i) The Company has not disclosed the impact of pending litigations on its financial position in its standalone financial statements.
 - ii) The Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses and the Company is showing consignment liability.
 - iii) There have been no amounts required to be transferred, to the Investor Education and Protection Fund by the Company.
- 2. As required by the Companies (Auditor's Report) Order, 2016 ('the Order') issued by the Central Government in terms of Section 143(11) of the Act, we give in 'Annexure B' a statement on the matters specified in paragraphs 3 and 4 of the Order.

For T.Raghavendra & Associates
Chartered Accountants
(Firm Regn. No: 003329S)

T. Raghavendra
Proprietor
Mem No. 023806

Date: 15-06-2019
Place: Hyderabad

SPLENDID METAL PRODUCTS LIMITED

ANNEXURE 'A' TO THE INDEPENDENT AUDITORS' REPORT

(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')

We have audited the internal financial controls over financial reporting of Splendid Metal Products Limited ('the Company') as of March 31, 2019 in conjunction with our audit of the standalone financial statements of the Company for the year ended and as on that date.

Management's Responsibility for Internal Financial Controls

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 (the 'Guidance Note'). These responsibilities include 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 frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

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 Standards on Auditing prescribed under Section 143(10) of the Act and the Guidance Note, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with the 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.

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 auditors' judgment, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error.

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

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 disposition 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 authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised 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

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 controls 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

In our opinion, to the best of our information and according to the explanations given to us, 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, 2019, 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.

For T. Raghavendra & Associates

Chartered Accountants
(Firm Regn No:003329S)

T. Raghavendra
Proprietor
Mem No. 023806

Date: 15-06-2019
Place: Hyderabad

ANNEXURE 'B' TO THE INDEPENDENT AUDITORS' REPORT

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Report on Companies (Auditor's Report) Order, 2016 ('the Order') issued by the Central Government in terms of Section 143(11) of the Companies Act, 2013 ('the Act') of Splendid Metal Products Limited ('the Company')

1. In respect of the Company's fixed assets:
 - (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
 - (b) The fixed assets were physically verified during the year by the Management in accordance with a regular program of verification which, in our opinion, provides for physical verification of all the fixed assets at reasonable intervals. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
 - (c) According to the information and explanations given to us and the records examined by us and based on the examination of the conveyance deed provided to us, we report that, the title deeds, comprising all the immovable properties of land and buildings which are freehold, are held in the name of the Company as at the balance sheet date.
2. As explained to us, the inventories were physically verified during the year by the Management at reasonable intervals and no material discrepancies were noticed on physical verification. We have relied on the report of M/s Mallikarjuna Rao and Associates, chartered Accountants for the physical availability and valuation as at the year ended 31-03-2019
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.
4. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Act in respect of grant of loans, making investments and providing guarantees and securities, as applicable.
5. The Company has not accepted deposits during the year and does not have any unclaimed deposits as at March 31, 2019 and therefore, the provisions of the clause 3 (v) of the Order are not applicable to the Company.
6. The Maintenance of Cost Records has been specified by the Central Government under section 148(1) of the Companies Act, 2013. We have relied on the Cost audit report submitted by the Cost Auditors of the Company and according to the said report the Company has complied with the Companies (Cost Records and Audit) Rules, 2014.
7. According to the information and explanations given to us, in respect of statutory dues:
 - (a) The Company has not been regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, Value Added Tax, duty of Customs, duty of Excise, Cess, GST and other material statutory dues applicable to it with the appropriate authorities.
 - (b) There are no disputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, Value Added Tax, duty of Customs, duty of Excise, GST, Cess and other material statutory dues in arrears as at March 31, 2019 for a period of more than six months from the date they became payable except as detailed below:

SPLENDID METAL PRODUCTS LIMITED

Particulars	Outstanding > 6 months (Rs. In lakhs)
T.D.S	1.70
Service tax	1.93
Income Tax (Corporate Dividend Tax)	2.64
Total	6.27

- (c) Details of dues of Income Tax, Sales Tax, Customs and Excise Duty, Foreign Exchange Management Act and Value Added Tax which have not been deposited as at March 31, 2019 on account of dispute are given below:

Disputed Statutory dues as on 31.03.2019			
Name of the Statute	Amount Rs. in Lakhs	Period to which the amount relates (FY)	Forum where dispute is pending
Income Tax Act , 1961	1775.45	2006-2015	Income Tax Appellate Tribunal
Central Excise Act, 1944	2330.57	1997-2013	Commissioner (Appeals) Chennai, Chennai Hon'ble High Court of Chennai, Hon'ble High Court of Delhi , Hon'ble Supreme Court of India (Dept.Appeals)
Customs Act, 1962	775.79	1999-2012	Commissioner (Customs) Sea Port, Chennai, Hon'ble High Court of Chennai, Commissioner (Appeals), Vizag and Hon'ble Supreme Court of India (Dept.Appeals).
Foreign Exchange Management Act, 1999	100.00	1995-1996	Hon'ble High Court of Delhi
APGST ACT, 1957	438.13	2002-2003	Hon'ble High Court of Delhi
Central Sales Tax Act, 1956	241.34 42.68	2006-2007 2007-2008	Sales Tax Appellate Tribunal, Commercial Tax Officer
Tamilnadu Value Added Tax Act, 2006	9891.65	2006-2008	Appellate Dpty. Commissioner, Hon'ble High Court of Andhra Pradesh.
CST (TN)	2383.64	2008-2015	Hon'ble High Court of Tamilnadu and TN Sales Tax Authorities.

8. In our opinion and according to the information and explanations given to us, the Company has defaulted in the repayment of loans or borrowings to banks. The detail of the default is given below:

Details of Overdues to Banks/ Financial Institutions as on 31-03-2019

Bank name	Term Loan - 1	Term Loan - 2	FITL - I	FITL - II	WCTL	Cash Credit	LC Devolvement	Total
Andhra Bank	5,760.23	699.75	1,130.23	-	-	-	-	7,590.21
Bank of Baroda	-	-	401.47	131.95	2,095.59	5,475.55	2,330.58	10,435.14
Bank of India	6,440.74	650.97	3,833.06	273.00	12,431.68	25,261.53	-	48,890.98
IDBI Bank	2,843.28	334.78	612.60	-	-	-	-	3,790.65
Indian Bank	-	-	272.93	209.91	4,133.02	2,933.70	-	7,549.56
Indian Overseas Bank	4,454.24	419.01	2,683.75	282.81	8,744.41	12,373.58	-	28,957.80
Edelweises ARC Ltd (KBL)	164.64	-	207.50	65.45	1,623.60	1,947.04	2,220.45	6,228.68
Lakshmi Vilas Bank	-	-	18.64	-	449.23	8,124.60	-	8,592.47
Oriental Bank of Commerce	-	-	98.09	570.00	1,052.53	6,230.51	-	7,951.13
Punjab National Bank	10,524.47	844.35	5,250.68	355.39	16,548.36	14,153.79	20,798.88	68,475.92
State Bank of India	-	-	1,609.61	278.69	8,837.65	20,933.40	530.00	32,189.35

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SASF	12,286.82	-	-	-	-	-	-	12,286.82
Gopalka Savings Investments Pvt Ltd- USL	70.00	-	-	-	-	-	-	70.00
Total :	42,544.43	2,948.86	16,118.55	2,167.21	55,916.07	97,433.69	25,879.91	243,008.72

9. The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) or term loans and hence reporting under clause 3 (ix) of the Order is not applicable.
10. To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no fraud on the Company by its officers or employees has been noticed or reported during the year.
11. In our opinion and according to the information and explanations given to us, the Company has paid / provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.
12. The Company is not a Nidhi Company and hence reporting under clause 3(xii) of the Order is not applicable.
13. In our opinion and according to the information and explanations given to us the Company is in compliance with Section 177 and 188 of the Act, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.
14. During the year, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures and hence reporting under clause 3(xiv) of the Order is not applicable to the Company.
15. In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its Directors or persons connected to its Directors and hence provisions of Section 192 of the Act are not applicable.
16. The Company is not required to be registered under Section 45-I of the Reserve Bank of India Act, 1934.

For T. Raghavendra & Associates
Chartered Accountants
(Firm Regn No:003329S)

T. Raghavendra
Proprietor
Mem No. 023806

Date: 15-06-2019
Place: Hyderabad

SPLENDID METAL PRODUCTS LIMITED

BALANCE SHEET AS AT 31st MARCH, 2019

Rupees in lakhs

Particulars	Note No	As at 31st March 2019	As at 31st March 2018
ASSETS			
(1) Non- Current Assets			
(a) Property, Plant and Equipment	2	39,537.46	42,634.67
(b) Capital work - in - progress		5,946.97	6,807.09
(c) Deferred tax Assets (Net)	15	34,337.21	14,403.50
(d) Financial Assets			
(i) Investments	3	5,046.93	8,776.60
(ii) Loans	4	998.85	997.52
(iii) Other non-current assets	5	547.50	255.57
		<u>86,414.92</u>	<u>73,874.95</u>
(2) Current Assets			
(a) Inventories	6	2,297.92	5,012.79
(b) Financial Assets			
(i) Investments	7	5.00	5.00
(ii) Trade receivables	8	42,115.39	122,279.54
(iii) Cash and cash equivalents	-	6.03	43.86
(iv) Bank balances other than (iii) above	9	114.75	172.68
(v) Loans	10	6,370.01	17,037.39
(c) Other current assets	11	14.28	35.91
		<u>50,923.38</u>	<u>144,587.17</u>
		<u>137,338.30</u>	<u>218,462.12</u>
TOTAL			
EQUITY AND LIABILITIES			
Equity			
(a) Equity Share Capital	12	15,050.54	15,050.54
(b) Other Equity	12B	(128,537.54)	(59,619.93)
		<u>(113,487.00)</u>	<u>(44,569.39)</u>
Liabilities			
(1) Non- Current Liabilities			
(a) Financial Liabilities			
Borrowings	13	-	61,387.89
(b) Provisions	14	205.03	205.03
(c) Other non - current liabilities	16	247.33	297.46
		<u>452.36</u>	<u>61,890.38</u>
(2) Current liabilities			
(a) Financial Liabilities			
(i) Borrowings	17	243,008.72	181,120.02
(ii) Trade payables	18	2,450.48	12,677.12
(b) Other current liabilities	19	3,030.11	5,442.99
(c) Provisions	20	120.47	46.10
(d) Current Tax Liabilities (Net)	21	1,763.16	1,854.90
		<u>250,372.94</u>	<u>201,141.13</u>
		<u>137,338.30</u>	<u>218,462.12</u>
Total Equity and Liabilities			

See accompanying notes forming part of the financial statements

As per our report of even date attached

For T. Raghavendra & Associates

Chartered Accountants

FRN No: 003329S

T. Raghavendra

Mem. No : 023806

Place : Hyderabad

Date : 15th June 2019

For SPLENDID METAL PRODUCTS LIMITED

R. K. Birla

Managing Director

(DIN: 00118776)

T. Sathisan

Resolution Professional

IBBI/IPA-001/IP P00105/2017-2018/10212

Place : Hyderabad

Date : 15th June 2019

S. Hanumantha Rao

Director

(DIN: 00118801)

Shaik Ibraheem

Company Secretary

Statement of Profit and Loss for the Year ended 31st Mar, 2019

Rupees in lakhs

Particulars	Note No	For the year ended 31 March 2019	For the year ended 31 March 2018
I. Revenue			
Revenue from operations	22	45,817.68	51,495.04
II. Other income	23	53.42	252.37
III. Total revenue		45,871.10	51,747.41
IV Expenses			
Cost of materials	24.a &b	38,106.48	40,139.89
Change in inventories of finished goods ,work in progress and stock- in-trade	24.c	1,512.41	20,376.51
Employee benefit expenses	25	1,331.24	1,030.23
Finance costs	26	179.60	247.24
Depreciation and amortisation expense	2A&2B	3,137.95	3,328.77
Other expenses	27	90,490.08	68,353.63
Total expenses		134,757.76	133,476.27
V Profit before Exceptional Items and Tax		(88,886.66)	(81,728.86)
Exceptional Items		-	-
Profit before Tax		(88,886.66)	(81,728.86)
VI Tax expense:			
a) Current tax expense for current year		-	-
b) MAT credit relating to earlier years		-	211.57
c) Current tax relating to earlier years		-	-
d) Deferred tax relating to earlier years		-	-
		-	211.57
e) Deferred tax for Current Year		(19,933.75)	(8,741.78)
		(19,933.75)	(8,530.21)
VII Profit/(Loss) for the year from continuing operations(V-VI)		(68,952.91)	(73,198.65)
VIII Profit/(Loss) from Discontinued operations		-	-
XI Tax expenses of discontinued operations		-	-
X Profit/(Loss) from discontinued operations (after tax) (VIII-IX)		-	-
XI Profit/(Loss) for the period (VII+X)		(68,952.91)	(73,198.65)
XII OTHER COMPREHENSIVE INCOME			
A (i) Items that will not be reclassified to profit or Loss		-	-
(ii) Income Tax relating to items that will not be re classified to profit or Loss		-	-
B (i) Items that will not be reclassified to profit or Loss		-	-
(ii) Income Tax relating to items that will not be re classified to profit or Loss		-	-
Total Comprehensive Income for the period (XI+XII)		(68,952.91)	(73,198.65)

SPLENDID METAL PRODUCTS LIMITED

Statement of Profit and Loss for the Year ended 31st Mar, 2019

Rupees in lakhs

	Particulars	Note No	For the year ended 31 March 2019	For the year ended 31 March 2018
XIII	Earnings per equity share of Rs. 5/- each (for continuing operation):			
	Basic Rs.		(22.91)	(24.32)
	Diluted Rs.		(22.91)	(24.32)
XIV	Earnings per equity share of Rs. 5/- each (for discontinued operation):			
	Basic Rs.		(22.91)	(24.32)
	Diluted Rs.		(22.91)	(24.32)
XV	Earnings per equity share of Rs. 5/- each (for discontinued & Continuing operation):			
	Basic Rs.		(22.91)	(24.32)
	Diluted Rs.		(22.91)	(24.32)
XVI	Earnings per equity share of Rs. 5/- each (Refer Note No.31)			
	Basic Rs.		(22.91)	(24.32)
	Diluted Rs.		(22.91)	(24.32)

See accompanying notes forming part of the financial statements

As per our report of even date attached

For SPLENDID METAL PRODUCTS LIMITED

For T. Raghavendra & Associates

Chartered Accountants

FRN No: 003329S

T. Raghavendra

Mem. No : 023806

R. K. Birla

Managing Director

(DIN: 00118776)

T. Sathisan

Resolution Professional

IBBI/IPA-001/IP P00105/2017-2018/10212

S. Hanumantha Rao

Director

(DIN: 00118801)

Shaik Ibraheem

Company Secretary

Place : Hyderabad

Date : 15th June 2019

Place : Hyderabad

Date : 15th June 2019

Cash flow statement for the year ended 31st March 2019

Rupees in lakhs

	For the Year ended 31 March 2019	For the Year ended 31 March 2018
Cash flow from operating activities		
Net profit before tax	(88,886.66)	(81,728.86)
<i>Adjustments for:</i>	-	-
Depreciation and amortisation	3,137.95	3,328.77
Loss on sale of fixed assets (net)	4.47	-
Net unrealised exchange gain	-	-
Prior Period Expenses	35.28	53.89
Finance costs	179.60	247.25
Interest income	(16.74)	(25.99)
Loss on sale of current investment	-	-
Adjustments to the carrying amount of current investments	5,781.38	6,005.62
Operating profit before working capital changes	(79,764.71)	(72,119.34)
<i>Changes in working capital:</i>	-	-
<i>Adjustments for (increase) / decrease in operating assets:</i>	-	-
Inventories	2,714.88	20,391.74
Trade receivables	80,164.15	26,320.84
Long-term loans and advances	(1.33)	303.32
Short-term loans and advances	8,615.66	23,895.10
Other current assets	-	-
Other non current assets	-	-
Adjustments for increase / (decrease) in operating liabilities:	-	-
Trade payables	(10,226.64)	270.36
Other current liabilities	(2,391.25)	895.48
Other long-term liabilities	(50.13)	187.93
Other Short-term liabilities	74.37	(147.66)
Provision for employee benefits	-	(48.73)
Cash generated from operations	(865.00)	(50.96)
Net income tax paid	(91.68)	(257.93)
Net cash flow from operating activities (A)	(956.68)	(308.89)
Cash flows from investing activities		
Capital expenditure on fixed assets and capital advances paid	804.02	(157.52)
Receipt of capital advances	-	-
Proceeds from sale of fixed assets	10.89	27.63
(Increase)/decrease in restricted cash	(291.93)	129.44
Advances given to subsidiaries (Increase)/Decrease	2,051.71	-
Advances realised from subsidiaries	-	-
Permanent Decrease in non current investments (Increase)/Decrease	(2,051.71)	-
Foreign Currency Translation Adjustment	-	-
Proceeds from sale of current investment- mutual fund units	-	-
Income from current investments received	-	-
Interest received	38.37	52.88
Net cash used in investing activities (B)	561.35	52.43

SPLENDID METAL PRODUCTS LIMITED

Cash flow statement for the year ended 31st March 2019

Rupees in lakhs

	For the Year ended 31 March 2019	For the Year ended 31 March 2018
Cash flow from financing activities	-	-
Proceeds from issue of share capital	-	-
Share premium received / Capital Reserve	-	-
Proceeds from long-term borrowings	-	(144.54)
Repayment of long-term borrowings	-	-
Increase in short-term borrowings	500.79	465.40
Dividend paid including tax there on	-	-
Interest and other borrowing costs paid	(201.23)	(274.14)
Net cash (used in)/from financing activities (C)	299.56	46.72
Net (decrease)/increase in cash and cash equivalents (A + B + C)	(95.77)	(209.74)
Cash and cash equivalents at the beginning of the year	216.54	426.28
Exchange difference on translation of foreign currency cash and cash equivalents	-	-
Cash and cash equivalents at the end of the year	120.77	216.54
Notes:		
1. Cash Flow Statement has been prepared under the Indirect method as set out in the Indian Accounting Standard 7 on Cash Flow Statements.		
2. Cash and cash equivalents comprise cash at bank and in hand and short-term deposits with banks with an original maturity of three months or less		
3. Reconciliation of Cash and cash equivalents with balance sheet:		
Cash and bank balances as per balance sheet	120.77	216.54
Less: Balances in earmarked accounts		
- balance held as margin monies	-	-
Net cash and cash equivalents at the end of the year	120.77	216.54
See accompanying notes forming part of the financial statements		

As per our report of even date attached

For SPLENDID METAL PRODUCTS LIMITED

For T. Raghavendra & Associates

Chartered Accountants
FRN No: 003329S

T. Raghavendra

Mem. No : 023806

R. K. Birla

Managing Director
(DIN: 00118776)

T. Sathisan

Resolution Professional
IBBI/IPA-001/IP P00105/2017-2018/10212

S. Hanumantha Rao

Director
(DIN: 00118801)

Shaik Ibraheem

Company Secretary

Place : Hyderabad

Date : 15th June 2019

Place : Hyderabad

Date : 15th June 2019

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

1 Corporate information

"Splendid Metal Products Limited (SMPL) was incorporated in 02 May 1988 under the name of Sujana Steel Re-rolling Industries Private Limited. The name of the company was changed to Sujana Steels Private Limited on 30 March 1992. The company was converted into public limited company on 20 April 1992. The company changed its name as Sujana Metal Products Limited w.e.f. 09 November 2001. The Company further changed its name as "SPLENDID METAL PRODUCTS LIMITED" w.e.f. 16th November 2016. The Company was promoted by Sri Y.S.Chowdary, his associates and relatives. The company was incorporated with an object to manufacture of steel re-rolled products. SMPL is engaging in the business of manufacturing and marketing value added steel products. SMPL is categorized as a secondary steel producer in the Industry.

SMPL is currently engaging in the business of Manufacture and trading of steel products like Thermo Mechanically Treated (TMT) bars in different sizes, Structural steels like Ms Angles, Ms Squares, Ms Beams and Ms Channels etc and smart steel of varying shapes and dimensions for the construction & infrastructure sector."

All Banks are cancelled their limits and demanded to pay. Punjab National Bank Filed before DRT-II, Chennai for recoveries of their dues. All Units except unit at Sanivada Village, Visakhapatnam, Andhra Pradesh are taken possession by the DRT-II, Chennai. Further to above Punjab National Bank also filed before NCLT, Hyderabad bench, Hyderabad, is admitted and the commencement of the Corporate Insolvency Resolution Process against the company is hereby ordered which ordinarily shall get completed with in 180days, neckoning from the day this order is passed i.e 01-April-2019.

2. Significant accounting policies

a) Statement of Compliance

Standalone Financial Statements have been prepared in accordance with the accounting principles generally accepted in India including Indian Accounting Standards (Ind AS) prescribed under the section 133 of the Companies Act, 2013 read with rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and the Companies (Accounting Standards) Amendment Rules, 2016. The aforesaid financial statements have been approved by the Resolution Professional on 30 May 2019

The financial statements have been prepared on accrual basis under the historical cost convention in accordance with the Indian Accounting Standards as notified by the Companies (Accounting Standards) Rules, 2013 and the relevant provisions of the Companies Act, 1956.

b) Use of Estimates

The preparation of financial statements requires judgements, estimates and assumptions to be made that affect the reported amount of assets and liabilities, disclosure of contingent liabilities on the date of financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognised in the period in which the results are known/materialised

c) Revenue Recognition

Revenue is measured at the fair value of the consideration received or receivable. The Company recognizes revenues on sale of products, net of discounts, sales incentives, rebates granted, returns, sales taxes and duties when the products are delivered to customer or when delivered to a carrier for export sale, which is when significant risks and rewards of ownership pass to the customer. Sale of products is presented gross of manufacturing taxes like excise duty wherever applicable. Revenue from sale of by-products are included in revenue.

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

d) Foreign Currency Transactions

The functional currency of the Company is determined on the basis of the primary economic environment in which it operates. The functional currency of the Company is Indian National Rupee (INR).

SPLENDID METAL PRODUCTS LIMITED

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

The transactions in currencies other than the entity's functional currency (foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences on monetary items are recognised in Statement of Profit and Loss in the period.

e) **Borrowing Costs**

The Company capitalises borrowing costs that are directly attributable to the acquisition, construction or production of qualifying asset as a part of the cost of the asset.

The Company recognises other borrowing costs as an expense in the period in which it incurs them. A qualifying asset is an asset that necessarily takes a substantial period of time to get ready for its intended use or sale.

f) **Inventories**

Raw materials are valued at cost or net realisable value, whichever is lower. Cost is ascertained based on weighted average cost method.

Finished goods produced and purchased are valued at cost or net realisable value, whichever is lower.

Stores and Spares are carried at cost, ascertained on a weighted average basis. Necessary provision is made in case of obsolete and non-moving items.

g) **Employee Benefits**

i. Provision for gratuity, leave encashment/availment and long service benefits i.e. service award, compassionate gratuity and employees' family benefit scheme is made on the basis of actuarial valuation using the projected unit credit method. Re-measurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding interest), is reflected immediately in the statement of financial position with a charge or credit recognized in other comprehensive income in the period in which they occur. Re-measurement recognized in other comprehensive income is reflected immediately in retained earnings and will not be reclassified to Statement of Profit or Loss.

ii. Provision for post-retirement medical benefit is made on defined contribution basis.

iii. Provident fund contribution is made to Provident Fund Trust on accrual basis.

iv. Payment of Ex-gratia and Notice pay on Voluntary Retirement are charged to revenue in the year incurred.

v. Superannuation plan, a defined contribution scheme is administered by Life Insurance Corporation of India (LIC). The Company makes contributions based on a specified percentage of each eligible employee's salary.

Short-term and other long-term employee benefits

A liability is recognised for benefits accruing to employees in respect of wages and salaries, annual leave and sick leave in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

Liabilities recognised in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

Liabilities recognised in respect of other long-term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the Company in respect of services provided by employees up to the reporting date.

h) **Taxes on Income**

Income tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the statement of profit or loss and other comprehensive income/statement of profit or loss because

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are generally recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized. Such deferred tax assets and liabilities are not recognized if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. In addition, deferred tax liabilities are not recognized if the temporary difference arises from the initial recognition of goodwill.

Deferred tax liabilities are recognized for taxable temporary differences associated with investments in subsidiaries and associates, and interests in joint ventures, except where the company is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognized to the extent that it is probable that there will be sufficient taxable profits against which to utilize the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Current and deferred tax for the year

Current and deferred tax are recognized in profit or loss, except when they relate to items that are recognized in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognized in other comprehensive income or directly in equity respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

However the Company is in Losses. So, there is no current tax for the current Financial Year

i) Investments

Investment in subsidiaries, associates and joint ventures are shown at cost. Where the carrying amount of an investment is greater than its estimated recoverable amount, it is written down immediately to its recoverable amount and the difference is transferred to the Statement of Profit and Loss. On disposal of investment, the difference between the net disposal proceeds and the carrying amount is charged or credited to the Statement of Profit and Loss

j) Property, plant and equipment

The cost of property, plant and equipment comprises its purchase price net of any trade discounts and rebates, any import duties and other taxes (other than those subsequently recoverable from the tax authorities), any directly attributable expenditure on making the asset ready for its intended use, including relevant borrowing costs for qualifying assets and any expected costs of decommissioning. Expenditure incurred after the property, plant and equipment have been put into operation, such as repairs and maintenance, are charged to the Statement of Profit and Loss in the period in which the costs are incurred. Major shut-down and overhaul expenditure is capitalised as the activities undertaken improves the economic benefits expected to arise from the asset.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an

SPLENDID METAL PRODUCTS LIMITED

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in Statement of Profit and Loss.

Property, plant and equipment except freehold land held for use in the production, supply or administrative purposes, are stated in the balance sheet at cost less accumulated depreciation and accumulated impairment losses, if any.

The Company has elected to continue with the carrying value for all of its property, plant and equipment as recognised in the financial statements as at the date of transition to Ind AS i.e. 1 April, 2015, measured as per the previous GAAP and used that as its deemed cost as at the date of transition.

Depreciation commences when the assets are ready for their intended use. Depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value. Depreciation is recognized so as to write off the cost of assets (other than freehold land and properties under construction) less their residual values over their useful lives, using straight-line method as per the useful life prescribed in Schedule II to the Companies Act, 2013 except in respect of following categories of assets located in India, in whose case the life of the assets has been assessed as under based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers warranties and maintenance support, etc.

Class of Asset	Years
Plant and machinery	8 to 40 years
Work-rolls	1 year

When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on estimate of their specific useful lives.

Freehold land and leasehold land where the lease is convertible to freehold land under lease agreements at future dates at no additional cost, are not depreciated.

Assets held under finance leases are depreciated over their expected useful lives on the same basis as owned assets. However, when there is no reasonable certainty that ownership will be obtained by the end of the lease term, assets are depreciated over the shorter of the lease term and their useful lives.

Intangible assets

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. Intangible assets with indefinite useful lives that are acquired separately are carried at cost less accumulated impairment losses.

k) Earnings per Share

Basic earnings per share is computed by dividing the profit / (loss) after tax by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the year is adjusted for treasury shares, bonus issue, bonus element in a rights issue to existing shareholders, share split and reverse share split (consolidation of shares).

Diluted earnings per share is computed by dividing the profit / (loss) after tax as adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes) relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares including the treasury shares held by the Company to satisfy the exercise of the share options by the employees.

l) Impairment

The Company applies the expected credit loss model for recognising impairment loss on financial assets measured at amortised cost, debt instruments at FVTOCI, lease receivables, trade receivables, other contractual rights to receive cash or other financial asset, and financial guarantees not designated as at FVTPL.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Expected credit losses are the weighted average of credit losses with the respective risks of default occurring as the weights. Credit loss is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive (i.e. all cash shortfalls), discounted at the original effective interest rate (or credit-adjusted effective interest rate for purchased or originated credit-impaired financial assets). The Company estimates cashflows by considering all contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) through the expected life of that financial instrument. The Company measures the loss allowance for a financial instrument at an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition. If the credit risk on a financial instrument has not increased significantly since initial recognition, the Company measures the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses. 12-month expected credit losses are a portion of the life-time expected credit losses and represent the lifetime cash shortfalls that will result if default occurs within the 12 months after the reporting date and thus, are not cash shortfalls that are predicted over the next 12 months.

If the Company measured loss allowance for a financial instrument at lifetime expected credit loss model in the previous period, but determines at the end of a reporting period that the credit risk has not increased significantly since initial recognition due to improvement in credit quality as compared to the previous period, the Company again measures the loss allowance based on 12-month expected credit losses.

m) Provisions, Contingent Liabilities and Contingent Assets

Provisions are recognized when the company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

Contingent Liabilities

Contingent liabilities are not recognized but disclosed in Notes to the Accounts when the company has possible obligation due to past events and existence of the obligation depends upon occurrence or non-occurrence of future events not wholly within the control of the company.

Contingent liabilities are assessed continuously to determine whether outflow of economic resources have become probable. If the outflow becomes probable then relative provision is recognized in the financial statements.

Where an entity is jointly and severally liable for an obligation, the part of the obligation that is expected to be met by other parties is treated as a contingent liability. The entity recognises a provision for the part of the obligation for which an outflow of resources embodying economic benefits is probable, except in the extremely rare circumstances where no reliable estimate can be made

Contingent Liabilities are disclosed in the General Notes forming part of the accounts

Contingent Assets

Contingent Assets are not recognised in the financial statements. Such contingent assets are assessed continuously and are disclosed in Notes when the inflow of economic benefits becomes probable. If it's virtually certain that inflow of economic benefits will arise then such assets and the relative income will be recognised in the financial statements.

n) Leases

Assets held under lease, in which a significant portion of the risks and rewards of ownership are transferred to lessee are classified as finance leases. Other leases are classified as operating leases. The company normally enters into operating leases which are accounted for as under:-

- (i) Rental income from operating leases is recognized on a straight-line basis over the term of the relevant lease.
- (ii) Where the company is a lessee, operating lease payments are recognized as an expense on a straight-line basis over the lease term. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognized on a straight-line basis over the lease term.

SPLENDID METAL PRODUCTS LIMITED

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Note No. 2 Property, Plant and Equipment

PARTICULARS	Free hold Land	Buildings	Plant & machinery	Plant & machinery(Not in Put to use)	Electrical Installation	Furniture & Fixtures	Office Equipment	Vehicles	Computers	Goodwill	Total
Cost/Deemed cost at 1 April 2017	2,207.44	5,026.53	67,613.58	-	2,942.59	89.27	182.30	587.65	964.23	28.68	79,642.27
Additions	1.70	-	43.99	3,502.04	1.90	1.48	2.62	4.79	7.50	-	3,566.02
Deductions	-	-	-	-	-	-	-	108.79	-	-	108.79
At 31 March 2018	2,209.14	5,026.53	67,657.57	3,502.04	2,944.49	90.75	184.92	483.65	971.73	28.68	83,099.50
Additions	-	1.22	45.20	-	5.47	0.97	0.99	-	0.44	-	54.30
Deductions	-	-	-	-	-	-	-	59.45	-	-	59.45
At 31 Mar 2019	2,209.14	5,027.75	67,702.77	3,502.04	2,949.96	91.72	185.91	424.20	972.17	28.68	83,094.35
Accumulated Depreciation at 1 April 2017	-	1,502.63	32,121.08	-	1,888.95	74.57	174.17	456.27	963.60	28.68	37,209.95
Depreciation Expense	-	165.82	2,759.22	-	352.98	4.54	4.15	40.34	1.72	-	3,328.77
Deductions	-	-	-	-	-	-	-	73.89	-	-	73.89
At 31 March 2018	-	1,668.45	34,880.30	-	2,241.93	79.11	178.32	422.72	965.32	28.68	40,464.83
Depreciation Expense	-	165.51	2,756.00	-	184.51	3.15	2.88	23.29	2.60	-	3,137.95
Deductions	-	-	-	-	-	-	-	45.88	-	-	45.88
At 31 Mar 2019	-	1,833.96	37,636.30	-	2,426.44	82.26	181.20	400.13	967.92	28.68	43,556.89
Carrying value at 31 Mar 2019	2,209.14	3,193.79	30,066.48	3,502.04	523.52	9.45	4.71	24.07	4.25	-	39,537.46
at 31 March 2018	2,209.14	3,369.43	32,749.55	3,502.04	715.43	11.64	17.73	53.30	6.42	-	42,634.67
at 31 March 2017	2,207.44	3,523.90	35,492.50	-	1,053.64	14.70	8.13	131.38	0.63	-	42,432.32

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Rupees in lakhs

	As at 31st March 2019	As at 31st March 2018
Note 3: Non-current investments		
(At cost unless otherwise stated)		
NON TRADE		
Investment in equity instruments in subsidiaries		
Alpha Ventures Limited	4,372.42	2,320.71
8,806,520(31.03.2018:50,10,000) Shares of USD 1.00 each fully paid up		
Glade Steels Private Limited	674.51	674.51
674,514 (31.03.2018:674,514) Equity Shares of Rs.100 each fully paid up		
Asian tide Enterprises Limited	11,786.18	11,786.18
202,269,600 (31.03.2018:194,274,600) Shares of HK\$ 1.00 each fully paid up		
LESS : Diminution in value of Long Term Investmet of Asian tide Enterprises Limited	(11,786.18)	(6,004.80)
	5,046.93	8,776.60
Note 4 : Non -Current Loans		
(Unsecured and considered good)		
a) Security deposits	191.09	205.41
b) MAT credit entitlement	79.09	79.09
c) Deposits with government authorities	731.57	715.92
	1,001.75	1,000.42
Less: Provision for doubtful advances	2.90	2.90
	998.85	997.52
Note 5: Other Non-current Assets		
Deposits with bank - maturity due beyond 12 months	547.50	255.57
	547.50	255.57
Note 6: Inventories (At lower of cost and net realisable value)		
Raw materials	17.40	610.08
Finished goods	1,861.85	3,374.26
Stores and spares	418.67	1,028.46
	2,297.92	5,012.80
Note 7: Current investments		
(At lower of cost and fair value)		
Investment in mutual funds (Quoted)		
SBI - PSU fund dividend	5.00	5.82
50,000 (31.03.2018 : '50,000')	-	-
Less: provision for diminution in the value of investment	-	(0.82)
	5.00	5.00

Aggregate amount of market vaoue of quoted investments - Rs. 5.25 Lakhs

SPLENDID METAL PRODUCTS LIMITED

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Rupees in lakhs

	As at 31st March 2019	As at 31st March 2018
Note 8: Trade receivables (Unsecured)		
Trade receivables outstanding		
Considered Good	42,115.39	41,544.01
Significant Increased in Credit Risk	1,22,611.36	1,33,325.97
	<u>1,64,726.75</u>	<u>1,74,869.98</u>
Provision for significant increase in Credit Risk at beginning of the Year	52,590.44	301.53
Add : Provision Made During the Year	70,765.55	52,288.91
Less : Write off During the Year	744.63	-
Provision at the end of the Year	<u>1,22,611.36</u>	<u>52,590.44</u>
	<u>42,115.39</u>	<u>1,22,279.54</u>
Note 9: Bank balances other than Cash		
Balances with Banks:		
In current accounts	114.75	172.68
Other bank balances	-	-
In earmarked accounts	-	-
Balance held as margin monies	-	-
	<u>114.75</u>	<u>172.68</u>
Note 10: Current asset - Loans		
i) (Unsecured and considered good unless otherwise stated)		
Loans and advances to Subsidiaries	-	2,051.71
Security deposits	226.56	81.32
Loans and advances to employees	19.68	26.97
Prepaid expenses	13.13	7.32
Balances with government authorities		
CENVAT receivable on SEZ	14.82	40.53
VAT credit receivable	13.98	13.98
Advances for supply of goods and rendering of services	18,131.84	19,061.80
Others	322.74	1,034.52
	<u>18,742.75</u>	<u>22318.15</u>
Less: Provision for significant increase in Credit Risk	12,372.74	5,280.76
	<u>6,370.01</u>	<u>17,037.39</u>
Note 11: Other current assets		
Interest accrued but not due on deposits	14.28	35.91
	<u>14.28</u>	<u>35.91</u>
Note 12: A. EQUITY SHARE CAPITAL		
Authorised		
i) 310,000,000 (31.03.2018:310,000,000) Equity Shares of Rs.5 each	15,500.00	15,500.00
ii) 4,500,000 (31.03.2018:4,500,000) Preference Shares of Rs.100 each	4,500.00	4,500.00
Issued, subscribed and fully paid up		
i) 301,010,881 (31.03.2018:301,010,881) Equity Shares of Rs. 5 each	15,050.54	15,050.54
	<u>15,050.54</u>	<u>15,050.54</u>

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Rupees in lakhs

Notes:

i) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting year

Particulars	Year ended 31 March 2019		Year ended 31 March 2018	
	Number	Amount	Number	Amount
a) Equity (including shares represented by underlying GDRs)				
Shares outstanding at the beginning of the year/period	30,10,10,881	1,50,50.54	30,10,10,881	1,50,50.54
Shares issued during the year/period	-	-	-	-
Shares bought back during the year/ period	-	-	-	-
Shares outstanding at the end of the year/ period	30,10,10,881	1,50,50.54	30,10,10,881	1,50,50.54

ii) Details of shares held by each shareholder holding more than 5% shares:

Name of Shareholder	Year ended 31 March 2019		Year ended 31 March 2018	
	No. of Shares held	% held	No. of Shares held	% held
a) Equity shares of Rs. 5 each fully paid				
Yalamanchilli Finance & Trading Pvt Ltd	13,14,26,585	43.66%	13,14,26,585	43.66%
Foster Infin and Trading Pvt Limited	2,50,00,000	8.31%	2,50,00,000	8.31%
Stressed Assets Stabilisation Fund	1,27,59,682	4.24%	1,27,59,682	4.24%
Sujana Holdings Limited	1,00,00,000	3.32%	1,00,00,000	3.32%
b) The company has only one class of equity shares having a par value of Rs.5/- . Each equity shareholder is entitled to one vote per share held				

SPLENDID METAL PRODUCTS LIMITED

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

B. OTHER EQUITY

	Balance at	Changes in Accounting Policy / Prior Period Errors	Restated Balance at	Total Comprehensive Income	Dividends	Transfer to Retained Earnings	Any Other Change	Balance at
	March 31, 2018		March 31, 2018					March 31, 2019
(i) Equity Components of Other Financial Instruments	-	-	-	-	-	-	-	-
(ii) Retained Earnings	(1,06,628.35)	(35.30)	(1,06,593.05)	(68,952.91)	-	-	-	(1,75,545.96)
(iii) Reserves								
a. Reserves representing unrealised gains / losses								
Debt instruments through other comprehensive income	-	-	-	-	-	-	-	-
Equity instruments through other comprehensive income	-	-	-	-	-	-	-	-
Effective portion of cash flow hedges	-	-	-	-	-	-	-	-
Revaluation surplus	-	-	-	-	-	-	-	-
Remeasurements of net defined benefit plans	-	-	-	-	-	-	-	-
Exchange differences on translating the financial statements of foreign operation	-	-	-	-	-	-	-	-
Others	-	-	-	-	-	-	-	-
b. Other reserves								
Capital reserve	9,880.43		9,880.43					9,880.43
Capital redemption reserve	1,493.37		1,493.37					1,493.37
Securities premium reserve	34,935.98		34,935.98					34,935.98
General reserve	698.64		698.64					698.64
(iv) Money received against share warrants	-	-	-	-	-	-	-	-
(v) Others	-	-	-	-	-	-	-	-

	Balance at	Changes in Accounting Policy / Prior Period Errors	Restated Balance at	Total Comprehensive Income	Dividends	Transfer to Retained Earnings	Any Other Change	Balance at
	March 31, 2017		March 31, 2017					March 31, 2018
(i) Equity Components of Other Financial Instruments	-	-	-	-	-	-	-	-
(ii) Retained Earnings	(33,483.57)	(53.87)	(33,429.70)	(73,198.65)	-	-	-	(1,06,628.95)
(iii) Reserves								
a. Reserves representing unrealised gains / losses								
Remeasurements of net defined benefit plans	-	-	-	-	-	-	-	-
b. Other reserves								
Capital reserve	9,880.43	-	9,880.43					9,880.43
Capital redemption reserve	1,493.37	-	1,493.37					1,493.37
Securities premium reserve	34,935.98	-	34,935.98					34,935.98
General reserve	698.64	-	698.64					698.64

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Rupees in lakhs

	As at 31st March 2019	As at 31st March 2018
Note 13: Non Current borrowings		
Secured		
a) Term loans from		
i) Banks	-	12,303.89
b) Funding of Interest on Term Loan	-	-
i) FITL - I	-	6,715.33
ii) FITL - II	-	683.56
iii) W C T L	-	41,685.11
	<u>-</u>	<u>61,387.89</u>

Notes:

- Loan from banks viz. Punjab National Bank, Bank of India, Indian Overseas Bank, IDBI Bank, State Bank of Patiala, The Karnataka Bank Ltd, Bank of Baroda, Laxmi Vilas Bank, Indian bank, Oriental Bank of Commerce and Andhra Bank are secured by first charge on all the immovable and movable fixed assets of the company both present and future and second charge on the current assets of the company. Further these loans are secured by personal guarantees of director and promoter.
Loan from SASF are secured by 1st charge on Unit at Sanivada Village, Rajeevnagar, Visakhapatnam - 530 046, Andhra Pradesh. Unit at Plot no.B-20E, SIPCOT Industrial Complex, Gummidi Pondi, Chennai, Tamilnadu and Unit at Survey No. 296/7/7,8 &11, IDA Bollaram, Jinnaram Mandal, Medak District - 502325, Telangana.
- All Banks are cancelled their limits and demanded to pay. Punjab National Bank Filed before DRT-II, Chennai for recovery of their dues. All Units except unit at Sanivada Village, Visakhapatnam, Andhra Pradesh are taken possession by the DRT-II, Chennai Events after Balance Sheet Date, further to above Punjab National Bank also filed before NCLT, Hyderabad bench, Hyderabad, is admitted and the commencement of the Corporate Insolvency Resolution Process against the company is hereby ordered which ordinarily shall get completed with in 180days, reckoning from the day this order is passed i.e 04-April-2019. Hence All long term borrowings are considered as Short term borrowing. (Note No.17)

Note 14: Non Current provisions

Provision for Employee benefits	205.03	205.03
	<u>205.03</u>	<u>205.03</u>

Note 15: Deferred tax liabilities/(Asset- net)

Deferred tax liability:

On difference between book balance and tax balance of fixed assets	6,781.21	6,944.11
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Deferred tax asset:

Provision for employee benefits	(99.76)	76.78
Provision for doubtful trade receivables, loans and advances	(41,710.98)	17,883.10
Other Business Loss	692.32	3,387.73
	<u>(41,118.42)</u>	<u>21,347.61</u>
Deferred tax liabilities/(Assets-net)	<u>(34,337.21)</u>	<u>(14,403.50)</u>

Note 16: Other Non- Current liabilities

Security Deposits	226.17	274.72
Govt Grands - Differed Receivable	21.16	22.74
	<u>247.33</u>	<u>297.46</u>

SPLENDID METAL PRODUCTS LIMITED

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Rupees in lakhs

	As at 31st March 2019	As at 31st March 2018
Note 17: Current Borrowings		
Loans repayable on demand		
From Banks		
Secured	2,42,938.72	1,81,050.02
From Others	-	-
Unsecured	70.00	70.00
	<u>2,43,008.72</u>	<u>1,81,120.02</u>
Note 18: Trade payables		
Acceptances	-	-
Other than acceptances	2,450.48	12,677.12
Dues other than micro enterprises and small enterprises	<u>2,450.48</u>	<u>12,677.12</u>
Note 19: Other current liabilities		
Other payables	1,259.10	1,024.68
Statutory remittances	532.95	496.33
Payable to IDBI (CRPS)	758.13	1,493.37
Payables on purchase of fixed assets	1.31	7.43
Advances from customers	478.62	2,421.18
	<u>3,030.11</u>	<u>5,442.99</u>
Note 20: Current provisions		
Provision for employee benefits	117.83	43.46
Provision for tax on proposed dividend	2.64	2.64
	<u>120.47</u>	<u>46.10</u>
Note 21: Current tax provisions		
Provision for current income tax	<u>1,763.16</u>	<u>1,854.90</u>

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Rupees in lakhs

	As at 31st March 2019	As at 31st March 2018
Note 22: Revenue from operations		
a) Sale of products		
i) Manufactured	41,291.37	29,382.85
ii) Traded & Processed Goods	2,557.85	20,316.83
b) Other operating revenues		
Conversion income	1,959.46	1,795.36
Rental income from operating leases	9.00	-
Total	<u>45,817.68</u>	<u>51,495.04</u>

Particulars of sale of products	Year ended 31 March 2019		Year ended 31 March 2018	
	Qty (MT)	Rupees in lakhs	Qty (MT)	Rupees in lakhs
A Manufactured goods				
TMT Bars	46,549	17,874.66	34,220	11,703.29
MS Channels	2,739	1,122.10	2,563	892.63
MS Beams	13,600	5,736.17	6,330	2,279.29
Others	65,698	16,558.44	53,915	14,507.63
Total	<u>128586</u>	<u>41,291.37</u>	<u>97028</u>	<u>29,382.85</u>
B Traded goods				
TMT Bars	5,476	2,242.36	44,329	20,068.05
MS Channels	84	36.83	-	-
MS Angles	59	25.82	-	-
M S Scrap	1,096	222.26	222	46.99
Others	78	30.58	1,243	201.78
Total	<u>6793</u>	<u>2,557.85</u>	<u>45794</u>	<u>20,316.83</u>

	Year Ended 31 March 2019	Year Ended 31 March 2018
Note 23: Other Income		
a) Interest on deposit with banks and others	16.74	25.99
b) Liabilities/Provisions no longer required written back	6.57	-
c) Miscellaneous income	30.11	115.03
d) Increase/(decrease) of excise duty on inventory	-	111.35
	<u>53.42</u>	<u>252.37</u>

Note 24a. Cost of materials		
Opening Stock	610.08	680.69
Add : Purchases	37,513.80	40,069.28
	<u>38,123.88</u>	<u>40,749.97</u>
Less : Closing stock	17.40	610.08
	<u>38,106.48</u>	<u>40,139.89</u>
Less : Transfer to capital work in progress	-	-
	<u>38,106.48</u>	<u>40,139.89</u>

SPLENDID METAL PRODUCTS LIMITED

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Rupees in lakhs

Details of raw materials consumed

Particulars	Year ended 31 March 2019		Year ended 31 March 2018	
	Qty (MT)	Rupees in lakhs	Qty (MT)	Rupees in lakhs
Pig/Sponge Iron/Scrap	93,622	4,724.97	79,292	4,926.38
Billets / Blooms	89,803	31,075.75	75,483	21,276.28
MS Products	-	-	-	-
MS Ingots	-	-	-	-
TMT Bars	-	-	-	-
Total	1,83,425	35,800.72	1,54,774	26,202.66
Less: Transferred to capital work in progress	-	-	-	-
Total	1,83,425	35,800.72	1,54,774	26,202.66

Note 24.b: Details of Purchase of traded goods

TMT Bars	5,413	2,199.62	27,355	10,196.43
MS Rebars	-	-	1,361	2,166.25
MS Angles	115	50.46	-	-
Others	60	26.19	5,008	1,521.06
M S Scrap	141	29.49	254	53.48
Total	5,729	2,305.76	33,978	13,937.23

Year Ended 31
March 2018

Year Ended 31
March 2017

Note 24.c: Changes in inventories of finished goods, work in progress and stock-in-trade

Inventories at the beginning of the year:

Finished goods	3,374.26	23,750.77
op stock returns	-	-
Work in progress	-	-
Stock in trade	-	-
	3,374.26	23,750.77

Inventories at the end of the year:

Finished goods	1,861.85	3,374.26
Work in progress	-	-
Stock in trade	-	-
	1,861.85	3,374.26
Net (increase) / decrease	1,512.41	20,376.51

Note 25: Employee benefit expenses

Salaries, wages and bonus	1,168.41	898.42
Contribution to provident and other funds	136.18	107.08
Staff welfare expenses	26.65	24.73
	1,331.24	1,030.23

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Rupees in lakhs

	Year Ended 31 March 2019	Year Ended 31 March 2018
Note 26: Finance costs		
Interest expense on Borrowings	159.04	68.03
Other borrowing costs	20.56	179.21
	<u>179.60</u>	<u>247.24</u>
Note 27: Other expenses		
Consumption of stores, spares and consumables	1,508.25	582.46
Excise duty on sale of goods	-	571.90
Power and fuel	3,151.36	2,534.02
Other manufacturing expenses	104.32	73.38
Equipment hire charges	39.88	30.72
Job work charges	520.91	393.30
Rent includes lease rentals	71.57	76.07
Repairs and Maintenance-Buildings	1.05	5.56
Repairs and Maintenance-Machinery	74.64	38.78
Repairs and Maintenance-Others	13.91	11.00
Insurance	7.50	4.59
Rates and taxes	52.65	47.62
Factory maintenance	14.31	41.25
Printing and stationery	8.13	7.62
Communication	12.40	17.30
Travelling and conveyance	61.94	90.26
Legal and professional	51.40	116.76
Payments to auditors (Refer Note (i) below)	25.00	25.00
Security Charges	88.00	90.24
Adjustments to carrying amount of current investments	-	0.82
Adjustments to carrying amount of Non current investments	5,781.38	6,004.80
Sales commission	-	0.17
Sales discount	34.83	25.86
Net loss on foreign currency transactions and translations	740.07	(44.29)
Business promotion	6.31	6.71
Freight outwards	195.83	247.63
Directors' fees	2.40	2.30
Provision for significant increase in credit risk for trade receivables, loans and advances	77,857.53	57,220.65
Miscellaneous expenses	60.04	127.14
Loss on sale of fixed assets	4.47	4.01
	<u>90,490.08</u>	<u>68,353.63</u>
Note (i): Payments to the auditors		
As auditors -statutory audit	25.00	25.00
Other Services	-	-
Total	<u>25.00</u>	<u>25.00</u>

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NOTES FORMING PART OF THE FINANCIAL STATEMENTS

28 Financial Instruments - Fair Values and Risk Management

The following tables show the carrying amounts and fair values of financial assets and financial liabilities by categories. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

As of March 31, 2019

(Rupees in lakhs)

Particulars	Cost	Financial assets / Liabilities at FVTPL	Financial assets/Liabilities at FVTOCI	Total Carrying Cost	Total Fair Value
Assets :					
Investments in Equity Instruments	5,046.93	-	-	5,046.93	5,046.93
Cash & Cash Equivalents	120.78	-	-	120.78	120.78
Trade Receivables	42,115.39	-	-	42,115.39	42,115.39
Loans & advances	7,368.86	-	-	7,368.86	7,368.86
Liabilities :					
Trade Payable	2,450.48	-	-	2,450.48	2,450.48
Borrowing s	2,43,008.72	-	-	2,43,008.72	2,43,008.72
Other Financial Liabilities	3,277.44	-	-	3,277.44	3,277.44

As of March 31, 2018

(Rupees in lakhs)

Particulars	Cost	Financial assets/ Liabilities at FVTPL	Financial assets/Liabilities at FVTOCI	Total Carrying Cost	Total Fair Value
Assets :					
Investments in Equity Instruments	8,776.60	-	-	8,776.60	8,776.60
Cash & Cash Equivalents	216.54	-	-	216.54	216.54
Trade Receivables	1,22,279.54	-	-	1,22,279.54	1,22,279.54
Loans & advances	18,034.91	-	-	18,034.91	18,034.91
Liabilities :					
Trade Payable	12,677.12	-	-	12,677.12	12,677.12
Borrowing s	2,42,507.91	-	-	2,42,507.91	2,42,507.91
Other Financial Liabilities	5,740.45	-	-	5,740.45	5,740.45

Financial risk management

The company's activities expose it to the following financial risks:

- market risk
- credit risk and
- liquidity risk

The company has not arranged funds that have any interest rate risk.

a) Market risk

A comprehensive financial and commodity riskmanagement program supports the achievement of anorganisation's objectives by enabling the identification and evaluation of risks, setting acceptable risk thresholds,identifying and mapping controls against these risks and implementing policies and procedures to manage and monitor the risks.

b) Credit risk

Credit risk refers to the risk of default on its obligation by a counterparty resulting in a financial loss. The maximum exposure to the credit risk at the reporting date is primarily from trade receivables, Loans and Advances. Accordingly, credit risk from trade receivables has been separately evaluated from all other financial assets in the following paragraphs.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS**Trade Receivables**

The company has outstanding trade receivables amounting to Rs. 42,115.39 lakhs and Rs. 122,279.54 lakhs as of March 31, 2019 and March 31, 2018, respectively. Trade receivables are typically unsecured and are derived from revenue earned from customers.

Impairment on trade receivables is recognized based on expected credit loss in accordance with provisions of IndAS 109. The company's historical experience for customers, present economic condition and present performance of the customers, future outlook for the industry etc are taken into account for the purposes of expected credit loss.

Credit risk exposure

An analysis of age of trade receivables at each reporting date is summarized as follows:

As of March 31, 2019		(Rupees in lakhs)		
Particulars	Gross Amount	Impairment	Carrying Value	
Not Past Due				
Considered Good	42115.39	-	-	
Considered Doubtful	122611.36	-	-	
Provision on significant increase in credit risk at beginning of the Year	-	52,590.44	-	
Add : Provision Made During the Year	-	70,765.54	-	
Less : Write off During the Year	-	(744.63)	-	
Total	164726.75	122611.36	42115.39	

As of March 31, 2018		(Rupees in lakhs)		
Particulars	Gross Amount	Impairment	Carrying Value	
Considered Good	41544.01	-	-	
Considered Doubtful	133325.97	-	-	
Provision on significant increase in credit risk at beginning of the Year	-	301.53	-	
Add : Provision Made During the Year	-	52,288.91	-	
Past due more than 120 days	-	-	-	
Total	1,74,869.98	52,590.44	1,22,279.54	

Trade receivables are generally considered credit impaired after three years past due (except government dues), unless the amount is considered receivable, when recoverability is considered doubtful based on the recovery analysis performed by the company for individual trade receivables. The company considers that all the above financial assets that are not impaired and past due for each reporting dates under review are of good credit quality.

With regard to trade receivable on certain transactions, the company has equivalent trade payables to associate suppliers which are payable on realization of trade receivables. Such trade receivables are considered not impaired though past due.

Other financial assets

There are no impairment provisions as at each reporting date against financial assets. We consider all the financial assets as at the reporting dates to be of good credit quality.

c) Liquidity Risk

Our liquidity needs are monitored on the basis of monthly and yearly projections. The company's principal sources of liquidity are cash and cash equivalents, cash generated from operations and availability of funding through an adequate amount of committed credit facilities to meet obligations when due.

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NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Due to the dynamic nature of underlying businesses, the company maintains flexibility in funding by maintaining availability under committed credit lines.

Short term liquidity requirements consists mainly of sundry creditors, expense payable, employee dues arising during the normal course of business as of each reporting date. The company maintains sufficient balance in cash and cash equivalents to meet short term liquidity requirements.

The company assesses long term liquidity requirements on a periodical basis and manages them through internal accruals and committed credit lines.

The table below provides details regarding the contractual maturities of non-derivative financial liabilities. The table has been drawn up based on the undiscovered cash flows of financial liabilities based on the earliest date on which the company can be required to pay. The table includes both principal & interest cash flows.

As of March 31, 2019						(Rupees in lakhs)
Particulars	Less than 6 months	6 Months to 1 Year	1-3 Years	3-5 Years	More than 5 Years	
Trade Payables	-	2,450.48	-	-	-	-
Short Term Borrowings	2,43,008.71	-	-	-	-	-
Long term Borrowings	-	-	-	-	-	-
Other Financial Liabilities	3,765.74	-	-	-	-	-
Total :	-	2,49,224.93	-	-	-	-
As of March 31, 2018						(Rupees in lakhs)
Particulars	Less than 6 months	6 Months to 1 Year	1-3 Years	3-5 Years	More than 5 Years	
Trade Payables	-	4,042.11	5,172.83	3,069.03	393.15	
Short Term Borrowings	-	98,400.19	82,719.83		-	
Long term Borrowings	-			61,387.99	-	
Other Financial Liabilities	-	-	-	-	-	
Total :	-	1,02,442.30	87,892.66	64,457.02	393.15	

29 Employee Benefits

Defined contribution plans:

The Company makes Provident Fund contribution to defined contribution plans for qualifying employees. Under the Scheme, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits. The Company recognised Rs.43.39 lakhs (31.03.2018: Rs.47.77 lakhs) for Provident Fund contributions in the Statement of Profit and Loss. The contributions payable to these plan by the Company are at rates specified in the rules of the scheme.

Defined benefit plans:

The Company offers the following employee benefit schemes to its employees:

- i. Gratuity
- ii. Compensated absences

Liability for retiring gratuity as on March 31, 2019 is Rs.278.04 lakhs (31-3-2018: Rs.224.13 lakhs) . The Liability for Gratuity and Cost of Compensated absences has been determined and provided for in the books.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS**30 Related Party Disclosure**

The following are related parties as defined in "Indian Accounting Standard (Ind AS) 24 - Related Party Disclosures" notified under The Companies (Accounting Standards) Rules, 2013.

List of Related Parties**1. Subsidiaries**

Subsidiaries held directly		Country of Incorporation	Percentage of ownership interest
i.	Glade Steel Pvt Ltd.	India	51.15%
ii.	Alpha Ventures Ltd.	Cayman Islands	100%
iii.	Asian Tide Enterprises Ltd.	Hong Kong	100%
Subsidiaries held indirectly			
i.	Optimix Enterprises Limited	Mauritius	100%

2. Key Management Personnel

i.	Mr. R. K. Birla	Managing Director
iii.	Mr. Shaik Ibraheem	Company Secretary

3. List of Related Parties

Sl.No.	Name of the Company	G.S. Raju	S. Hanumantha Rao
1	Foster Infin and Trading Private Limited	√	
2	Sujana Energy Limited		√
3	Sujana Finance and Trading Private Limited	√	
4	Sujana Holding Limited	√	√
5	Sujana Universal Industries Ltd	√	√
6	Sujana Power (Gangikondan) Limited		√
7	Sujana Power (Tuticorin) Limited		√
8	Sujana Projects Limited	√	√
9	Neueon Towers Limited	√	√
10	Lakshmi Gayatri Industries pvt ltd	√	√
11	Yalamanchili Finance and Trading Private Limited	√	
12	Sujana Pumps & Motors Pvt. Ltd	√	

Note: Related parties have been identified by the management.

(Rupees in lakhs)

Related Party Transactions:				
Particulars	Subsidiaries		On Account of Key Management Personnel	
	2018-19	2017-18	2018-19	2017-18
A) Sales				
Glade Steel Private Limited	-	-	-	-
Sujana Universal Industries Ltd	-	-	-	-
Neueon Towers Ltd.	-	-	42.35	77.67
SUB-TOTAL	-	-	42.35	77.67
B) Purchases				
Glade Steel Private Limited	-	-	-	-
Sujana Universal Industries Ltd	-	-	-	177.57
Neueon Towers Ltd.	-	-	95.16	529.94
SUB-TOTAL	-	-	95.16	707.51

SPLENDID METAL PRODUCTS LIMITED

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

C) Investments made during the year / period				
Alpha Ventures Limited	-	-	2051.71	-
Asian Tide Enterprises Limited	-	-	-	-
SUB-TOTAL	-	-	2051.71	-
D) Advances given/(refunded) during the year				
Alpha Ventures Limited	-	-	-	-
Asian Tide Enterprises Limited	-	-	-	-
SUB-TOTAL	-	-	-	-
E) Advances received during the year				
Yalamanchili Finance and Trading Private Limited	-	-	-	-
SUB-TOTAL	-	-	-	-
F) Other Income				
Sujana Universal Industries Ltd	-	-	9.00	-
SUB-TOTAL	-	-	9.00	-
G) Other Expenses				
Laxmi Gayatri Industries Ltd.	-	-	9.00	9.00
Glade Steel Private Limited	9.00	9.00	-	-
SUB-TOTAL	9.00	9.00	9.00	9.00
H) Remuneration				
Mr. R.K.Birla - Managing Director	-	-	60	0
Mr. Shaik Ibraheem - Company Secretary	-	-	12.38	12.38
SUB-TOTAL	-	-	72.38	12.38

31 Disclosure in respect of Indian Accounting standard (Ind AS) 17 “Leases”

a) Operating leases: The company have Operating lease arrangement during the period.

(Rupees in lakhs)

Particulars	Glade steel		Lakshmi Gayathri		Sri Ganga	
	As at 31.03.2019	As at 31.03.2018	As at 31.03.2019	As at 31.03.2018	As at 31.03.2019	As at 31.03.2018
With in One Year	9.00	9.00	9.00	9.00	9.00	9.00
Latter than one year and not later than five years	-	-	-	-	-	-
Later than Five Years	-	-	-	-	-	-
Total :	9.00	9.00	9.00	9.00	9.00	9.00

32 Disclosure in respect of Indian Accounting Standard (Ind AS)-33 “Earnings Per Share(EPS)”

(Rupees in lakhs)

Particulars	2018-19	2017-18
Profit After Tax	(68952.91)	(73198.65)
Less: Preference Dividend including tax thereon	0	0
Profit attributable to ordinary share holders	(68952.91)	(73198.65)
Profit attributable to ordinary share holders- for diluted EPS	(68952.91)	(73198.65)
Weighted average number of ordinary shares used in computing Basic Earnings per Share	301010881	301010881
Add: Effect of potential ordinary (equity shares) on conversion of share warrants and redeemable preference shares	0	0
Weighted average number of ordinary (equity shares) used in computing Diluted Earnings Per Share.	301010881	301010881
Earnings per share - Face Value: Rs. 5/- each		
Basic - Rs.	(22.91)	(24.32)
Diluted - Rs.	(22.91)	(24.32)

NOTES FORMING PART OF THE FINANCIAL STATEMENTS**33 Contingent liabilities and commitments (to the extent not provided for)** (Rupees in lakhs)

	Particulars	As at 31 March 2019	As at 31 March 2018
a)	Contingent liabilities		
i)	Claims against the Company not acknowledged as debts in respect of:		
	Excise Duty	1899.84	1900.72
	Custom Duty	791.77	775.79
	TNVAT/APGST/CST	12997.44	12997.44
	Income Tax	1775.45	1775.45
	FERA	300	400
ii)	Guarantees		
	Corporate Guarantees furnished on behalf of Sujana Universal Industries Ltd	81410.00	81410.00
	Corporate guarantee furnished on behalf of Optimix Enterprises Limited (USD 75 lakhs)	4087.50	4087.50
b)	Commitments		
i)	Export commitments on account of import of machinery and equipments at concessional duty under EPCG scheme (31.03.2018 : Rs. 112.16 Lakhs). Such export commitments need to be fulfilled by the Company on or before 23 April 2016. As on 31 March 2015, the Company has fulfilled its export commitments and which are pending final approval of Director General of Foreign Trade. In the event of non-fulfillment of the export commitments by 23 April 2016 by the Company, the liability (excluding interest and penalties) towards customs duty	112.16	112.16

34 Derivative Instruments

The year-end foreign currency exposures that have not been hedged by a derivative instrument or otherwise are given below:

Particulars	2018-19		2017-18	
	Rs.	USD	Rs.	USD
For import of goods and services	-	-	-	-
From export of goods and services	-	-	15848.28	244.53

35 CIF Value of Imports

(Rupees in lakhs)

Particulars	2018-19	2017-18
Raw Materials including stock in trade	-	-
Capital Goods	-	-
Others	-	-
Total	-	-

36 Details of consumption of imported and indigenous items

Particulars	2018-19		2017-18	
	%	VALUE (Rs.in lakhs)	%	VALUE (Rs.in lakhs)
Raw Material				
Imported	0%	-	0%	-
Indigenous	100%	38,106.48	100%	40,139.89
	100%	38,106.48	100%	40,139.89
Stores and Spares (Indigenous)	100%	1508.25	100%	582.46

SPLENDID METAL PRODUCTS LIMITED

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

37 Expenditure in Foreign Currency (on accrual basis) (Rupees in lakhs)

Particulars	2018-19	2017-18
Travelling	-	-
Professional and Consultancy	-	-
Total	-	-

38 Earnings in Foreign Exchange (Rupees in lakhs)

Particulars	2018-19	2017-18
FOB Value of Exports	-	-
Others	-	-
Total	-	-

39 Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006.

Trade payables (Ref: Note No.18 -Trade payables include Rs.Nil (31.03.2018: Rs.Nil) due to micro enterprises and small enterprises as defined under Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act 2006). The Company has not received any memorandum(as required to be filed by the supplier with the notified authority under the MSMED Act 2006) claiming their status as Micro or Small or Medium Enterprises.

40 Disclosure as per the Listing Regulations / Listing Agreement

Loans and advances in the nature of loans given to subsidiaries, associates and others and investment in shares of the Company by such parties:

(Rupees in lakhs)

Name of the Company	Relationship	Amount Outstanding as at year end	Maximum Outstanding during the year
Alpha Ventures Limited	Subsidiary	-	-
		<i>2,051.71</i>	<i>2,051.71</i>
Asian Tide Enterprises Limited	Subsidiary	-	-
		-	-
Optimix Enterprises Ltd.	Subsidiary	-	-
		-	-
Glade Steel Pvt. Ltd.	Subsidiary	-	-
		-	-

Above loans and advances are interest free and there are no repayment schedules
 Figures in italics related to previous year.

41. Details of Loans as on 31.03.2019 as Follows:

i) Balances as on 31.03.2019 (Refer Note No. 17) (Rupees in lakhs)

Bank name	As at March 31, 2019	As at March 31, 2018
Andhra Bank	7590.21	7590.21
Bank of Baroda	10435.14	10434.08
Bank of India	48890.98	48890.96
IDBI Bank	3790.65	3790.65

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Indian Bank	7549.56	7549.56
Indian Overseas Bank	28957.80	28956.53
Edelweises ARC Ltd (KBL)	6228.68	6259.83
Lakshmi Vilas Bank	8592.47	8590.08
Oriental Bank of Commerce	7951.13	7951.13
Punjab National Bank	68475.92	68478.71
State Bank of India	32189.35	31659.35
SASF	12286.82	12286.82
Total :	242938.72	242437.91

Interest Rs. 26,723.26 lakhs on borrowings from Banks, FIS are not provided during the financial year 2018-19, had this provided the loss for the year increased from Rs.88,886.66lakhs to 1,15,609.92 lakhs for earlier years Rs. 28,355.50 lakhs and cumulative loss upto 31th March 2019 will be increased from Rs. 1,75,545.97 lakhs to Rs. 2,30,624.72 lakhs.

- 42** The Company's significant leasing arrangements are in respect of operating leases for premises (office, stores, godowns, etc.). The leasing arrangements, which are not non-cancellable, range between ten months and three years generally, and are usually renewable by mutual consent on agreed terms. The aggregate lease rentals Rs. 71.57 lakhs (31.03.2018:Rs.76.07 lakhs) payable are charged as rent in to the statement of profit and loss.
- 43** Balances of Unsecured loans, receivables, payables and loans and advances are subjects to their confirmation and reconciliations.
- 44** Previous period's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosure.

As per our report of even date attached

For SPLENDID METAL PRODUCTS LIMITED

For T. Raghavendra & Associates

Chartered Accountants

FRN No: 003329S

T. Raghavendra

Mem. No : 023806

R. K. Birla

Managing Director

(DIN: 00118776)

T. Sathisan

Resolution Professional

IBBI/IPA-001/IP P00105/2017-2018/10212

S. Hanumantha Rao

Director

(DIN: 00118801)

Shaik Ibraheem

Company Secretary

Place : Hyderabad

Date : 15th June 2019

Place : Hyderabad

Date : 15th June 2019

SPLENDID METAL PRODUCTS LIMITED

INDEPENDENT AUDITORS' REPORT ON CONSOLIDATED FINANCIAL STATEMENTS

To the Members of

SPLENDID METAL PRODUCTS LIMITED

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of SplendidMetal Products Limited ('theHoldingCompany') (Formerly known as Sujana Metal Products Limited) and its subsidiary companies except Asian Tide Enterprises Limited (the Holding Company and its subsidiary companies together referred as 'the Group'),which comprise the Consolidated Balance Sheet as at March 31, 2019, the Consolidated Statement of Profit and Loss,the Consolidated Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information ('the consolidated financial statements').

Management's Responsibility for the Consolidated Financial Statements

The Company's Board of Directors is responsible for the preparation of these consolidated financial statements interms of the requirements of the Companies Act, 2013 ('the Act') that give a true and fair view of the consolidatedfinancial position, consolidated financial performance and consolidated cash flows of the Group in accordance withthe accounting principles generally accepted in India, including the Accounting Standards specified under Section133 of the Act as applicable. The respective Board of Directors of the Company and its subsidiary companies are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting 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 adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentationof the consolidated financial statements that give a true and fair view and are free from material misstatement,whether due to fraud or error, which have been used for the purpose of preparation of these consolidated financialstatements by the Board of Directors of the Company.

Auditors' Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit.

While conducting the audit, 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 theRules made thereunder.

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 the ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in theconsolidated financial statements. The procedures selected depend on the auditors' judgment, including theassessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud orerror. In making those risk assessments, the auditor considers the internal financial controls relevant to the Company's preparation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors referred to in the 'Other Matter' paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated 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 consolidated state of affairs of the Group as at March 31, 2019 and its consolidated loss and its consolidated cash flows for the year ended on that date.

Emphasis of Matters

We draw attention to the following matters in the Notes to the financial statements::

- a) Note 07 and 09 forming part of the financial statements regarding the Trade Receivables which are long overdue to the extent of Rs. 42808.03 lakhs of which Rs. 1,51,126.38 lakhs (As per standalone Financials - Rs. 122611.36 lakhs) was provided as doubtful debts by the management. And Rs. 5,280.76 lakhs of advances are long overdue of which Rs. 12,372.74 lakhs was provided as doubtful advances by the management as they consider the balance as good and recoverable and estimates that provision for doubtful debts is not necessary. We are unable to form an opinion on the uncertainty regarding the collection of these long outstanding.
- b) Refer note No. 32 regarding the winding up petition filed by Standard Bank (Mauritius) Ltd., in the High Court of Andhra Pradesh against the company for giving corporate guarantee for loan extended by the said bank to the step down subsidiary Optimix Enterprises Limited for Rs. 4,087.50 lakhs. We are unable to form an opinion on the uncertainty regarding the outcome of Andhra Pradesh High Court decision.
- c) The Company's Net Worth has been eroded on account of losses incurred continuously during the previous years, which is negative. The Current Liabilities of the Company exceeded the Current Assets as at 31st March 2019 by Rs. 2,007.36 Crores and the Company's ability to continue a going concern is in doubt.
- d) The Company has adjusted certain Trade Payables amount with Trade Receivables to the tune Rs. 157.01 Crores during the year with the consent of both the parties in the Holding Company. And, Rs. 1.72 Crores in subsidiary companies i.e. M/s. Glade Steels Limited and M/s. Alpha Ventures Limited. However the tripartite agreement if any was not made available for our verification.
- e) Bank Statements were not available with the Company for all the Banks except that of Vizag Branch. Interest calculations are on the basis of the last interest rates on the outstanding balances.
- f) The GST Returns are yet to be reconciled for all the Branches and that of the Telangana State were not made available. We are unable to form an opinion on the veracity of the sales figures of the Company.

Our opinion is not modified in respect of these matters.

Basis for Qualified Opinion

Reference is invited to Note 33 (foot Note) of the financial statements, the company has not provided interest on secured loans being borrowing from banks and financial institutions during the year ended 31.03.2019 amounting to Rs. 26723.26 Lakhs. This constitutes a departure from the Accounting Standards notified under the Companies Act, 2013. Had the company accounted for the said interest component in the financials, the loss will increase from Rs. 1,06,054.38 lakhs to Rs. 1,32,777.64 lakhs and cumulative loss upto 31.03.2019 will increase from Rs. 1,87,778.57 lakhs to Rs. 2,42,857.33 lakhs.

SPLENDID METAL PRODUCTS LIMITED

Other Matter

We have audited two subsidiaries and one step down subsidiary of the company and we did not audit the financial statements of 1 direct subsidiary company and whose financial statements reflect total assets of Rs. 2,569.86 lakhs as at March 31, 2019, total revenues of Rs. NIL lakhs and total loss after tax of Rs. 5,344.56 lakhs for the year ended on that date, are considered in the consolidated financial statements. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries is based solely on the reports of the other auditors.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory requirements below, is not modified in respect of the above matter with respect to our reliance on the work done and the reports of the other auditors.

Report on Other Legal and Regulatory Requirements

As required by Section 143 (3) of the Act, we report, to the extent applicable, 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 of the aforesaid consolidated financial statements.
- b) In our opinion, proper books of account as required by law relating to preparation of the consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.
- c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
- d) In our opinion, the consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, as applicable.
- e) On the basis of the written representations received from the Directors of the Company as on March 31, 2019, taken on record by the Board of Directors of the Company and the reports of the statutory auditors of its subsidiary companies incorporated in India, none of the Directors of the Group companies, incorporated in India is disqualified as on March 31, 2019 from being appointed as a director in terms of Section 164 (2) of the Act.
- f) With respect to the adequacy of the internal financial controls over financial reporting and the operating effectiveness of such controls; refer to our report in "Annexure A", which is based on the Auditors' Reports of the Company and its subsidiary companies incorporated in India. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the internal financial controls over financial reporting of the Company and its subsidiary companies incorporated in India.
- g) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i) The Group has not disclosed the impact of pending litigations on the consolidated financial position of the Group in its consolidated financial statements as of March 31, 2019.
 - ii) The Group did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii) There have been no amounts, required to be transferred, to the Investor Education and Protection Fund by the Company and its subsidiary companies incorporated in India.

For T. Raghavendra & Associates
Chartered Accountants
(Firm Regn No:003329S)

T. Raghavendra
Proprietor
Mem. No. 023806

Date: 15-06-2019
Place: Hyderabad

ANNEXURE 'A' TO THE INDEPENDENT AUDITORS' REPORT

(Referred to in paragraph (f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')

We have audited the internal financial controls over financial reporting of Splendid Metal Products Limited ('the Holding Company') and its subsidiary companies incorporated in India as at March 31, 2019 in conjunction with our audit of the consolidated financial statements of the Company for the year ended and as on that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Holding Company and its subsidiary companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the respective internal control over financial reporting criteria established by the Holding Company and its subsidiary companies incorporated in India 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 (the 'Guidance Note'). These responsibilities include 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 the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

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 Standards on Auditing prescribed under Section 143(10) of the Act and the Guidance Note, to the extent applicable to an audit of internal financial controls over financial reporting. Those Standards and the Guidance Note require that we comply with the 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.

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 control 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 auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors of the subsidiary companies incorporated in India and outside India, in terms of their reports referred to in the Other Matter paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial control system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

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

SPLENDID METAL PRODUCTS LIMITED

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 authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised 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

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

In our opinion to the best of our information and according to the explanations given to us, the Company and its subsidiary companies incorporated in India, have, in all material respects, an adequate internal financial control system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2019, based on the internal control over financial reporting criteria established by the Company and its subsidiary companies incorporated in India considering the essential components of internal control stated in the Guidance Note.

Other Matter

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting insofar as it relates to one subsidiary company, incorporated in India, is based on the corresponding reports of the auditors of such companies incorporated in India.

For T. Raghavendra & Associates
Chartered Accountants
(Firm Regn No. 003329S)

Date: 15-06-2019
Place: Hyderabad

T. Raghavendra
Proprietor
Mem. No. 023806

Consolidated Balance sheet as at 31st March, 2019

Rupees in lakhs

	Note No	As at 31 March 2019	As at 31 March 2018
I. ASSETS			
1 Non- Current Assets			
(a) Property, Plant and Equipment	2	40,507.77	43,664.52
(b) Capital work - in - progress		5,946.93	6,807.09
(c) Good Will		326.96	326.96
(d) Deferred tax Assets (Net)	15	34,333.49	14,398.31
(e) Financial Assets			
(i) Loans	3	1,125.60	1,329.59
(ii) Other non-current assets	4	547.50	255.57
		<u>82,788.25</u>	<u>66,782.04</u>
2 Current Assets			
(a) Inventories	5	2,297.92	5,012.80
(b) Financial Assets			
(i) Investments	6	5.00	5.00
(ii) Trade receivables	7	46,570.95	1,54,756.16
(iii) Cash and cash equivalents	-	6.04	43.87
(iv) Bank balances other than (iii) above	8	127.62	185.31
(v) Loans	9	6,890.27	17,672.66
(c) Other current assets	10	54.58	35.92
		<u>55,952.40</u>	<u>1,77,711.72</u>
TOTAL		<u>1,38,740.65</u>	<u>2,44,493.76</u>
II. EQUITY AND LIABILITIES			
1 Equity			
(a) Equity Share Capital	11	15,050.54	15,050.54
(b) Other Equity	12	(134,076.47)	(42,682.81)
		<u>(1,19,025.93)</u>	<u>(27,632.27)</u>
Minority Interest		626.30	652.94
2 Non- Current liabilities			
(a) Financial Liabilities			
(i) Borrowings	13	-	61,387.89
(b) Provisions	14	205.03	205.03
(c) Other non - current liabilities	16	247.33	297.46
		<u>452.36</u>	<u>61,890.38</u>
3 Current liabilities			
(a) Financial Liabilities			
(i) Borrowings	17	2,43,008.72	1,24,819.29
(ii) Trade payables	18	8,723.34	17,421.94
(b) Other current liabilities	19	3,076.53	65,440.48
(c) Provisions	20	120.47	46.10
(d) Current Tax Liabilities (Net)	21	1,758.86	1,854.90
		<u>2,56,687.92</u>	<u>2,09,582.71</u>
Total Equity and Liabilities		<u>1,38,740.65</u>	<u>2,44,493.76</u>

See accompanying notes forming part of the financial statements

As per our report of even date attached

For SPLENDID METAL PRODUCTS LIMITED

For T. Raghavendra & Associates

Chartered Accountants

FRN No: 003329S

T. Raghavendra

Mem. No : 023806

R. K. Birla

Managing Director

(DIN: 00118776)

T. Sathisan

Resolution Professional

IBBI/IPA-001/IP P00105/2017-2018/10212

S. Hanumantha Rao

Director

(DIN: 00118801)

Shaik Ibraheem

Company Secretary

Place : Hyderabad

Date : 15th June 2019

Place : Hyderabad

Date : 15th June 2019

SPLENDID METAL PRODUCTS LIMITED

Consolidated Statement of Profit and Loss for the period ended 31st March, 2019 Amount in lakhs

Particulars	Note No	For the year ended 31 March 2019	For the year ended 31 March 2018
I. Revenue			
Revenue from operations (Gross)	22	45,817.68	53,743.23
II. Other income	23	73.42	253.70
III. Total revenue		<u>45,891.10</u>	<u>53,996.93</u>
IV Expenses			
Cost of materials	24.a&b	38,106.48	42,363.56
Change in inventories of finished goods, work in progress and stock-in-trade	24.c	1,512.41	20,376.51
Employee benefit expenses	25	1,331.24	1,030.83
Finance costs	26	179.76	250.77
Depreciation and amortisation expense	2A&2B	3,197.49	3,392.62
Other expenses	27	1,07,609.11	81,978.64
Total expenses		<u>1,51,936.49</u>	<u>1,49,392.93</u>
V Profit before Exceptional Items and Tax		<u>(1,06,045.39)</u>	<u>(95,396.00)</u>
Exceptional Items		-	-
Profit before Tax		<u>(1,06,045.39)</u>	<u>(95,396.00)</u>
VI Tax expense:			
a) Current tax expense for current year		-	-
b) MAT credit relating to earlier years		-	211.57
c) Current tax relating to earlier years		-	-
d) Deferred tax relating to earlier years		-	-
		-	211.57
e) Deferred tax for Current Year		<u>(19,935.18)</u>	<u>(8,739.27)</u>
		<u>(19,935.18)</u>	<u>(8,527.70)</u>
VII Profit / (Loss) for the year from continuing operations (III-IV)		<u>(86,110.20)</u>	<u>(86,868.30)</u>
Minority Interest		26.64	28.15
VIII Profit/(Loss) from Discontinued operations		-	-
IX Tax expenses of discontinued operations		-	-
X Profit/(Loss) from discontinued operations (after tax) (X-XI)		-	-
XI Profit/(Loss) for the period (IX+XII)		<u>(86,083.56)</u>	<u>(86,840.15)</u>
XII OTHER COMPREHENSIVE INCOME			
A (i) Items that will not be reclassified to profit or Loss		-	-
(ii) Income Tax relating to items that will not be reclassified to profit or Loss		-	-
B (i) Items that will not be reclassified to profit or Loss		-	-
(ii) Income Tax relating to items that will not be reclassified to profit or Loss		-	-
Total Comprehensive Income for the period (XIII+XIV)		<u>(86,083.56)</u>	<u>(86,840.15)</u>

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Amount in lakhs

	Note No	For the year ended 31 March 2019	For the year ended 31 March 2018
XIII Earnings per equity share of Rs. 5/- each (for continuing operation):			
Basic Rs.		(28.60)	(28.85)
Diluted Rs.		(28.60)	(28.85)
XIV Earnings per equity share of Rs. 5/- each (for discontinued operation):			
Basic Rs.		(28.60)	(28.85)
Diluted Rs.		(28.60)	(28.85)
XV Earnings per equity share of Rs. 5/- each (for discontinued & Continuing operation):			
Basic Rs.		(28.60)	(28.85)
Diluted Rs.		(28.60)	(28.85)
XVI Earnings per equity share of Rs. 5/- each (Refer Note No. 31)			
Basic Rs.		(28.60)	(28.85)
Diluted Rs.		(28.60)	(28.85)

See accompanying notes forming part of the financial statements

As per our report of even date attached

For SPLENDID METAL PRODUCTS LIMITED

For T. Raghavendra & Associates

Chartered Accountants
FRN No: 003329S

R. K. Birla

Managing Director
(DIN: 00118776)

S. Hanumantha Rao

Director
(DIN: 00118801)

T. Raghavendra

Mem. No : 023806

T. Sathisan

Resolution Professional
IBBI/IPA-001/IP P00105/2017-2018/10212

Shaik Ibraheem
Company Secretary

Place : Hyderabad
Date : 15th June 2019

Place : Hyderabad
Date : 15th June 2019

SPLENDID METAL PRODUCTS LIMITED

Cash flow statement for the period ended 31st March 2018

Rupees in lakhs

	For the year ended 31 March 2019	For the Year ended 31 March 2018
Cash flow from operating activities		
Net profit before tax	(106,045.39)	(95,342.12)
Adjustments for:		
Depreciation and amortisation	3,197.49	3,392.62
Loss on sale of fixed assets (net)	-	4.01
Net unrealised exchange gain	-	-
Finance costs	179.76	250.77
Interest income	(20.00)	(25.99)
Loss on sale of current investment	-	-
Adjustments to the carrying amount of current investments	5,781.38	6,005.62
Operating profit before working capital changes	(96,906.76)	(85,715.09)
<i>Changes in working capital:</i>		
<i>Adjustments for (increase) / decrease in operating assets:</i>		
Inventories	2,714.88	20,391.73
Trade receivables	108,185.20	61,864.90
Long-term loans and advances	203.99	303.82
Short-term loans and advances	10,782.39	22,011.98
Other current assets	(0.01)	-
Other non current assets	-	-
<i>Adjustments for increase / (decrease) in operating liabilities:</i>		
Trade payables	(8,698.60)	(22,093.45)
Other current liabilities	(62,382.61)	27,150.70
Other long-term liabilities	(50.13)	187.93
Other Short-term liabilities	74.37	(147.66)
Provision for employee benefits	-	(48.73)
Cash generated from operations	(46,077.28)	23,906.13
Net income tax paid	(96.02)	(258.76)
Net cash flow from operating activities	(A) (46,173.30)	23,647.37
Cash flows from investing activities		
Capital expenditure on fixed assets and capital advances paid	830.66	(128.35)
Receipt of capital advances	-	-
Proceeds from sale of fixed assets	(15.77)	(4.01)
(Increase)/decrease in restricted cash	(291.93)	129.44
Advances given to subsidiaries	-	-
Advances realised from subsidiaries	-	-
Purchase of current investments	-	-
Foreign Currency Translation Adjustment	(11,086.96)	2,269.34
Proceeds from sale of current investment- mutual fund units	-	-
Income from current investments received	-	-
Interest received	1.34	73.18
Net cash used in investing activities	(B) (10,562.66)	2,339.61

Rupees in lakhs

	For the year ended 31 March 2019	For the Year ended 31 March 2018
Cash flow from financing activities		
Proceeds from issue of share capital	-	-
Share premium received / Capital Reserve	-	-
Proceeds from long-term borrowings	(61,387.89)	(26,378.40)
Repayment of long-term borrowings		
Increase in short-term borrowings	118,189.43	471.02
Dividend paid including tax there on	-	-
Interest and other borrowing costs paid	(161.10)	(297.96)
Net cash (used in)/from financing activities (C)	56,640.44	(26,205.34)
Net (decrease)/increase in cash and cash equivalents (A + B + C)	(95.52)	(218.37)
Cash and cash equivalents at the beginning of the year	229.19	447.55
Exchange difference on translation of foreign currency cash and cash equivalents	-	
Cash and cash equivalents at the end of the year	133.67	229.19

Notes:

1. Cash Flow Statement has been prepared under the Indirect method as set out in the Accounting Standard 3 on Cash Flow Statements.	-	-
2. Cash and cash equivalents comprise cash at bank and in hand and short-term deposits with banks with an original maturity of three months or less	-	-
3. Reconciliation of Cash and cash equivalents with balance sheet:	-	-
Cash and bank balances as per balance sheet	133.67	229.19
Less: Balances in earmarked accounts	-	-
- balance held as margin monies		
Net cash and cash equivalents at the end of the year	133.67	229.19

See accompanying notes forming part of the financial statements

As per our report of even date attached

For SPLENDID METAL PRODUCTS LIMITED

For T. Raghavendra & AssociatesChartered Accountants
FRN No: 003329S**T. Raghavendra**

Mem. No : 023806

R. K. BirlaManaging Director
(DIN: 00118776)**T. Sathisan**Resolution Professional
IBBI/IPA-001/IP P00105/2017-2018/10212**S. Hanumantha Rao**Director
(DIN: 00118801)**Shaik Ibraheem**

Company Secretary

Place : Hyderabad
Date : 15th June 2019Place : Hyderabad
Date : 15th June 2019

SPLENDID METAL PRODUCTS LIMITED

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

1 Corporate information

"Splendid Metal Products Limited (SMPL) was incorporated in 02 May 1988 under the name of Sujana Steel Re-rolling Industries Private Limited. The name of the company was changed to Sujana Steels Private Limited on 30 March 1992. The company was converted into public limited company on 20 April 1992. The company changed its name as Sujana Metal Products Limited w.e.f. 09 November 2001. The Company further changed its name as "SPLENDID METAL PRODUCTS LIMITED" w.e.f. 16th November 2016. The Company was promoted by Sri Y.S. Chowdary, his associates and relatives. The company was incorporated with an object to manufacture of steel re-rolled products. SMPL is engaging in the business of manufacturing and marketing value added steel products. SMPL is categorized as a secondary steel producer in the Industry. SMPL is currently engaging in the business of Manufacture and trading of steel products like Thermo Mechanically Treated (TMT) bars in different sizes, Structural steels like Ms Angles, Ms Squares, Ms Beams and Ms Channels etc and smart steel of varying shapes and dimensions for the construction & infrastructure sector."

All Banks are cancelled their limits and demanded to pay. Punjab National Bank Filed before DRT-II, Chennai for recoveries of their dues. All Units except unit at Sanivada Village, Visakhapatnam, Andhra Pradesh are taken possession by the DRT-II, Chennai. Further to above Punjab National Bank also filed before NCLT, Hyderabad bench, Hyderabad, is admitted and the commencement of the Corporate Insolvency Resolution Process against the company is hereby ordered which ordinarily shall get completed with in 180 days, neckoning from the day this order is passed i.e. 01-April-2019.

2 Significant Accounting Policies

a Basis of Preparation of Financial Statements

The financial statements have been prepared on accrual basis under the historical cost convention in accordance with the Accounting Standards as notified by the Companies (Accounting Standards) Rules, 2006 and the relevant provisions of the Companies Act, 2013.

b. Principles of Consolidation:

The Consolidated Financial Statements relate to Splendid Metal Products Limited ("the Company") and its subsidiary companies ("the Group"). The Consolidated Financial Statements have been prepared on the following basis.

The financial statements of the Company and its subsidiary companies have been consolidated on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses, after fully eliminating intra -group balances and unrealised profits or losses on intra-group transactions as per Indian Accounting Standard - "Consolidated Financial Statements" notified by the Companies (Accounting Standards) Rules, 2006.

In case of foreign subsidiaries being non-integral foreign operations, revenue items are consolidated at the average rate prevailing during the year. All assets and liabilities are converted at the rates prevailing at the end of the year. Any exchange difference arising on consolidation is recognised in "Foreign Currency Translation Reserve".

The excess of cost to the Company, of its investment in the subsidiaries over the Company's share of equity is recognised in the financial statements as Goodwill and tested for impairment annually.

Minority interest in the net assets of the consolidated subsidiaries is identified and presented in consolidated balance sheet separately from non-current liabilities and the equity of the Company's share holders.

Minority interest consists of:

- i) The amount of equity attributable to minorities at the date on which investment in a subsidiary is made; and
- ii) The minorities share of movements in the equity since the date the parent subsidiary relationship came into existence.

Share of net profit attributable to the minority share holders for the year is identified and adjusted against profit after tax of the group.

c Use of Estimates

The preparation of financial statements requires judgements, estimates and assumptions to be made that affect the reported amount of assets and liabilities, disclosure of contingent liabilities on the date of financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognised in the period in which the results are known/materialised.

d Revenue Recognition

Revenue is measured at the fair value of the consideration received or receivable. The Company recognizes

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

revenues on sale of products, net of discounts, sales incentives, rebates granted, returns, sales taxes and duties when the products are delivered to customer or when delivered to a carrier for export sale, which is when significant risks and rewards of ownership pass to the customer. Sale of products is presented gross of manufacturing taxes like excise duty wherever applicable. Revenue from sale of by-products are included in revenue.

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

e Foreign Currency Transactions

The functional currency of the Company is determined on the basis of the primary economic environment in which it operates. The functional currency of the Company is Indian National Rupee (INR).

The transactions in currencies other than the entity's functional currency (foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences on monetary items are recognised in Statement of Profit and Loss in the period.

f Borrowing Costs

The Company capitalises borrowing costs that are directly attributable to the acquisition, construction or production of qualifying asset as a part of the cost of the asset.

The Company recognises other borrowing costs as an expense in the period in which it incurs them. A qualifying asset is an asset that necessarily takes a substantial period of time to get ready for its intended use or sale.

g Inventories

Raw materials are valued at cost or net realisable value, whichever is lower. Cost is ascertained based on weighted average cost method.

Finished goods produced and purchased are valued at cost or net realisable value, whichever is lower.

Excise duty in respect of finished goods produced and awaiting despatch is included in valuation of the Inventory. Stores and Spares are carried at cost, ascertained on a weighted average basis. Necessary provision is made in case of obsolete and non-moving items.

h Employee Benefits

i. Provision for gratuity, leave encashment/availment and long service benefits i.e. service award, compassionate gratuity and employees' family benefit scheme is made on the basis of actuarial valuation using the projected unit credit method. Re-measurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding interest), is reflected immediately in the statement of financial position with a charge or credit recognized in other comprehensive income in the period in which they occur. Re-measurement recognized in other comprehensive income is reflected immediately in retained earnings and will not be reclassified to Statement of Profit or Loss.

ii. Provision for post-retirement medical benefit is made on defined contribution basis.

iii. Provident fund contribution is made to Provident Fund Trust on accrual basis.

iv. Payment of Ex-gratia and Notice pay on Voluntary Retirement are charged to revenue in the year incurred.

v. Superannuation plan, a defined contribution scheme is administered by Life Insurance Corporation of India (LIC). The Company makes contributions based on a specified percentage of each eligible employee's salary.

Short-term and other long-term employee benefits

A liability is recognised for benefits accruing to employees in respect of wages and salaries, annual leave and sick leave in the period the related service is rendered at the undiscounted amount of the benefits

SPLENDID METAL PRODUCTS LIMITED

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

expected to be paid in exchange for that service.

Liabilities recognised in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

Liabilities recognised in respect of other long-term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the Company in respect of services provided by employees up to the reporting date.

i **Taxes on Income**

Income tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the statement of profit or loss and other comprehensive income/statement of profit or loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are generally recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized. Such deferred tax assets and liabilities are not recognized if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. In addition, deferred tax liabilities are not recognized if the temporary difference arises from the initial recognition of goodwill.

Deferred tax liabilities are recognized for taxable temporary differences associated with investments in subsidiaries and associates, and interests in joint ventures, except where the company is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognized to the extent that it is probable that there will be sufficient taxable profits against which to utilize the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Current and deferred tax for the year

Current and deferred tax are recognized in profit or loss, except when they relate to items that are recognized in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognized in other comprehensive income or directly in equity respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

However the Company is in Losses. So, there is no current tax for the current Financial Year

J. **Investments**

Investment in subsidiaries, associates and joint ventures are shown at cost. Where the carrying amount of an investment is greater than its estimated recoverable amount, it is written down immediately to its recoverable amount and the difference is transferred to the Statement of Profit and Loss. On disposal of investment, the difference between the net disposal proceeds and the carrying amount is charged or credited to the Statement of Profit and Loss.

k. **Property, plant and equipment**

The cost of property, plant and equipment comprises its purchase price net of any trade discounts and rebates,

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

any import duties and other taxes (other than those subsequently recoverable from the tax authorities), any directly attributable expenditure on making the asset ready for its intended use, including relevant borrowing costs for qualifying assets and any expected costs of decommissioning. Expenditure incurred after the property, plant and equipment have been put into operation, such as repairs and maintenance, are charged to the Statement of Profit and Loss in the period in which the costs are incurred. Major shut-down and over haul expenditure is capitalised as the activities undertaken improves the economic benefits expected to arise from the asset.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in Statement of Profit and Loss.

Property, plant and equipment except freehold land held for use in the production, supply or administrative purposes, are stated in the balance sheet at cost less accumulated depreciation and accumulated impairment losses, if any.

Company has elected to continue with the carrying value for all of its property, plant and equipment as recognised in the financial statements as at the date of transition to Ind AS i.e. 1 April, 2015, measured as per the previous GAAP and use that as its deemed cost as at the date of transition.

Depreciation commences when the assets are ready for their intended use. Depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value. Depreciation is recognized so as to write off the cost of assets (other than freehold land and properties under construction) less their residual values over their useful lives, using straight-line method as per the useful life prescribed in Schedule II to the Companies Act, 2013 except in respect of following categories of assets located in India, in whose case the life of the assets has been assessed as under based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers warranties and maintenance support, etc.

Class of Asset	Years
Plant and machinery	8 to 40 years
Work-rolls	1 year

When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on estimate of their specific useful lives.

Freehold land and leasehold land where the lease is convertible to freehold land under lease agreements at future dates at no additional cost, are not depreciated.

Assets held under finance leases are depreciated over their expected useful lives on the same basis as owned assets. However, when there is no reasonable certainty that ownership will be obtained by the end of the lease term, assets are depreciated over the shorter of the lease term and their useful lives.

Intangible assets

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. Intangible assets with indefinite useful lives that are acquired separately are carried at cost less accumulated impairment losses.

i. Earnings per Share

Basic earnings per share is computed by dividing the profit/ (loss) after tax by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the year is adjusted for treasury shares, bonus issue, bonus element in a rights issue to existing shareholders, share split and reverse share split (consolidation of shares).

Diluted earnings per share is computed by dividing the profit / (loss) after tax as adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes) relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares including the treasury shares held by the Company to satisfy the exercise of the share options by the employees.

SPLENDID METAL PRODUCTS LIMITED

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

k. Impairment

The Company applies the expected credit loss model for recognising impairment loss on financial assets measured at amortised cost, debt instruments at FVTOCI, lease receivables, trade receivables, other contractual rights to receive cash or other financial asset, and financial guarantees not designated as at FVTPL.

Expected credit losses are the weighted average of credit losses with the respective risks of default occurring as the weights. Credit loss is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive (i.e. all cash shortfalls), discounted at the original effective interest rate (or credit-adjusted effective interest rate for purchased or originated credit-impaired financial assets). The Company estimates cash flows by considering all contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) through the expected life of that financial instrument. The Company measures the loss allowance for a financial instrument at an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition. If the credit risk on a financial instrument has not increased significantly since initial recognition, the Company measures the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses. 12-month expected credit losses are a portion of the life-time expected credit losses and represent the lifetime cash shortfalls that will result if default occurs within the 12 months after the reporting date and thus, are not cash shortfalls that are predicted over the next 12 months.

If the Company measured loss allowance for a financial instrument at lifetime expected credit loss model in the previous period, but determines at the end of a reporting period that the credit risk has not increased significantly since initial recognition due to improvement in credit quality as compared to the previous period, the Company again measures the loss allowance based on 12-month expected credit losses.

l. Provisions, Contingent Liabilities and Contingent Assets

Provisions are recognized when the company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

Contingent Liabilities

Contingent liabilities are not recognized but disclosed in Notes to the Accounts when the company has possible obligation due to past events and existence of the obligation depends upon occurrence or non-occurrence of future events not wholly within the control of the company.

Contingent liabilities are assessed continuously to determine whether outflow of economic resources have become probable. If the outflow becomes probable then relative provision is recognized in the financial statements.

Where an entity is jointly and severally liable for an obligation, the part of the obligation that is expected to be met by other parties is treated as a contingent liability. The entity recognises a provision for the part of the obligation for which an outflow of resources embodying economic benefits is probable, except in the extremely rare circumstances where no reliable estimate can be made.

Contingent Liabilities are disclosed in the General Notes forming part of the accounts.

Contingent Assets

Contingent Assets are not recognised in the financial statements. Such contingent assets are assessed continuously and are disclosed in Notes when the inflow of economic benefits becomes probable. If it's virtually certain that inflow of economic benefits will arise then such assets and the relative income will be recognised in the financial statements.

n. Leases

Assets held under lease, in which a significant portion of the risks and rewards of ownership are transferred to lessee are classified as finance leases. Other leases are classified as operating leases. The company normally enters into operating leases which are accounted for as under:-

- (i) Rental income from operating leases is recognized on a straight-line basis over the term of the relevant lease.
- (ii) Where the company is a lessee, operating lease payments are recognized as an expense on a straight-line basis over the lease term. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognized on a straight-line basis over the lease term.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

Note No. 2 Property, Plant and Equipment

PARTICULARS	Free hold Land	Buildings	Plant & machinery	Plant & machinery (Not in Put to use)	Electrical Installation	Furniture & Fixtures	Office Equipment	Vehicles	Computers	Good Will	Total
Cost/Deemed cost at 1 April 2017	2,230.05	5,782.82	68,302.55	-	3,068.56	93.34	182.48	588.05	964.74	28.68	81,241.27
Additions	1.70	-	43.99	3,502.04	1.90	1.48	2.51	4.79	6.81	-	3,565.22
Deductions	-	-	3.95	-	-	-	-	108.28	-	-	112.23
At 31 March 2018	2,231.75	5,782.82	68,342.59	3,502.04	3,070.46	94.82	184.99	484.56	971.55	28.68	84,694.26
Additions	-	1.22	45.20	-	5.47	0.97	0.99	-	0.44	-	54.30
Deductions	-	-	-	-	-	-	-	59.45	-	-	59.45
At 31 March 2019	2,231.75	5,784.04	68,387.79	3,502.04	3,075.93	95.79	185.98	425.11	971.99	28.68	84,698.11
Accumulated Depreciation at 1 April 2017	-	1,572.47	32,439.17	-	1,999.82	82.02	161.99	464.16	964.04	28.68	37,712.35
Depreciation Expense	-	196.51	2,792.37	-	355.21	1.17	5.29	40.34	1.72	-	3,392.61
Deductions	-	-	1.33	-	-	-	-	73.89	-	-	75.22
At 31 March 2018	-	1,768.98	35,230.21	-	2,355.03	83.19	167.28	430.61	965.76	28.68	41,029.74
Depreciation Expense	-	194.81	2,786.24	-	184.51	3.15	2.88	23.29	2.60	-	3,197.49
Deductions	-	-	-	-	-	-	-	45.88	-	-	45.88
At 31 March 2019	-	1,963.79	38,016.45	-	2,539.54	86.34	170.16	408.02	968.36	28.68	44,181.34
Carrying value at 31 March 2019	2,231.75	3,820.25	30,371.35	3,502.04	536.39	9.44	15.82	17.09	3.63	0.00	40,507.77
at 31 March 2018	2,231.75	4,013.84	33,112.38	3,502.04	715.43	11.63	17.71	53.95	5.80	-	43,664.52
at 31 March 2017	2,230.05	4,210.35	35,862.27	-	1,068.70	11.32	20.49	123.89	0.70	0.00	43,527.77

SPLENDID METAL PRODUCTS LIMITED

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

Rupees in lakhs

	As at 31st March 2019	As at 31st March 2018
Note 3 : Non - Current Loans		
(Unsecured and considered good)		
a) Security deposits	191.09	537.48
b) MAT credit entitlement	79.09	79.09
c) Deposits with government authorities	858.32	715.92
	<u>1,128.50</u>	<u>1,332.49</u>
Less: Provision for doubtful advances	2.90	2.90
	<u>1,125.60</u>	<u>1,329.59</u>
Note 4: Other Non-current Assets		
Deposits with bank - maturity due beyond 12 months	547.50	255.57
	<u>547.50</u>	<u>255.57</u>
Note 5: Inventories (At lower of cost and net realisable value)		
Raw materials	17.40	610.08
Finished goods	1,861.85	3,374.26
Stores and spares	418.67	1,028.46
	<u>2,297.92</u>	<u>5,012.80</u>
Note 6: Current investments		
(At lower of cost and fair value)		
Investment in mutual funds (Quoted)		
SBI - PSU fund dividend	5.82	5.82
50,000 (31.03.2015:'50,000' units purchased during the previous period)	-	-
Less: provision for diminution in the value of investment	(0.82)	(0.82)
	<u>5.00</u>	<u>5.00</u>
Aggregate amount of quoted investments - Rs. 5.54 Lakhs		
Note 7: Trade receivables (Unsecured)		
Trade receivables outstanding		
Considered Good	75,085.96	74,020.63
Considered Doubtful	1,22,611.36	1,56,336.89
Significant increase in Credit Risk	1,97,697.32	2,30,357.52
Provision for significant increase in Credit Risk at beginning of the Year	75,601.36	301.53
Add : Provision Made During the Year	76,269.63	75,299.83
Less : Write off During the Year	744.62	-
	<u>151,126.37</u>	<u>75,601.36</u>
	<u>46,570.95</u>	<u>1,54,756.16</u>
Note 8: Bank balances other than Cash		
Balances with Banks:		
In current accounts	127.62	185.31
Other bank balances	-	-
In earmarked accounts	-	-
Balance held as margin monies	-	-
	<u>127.62</u>	<u>185.31</u>

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

Rupees in lakhs

	As at 31st March 2019	As at 31st March 2018
Note 9: Current asset - Loans		
I) (Unsecured and considered good unless otherwise stated)	-	-
Security deposits	226.56	81.32
Loans and advances to employees	19.68	26.97
Prepaid expenses	13.13	7.32
Balances with government authorities	-	
CENVAT receivable on SEZ	14.82	40.53
VAT credit receivable	13.98	13.98
Advances for supply of goods and rendering of services	18,348.93	19,548.57
Others	625.91	3,234.73
	<u>19,263.01</u>	<u>22953.42</u>
Less: Provision for doubtful advances	12,372.74	5,280.76
	<u>6,890.27</u>	<u>17,672.66</u>
Note 10: Other current assets		
Interest accrued but not due on deposits	54.58	35.92
	<u>54.58</u>	<u>35.92</u>
Note 13: Non Current borrowings		
Secured		
a) Term loans from		
i) Banks	-	12,303.89
b) Funding of Intrest on Term Loan		
i) FITL - I	-	-
ii) FITL -II	-	6,715.33
iii) W C T L	-	683.56
c) Vehicle loans from	-	41,685.11
i) Banks	-	-
ii) Others	-	-
	<u>-</u>	<u>61,387.89</u>

Notes:

- Loan from banks viz. Punjab National Bank, Bank of India, Indian Overseas Bank, IDBI Bank, State Bank of Patiala, The Karnataka Bank Ltd, Bank of Baroda, Laxmi Vilas Bank, Indian bank, Oriental Bank of Commerce and Andhra Bank are secured by first charge on all the immovable and movable fixed assets of the company both present and future and second charge on the current assets of the company. Further these loans are secured by personal guarantees of director and promoter.
- Loan from SASF are secured by 1st charge on Unit at Sanivada Village, Rajeevnagar, Visakhapatnam - 530046, Andhra Pradesh. Unit at Plot No. B-20E, SIPCOT Industrial Complex, Gummidipondi, Chennai, Tamilnadu and Unit at Survey No. 296/7/7,8 &11, IDA Bollaram, Jinnaram Mandal, Medak District - 502325, Telangana.
- All Banks are cancelled their limits and demanded to pay. Punjab National Bank Filed before DRT-II, Chennai for recovery of their dues. All Units except unit at Sanivada Village, Visakhapatnam, Andhra Pradesh are taken possession by the DRT-II, Chennai. Events after Balance Sheet Date, further to above Punjab National Bank also filed before NCLT, Hyderabad bench, Hyderabad, is admitted and the commencement of the Corporate Insolvency Resolution Process against the company is hereby ordered which ordinarily shall get completed with in 180days, reckoning from the day this order is passed i.e 04-April-2019. Hence All long term borrowings are considered as Short term borrowing (Note No. 17).

SPLENDID METAL PRODUCTS LIMITED

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

Note: 12 (Rupees in lakhs)

	March 31, 2019	March 31, 2018
EQUITY SHARE CAPITAL		
Authorised		
i) 310,000,000 (31.03.2018:310,000,000) Equity Shares of Rs.5 each	15,500.00	15,500.00
ii) 4,500,000 (31.03.2018:4,500,000) Preference Shares of Rs. 100 each	4,500.00	4,500.00
Issued, subscribed and fully paid up		
i) 301,010,881 (31.03.2018:301,010,881) Equity Shares of Rs. 5 each	15,050.54	15,050.54
	15,050.54	15,050.54

Rupees in lakhs

Notes:

i) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting year

Particulars	Year ended 31 March 2019		Year ended 31 March 2018	
	Number	Amount	Number	Amount
a) Equity (including shares represented by underlying GDRs)				
Shares outstanding at the beginning of the year/period	30,10,10,881	15,050.54	30,10,10,881	15,050.54
Shares issued during the year/period	-	-	-	-
Shares bought back during the year/ period	-	-	-	-
Shares outstanding at the end of the year/ period	30,10,10,881	15,050.54	30,10,10,881	15,050.54
ii) Details of shares held by each shareholder holding more than 5% shares:				
Name of Shareholder	Year ended 31 March 2019		Year ended 31 March 2018	
	No. of Shares held	% held	No. of Shares held	% held

a) Equity shares of Rs. 5 each fully paid				
Yalamanchilli Finance & Trading Pvt Ltd	13,14,26,585	43.66%	13,14,26,585	43.66%
Foster Infin and Trading Pvt Limited	2,50,00,000	8.31%	2,50,00,000	8.31%
Stressed Assets Stabilisation Fund	1,27,59,682	4.24%	1,27,59,682	4.24%
Sujana Holdings Limited	1,00,00,000	3.32%	1,00,00,000	3.32%
b) The company has only one class of equity shares having a par value of Rs. 5/-				

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

B. OTHER EQUITY

	Balance at March 31, 2018	Changes in Accounting Policy / Prior Period Errors	Restated Balance at March 31, 2018		Total Comprehensive Income	Dividends	Transfer to Retained Earnings	Any Other Change	Balance at March 31, 2019
(i) Equity Components of Other Financial Instruments									
(ii) Retained Earnings	(1,07,393.40)	(5,698.40)	(1,01,695.00)	(86,083.56)				(1,87,778.56)	
(iii) Reserves									
a. Reserves representing unrealised gains / losses									
Revaluation surplus	-								
Remeasurements of net defined benefit plans	-								
Exchange differences on translating the financial statements of foreign operation	-								
Others	-								
b. Other reserves									
Capital reserve	9,880.43		9,880.43					9,880.43	
Capital redemption reserve	1,493.36		1,493.36					1,493.36	
Securities premium reserve	35,430.34		35,430.34					35,430.34	
Foreign Currency Transaction Reserve	17,207.81	-11,008.49	6,199.32					6,199.32	
General reserve	698.64		698.64					698.64	
(iv) Money received against share warrants	-							-	
(v) Others	-							-	
(i) Equity Components of Other Financial Instruments									
(ii) Retained Earnings	(20607.14)	(53.89)	(20553.25)	(66840.15)				(1,07,393.40)	
(iii) Reserves									
a. Reserves representing unrealised gains / losses									
Revaluation surplus	-								
Remeasurements of net defined benefit plans	-								
Exchange differences on translating the financial statements of foreign operation	-								
Others	-								
b. Other reserves									
Capital reserve	9,880.43		9,880.43					9,880.43	
Capital redemption reserve	1,493.36		1,493.36					1,493.36	
Securities premium reserve	35,430.34		35,430.34					35,430.34	
Foreign Currency Transaction Reserve	8934.78	8,273.03	17,207.81					17,207.81	
General reserve	698.64		698.64					698.64	

SPLENDID METAL PRODUCTS LIMITED

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

Rupees in lakhs

	As at 31st March 2019	As at 31st March 2018
Note 14: Non Current provisions		
Provision for Employee benefits	205.03	205.03
	<u>205.03</u>	<u>205.03</u>
Note 15: Deferred tax (Asset) / liabilities (net)		
Deferred tax liability:		
On difference between book balance and tax balance of fixed assets	6,784.86	6,949.25
Deferred tax asset:		
Provision for employee benefits	(99.76)	(76.78)
Provision for doubtful trade receivables, loans and advances	(41,710.98)	(17,883.10)
Other Business Loss	692.40	(3,387.68)
	<u>(41,118.34)</u>	<u>(21,347.56)</u>
Deferred tax Asset/(liabilities) (net)	<u>(34,333.49)</u>	<u>(14398.31)</u>
Note 16: Other Non- Current liabilities		
Security Deposits	226.17	274.72
Govt Grands - Differed Receivable	21.16	22.74
	<u>247.33</u>	<u>297.46</u>
Note 17: Current Borrowings		
Loans repayable on demand		
From Banks		
Secured	2,42,938.72	1,22,781.63
From Others	-	-
Unsecured	70.00	2,037.66
	<u>2,43,008.72</u>	<u>1,24,819.29</u>
Note 18: Trade payables		
Acceptances	-	-
Other than acceptances	8,723.34	17,421.94
	<u>8,723.34</u>	<u>17,421.94</u>
Note 19: Other current liabilities		
Current maturities of long-term debt	-	58271.52
Other payables	1,305.96	2,749.75
Statutory remittances	532.51	496.29
Payable to IDBI (CRPS)	758.13	1,493.37
Payables on purchase of fixed assets	1.31	8.38
Advances from customers	478.62	2,421.17
	<u>3,076.53</u>	<u>65,440.48</u>
Note 20: Current provisions		
Provision for employee benefits	117.83	43.46
Provision for tax on proposed dividend	2.64	2.64
	<u>120.47</u>	<u>46.10</u>
Note 21: Current tax provisions		
Provision for current income tax	1,758.86	1,854.90

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

Rupees in lakhs

	Year Ended 31 March 2019	Year Ended 31 March 2018
Note 22: Revenue from operations		
a) Sale of products		
i) Manufactured	41,291.37	34,822.17
ii) Traded & Processed Goods	2,557.85	17,125.70
iii) Exports	-	-
b) Other operating revenues	-	-
Conversion income	1,959.46	1,795.36
Rental income from operating leases	9.00	-
Total	45,817.68	53,743.23
Note 23: Other Income		
a) Interest on deposit with banks and others	36.74	25.99
b) Liabilities/Provisions no longer required written back	6.57	-
c) Miscellaneous income	30.11	116.36
d) Increase/(decrease) of excise duty on inventory	-	111.35
	73.42	253.70
Note 24.a : Cost of materials		
Opening Stock	610.08	680.69
Add : Purchases	37,513.80	42,292.95
	38,123.88	42,973.64
Less : Closing stock	17.40	610.08
	38,106.48	42,363.56
Less : Transfer to capital work in progress	-	-
	38,106.48	42,363.56
Note 24.b: Changes in inventories of finished goods, work in progress and stock-in-trade		
<i>Inventories at the beginning of the year:</i>		
Finished goods	3,374.26	23,750.77
op stock returns	-	-
Work in progress	-	-
Stock in trade	-	-
	3,374.26	23,750.77
<i>Inventories at the end of the year:</i>		
Finished goods	1,861.85	3,374.26
Work in progress	-	-
Stock in trade	-	-
	1,861.85	3,374.26
Net (increase) / decrease	1,512.41	20,376.51

SPLENDID METAL PRODUCTS LIMITED

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

Rupees in lakhs

	Year Ended 31 March 2019	Year Ended 31 March 2018
Note 25: Employee benefit expenses		
Salaries, wages and bonus	1,168.41	899.02
Contribution to provident and other funds	136.18	107.08
Staff welfare expenses	26.65	24.73
	<u>1,331.24</u>	<u>1,030.83</u>
Note 26: Finance costs		
Interest expense on Borrowings	159.04	68.03
Other borrowing costs	20.72	182.74
	<u>179.76</u>	<u>250.77</u>
Note 27: Other expenses		
Consumption of stores, spares and consumables	1,508.25	582.46
Excise duty on sale of goods	-	571.90
Power and fuel	3,151.36	2,534.02
Other manufacturing expenses	104.32	73.38
Equipment hire charges	39.88	30.72
Job work charges	520.91	393.30
Rent includes lease rentals	62.57	67.07
Repairs and Maintenance-Buildings	1.05	5.56
Repairs and Maintenance-Machinery	74.64	38.78
Repairs and Maintenance-Others	13.91	11.00
Insurance	7.50	4.59
Rates and taxes	77.23	47.62
Factory maintenance	14.31	41.25
Printing and stationery	8.13	7.62
Communication	12.40	17.30
Travelling and conveyance	61.94	90.26
Legal and professional	59.68	136.49
Payments to auditors (Refer Note (i) below)	30.22	30.22
Security Charges	88.00	90.24
Donations	-	-
Adjustments to carrying amount of current investments	-	0.82
Adjustments to carrying amount of Non current investments	5,781.38	6,004.80
Sales commission	-	0.17
Sales discount	34.83	25.86
Net loss on foreign currency transactions and translations	740.07	(44.29)
Business promotion	6.31	6.71
Freight outwards	195.83	247.63
Directors' fees	2.40	2.30
Provision for doubtful trade receivables, loans and advances	94,947.47	70,829.71
Miscellaneous expenses	60.05	127.14
Loss on sale of fixed assets	4.47	4.01
	<u>1,07,609.11</u>	<u>81,978.64</u>
Note (i): Payments to the auditors		
As auditors - statutory audit	30.22	30.22
Other Services	-	-
Total	<u>30.22</u>	<u>30.22</u>

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS**28 The List of Subsidiary Companies which are included in the consolidation and the Company's holding therein are as under:**

Name of the Company	Percentage of Voting power as at 31 March 2019	Percentage of Voting power as at 31 March 2018	Country of Incorporation
Subsidiaries (held directly)			
Glade Steel Pvt Ltd	51.15%	51.15%	India
Alpha Ventures Ltd	100.00%	100.00%	Cayman Islands
Asian Tide Enterprises Ltd	100.00%	100.00%	Hong Kong
Subsidiaries (held Indirectly)			
Optimix Enterprises Limited (w.e.f 22.08.2011)	100.00%	100.00%	Mauritius

29 Employee Benefits*Defined contribution plans:*

The Company makes Provident Fund contribution to defined contribution plans for qualifying employees. Under the Scheme, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits. The Company recognised Rs. 43.39 lakhs (31.03.2018 : Rs. 47.77 lakhs) for Provident Fund contributions in the Statement of Profit and Loss. The contributions payable to these plan by the Company are at rates specified in the rules of the scheme.

Defined benefit plans

The Company offers the following employee benefit schemes to its employees :

- i. Gratuity
- ii. Compensated absences
Liability for retiring gratuity as on March 31, 2019 is Rs. 278.04 lakhs (31-3-2018 : Rs. 224.13 lakhs). The Liability for Gratuity and Cost of Compensated absences has been determined and provided for in the books.

30 Related Party Disclosure

The following are related parties as defined in "Indian Accounting Standard (Ind AS) 24 - Related Party Disclosures" notified under The Companies (Accounting Standards) Rules, 2013.

List of Related Parties**1. Subsidiaries**

<i>Subsidiaries held directly</i>	Country of Incorporation	Percentage of ownership interest
i. Glade Steel Pvt Ltd.	India	51.15%
ii. Alpha Ventures Ltd.	Cayman Islands	100%
iii. Asian Tide Enterprises Ltd.	Hong Kong	100%
<i>Subsidiaries held indirectly</i>		
i. Optimix Enterprises Limited	Mauritius	100%

2. Key Management Personnel

i. Mr. R. K. Birla	Managing Director
ii. Mr. Shaik Ibraheem	Company Secretary

SPLENDID METAL PRODUCTS LIMITED

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

3. List of Related Parties

Sl.No.	Name of the Company	G S Raju	S.Hanumantha Rao
1	Foster Infin and Trading Private Limited	√	
2	Sujana Energy Limited		√
3	Sujana Finance and Trading Private Limited	√	
4	Sujana Holding Limited	√	√
5	Sujana Universal Industries Ltd	√	√
6	Sujana Power (Gangikondan) Limited		√
7	Sujana Power (Tuticorin) Limited		√
8	Sujana Projects Limited	√	√
9	Neueon Towers Limited	√	√
10	Lakshmi Gayatri Industries pvt ltd	√	√
11	Yalamanchili Finance and Trading Private Limited	√	
12	Sujana Pumps & Motors Pvt. Ltd		

Note: Related parties have been identified by the management.

(Rupees in lakhs)

Related Party Transactions with:				
Particulars	Subsidiaries		On Account of Key Management Personnel	
	2018-19	2017-18	2018-19	2017-18
A) Sales				
Glade Steel Private Limited	-	-	-	-
Sujana Universal Industries Ltd	-	-	-	-
Neueon Towers Ltd.	-	-	42.35	77.67
SUB-TOTAL	-	-	42.35	77.67
B) Purchases				
Glade Steel Private Limited	-	-	-	-
Sujana Universal Industries Ltd	-	-	-	177.57
Neueon Towers Ltd.	-	-	95.16	529.94
SUB-TOTAL	-	-	95.16	707.51
C) Investments made during the year/period				
Alpha Ventures Limited	-	-	2,051.71	-
Asian Tide Enterprises Limited	-	-	-	-
SUB-TOTAL	-	-	2,051.71	-
D) Advances given/(refunded) during the year				
Alpha Ventures Limited	-	-	-	-
Asian Tide Enterprises Limited	-	-	-	-
SUB-TOTAL	-	-	-	-
E) Advances received during the year				
Yalamanchili Finance and Trading Private Limited	-	-	-	-
SUB-TOTAL	-	-	-	-
F) Other Income				
Sujana Universal Industries Ltd	-	-	9.00	-
SUB-TOTAL	-	-	9.00	-
G) Other Expenses				
Laxmi Gayatri Industries Ltd.	-	-	9.00	9.00
Glade Steel Private Limited	9.00	9.00	-	-
SUB-TOTAL	9.00	9.00	9.00	9.00
H) Remuneration				
Mr. R.K.Birla - Managing Director	-	-	60.00	-
Mr. Shaik Ibraheem - Company Secretary	-	-	12.38	12.38
SUB-TOTAL	-	-	72.38	12.38

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(Rupees in lakhs)

31 Disclosure in respect of Indian Accounting Standard (Ind AS)-33 “Earnings Per Share (EPS)” Earnings Per Share

Particulars	2018-19	2017-18
Profit After Tax	(86,083.56)	(86,840.15)
Less: Preference Dividend including tax thereon	-	-
Profit attributable to ordinary share holders	(86,083.56)	(86,840.15)
Profit attributable to ordinary share holders- for diluted EPS	(86,083.56)	(86,840.15)
Weighted average number of ordinary shares used in computing Basic Earnings per Share	30,10,10,881	30,10,10,881
Add: Effect of potential ordinary (equity shares) on conversion of share warrants and redeemable preference shares	-	-
Weighted average number of ordinary (equity shares) used in computing Diluted Earnings Per Share.	30,10,10,881	30,10,10,881
Earnings per share - Face Value: Rs. 5/- each		
Basic - Rs.	(28.60)	(28.85)
Diluted - Rs.	(28.60)	(28.85)

32 Contingent liabilities and commitments (to the extent not provided for)

Particulars	As at 31 March 2019	As at 31 March 2018
a) Contingent liabilities		
i) Claims against the Company not acknowledged as debts in respect of:		
Excise Duty	1,899.84	1,900.72
Custom Duty	791.77	775.79
TNVAT/APGST/CST	12,997.44	12,997.44
Income Tax (Net of liability as per return)	1,775.45	1,775.45
FERA	300.00	400.00
ii) Guarantees		
Corporate Guarantees furnished on behalf of Sujana Universal Industries Ltd	81,410.00	81,410.00
Corporate guarantee furnished on behalf of Optimix Enterprises Limited (USD 75 lakhs)	4,087.50	4,087.50
b) Commitments		
i. Export commitments on account of import of machinery and equipments at concessional duty under EPCG scheme (31.03.2018 :Rs.112.16Lakhs) .Such export commitments need to be fulfilled by the Company on or before 23 April 2016. As on 31 March 2015,the Company has fulfilled its export commitments and which are pending final approval of Director General of Foreign Trade. In the event of non-fulfillment of the export commitments by 23 April 2016 by the Company, the liability (excluding interest and penalties) towards customs duty.	112.16	112.16
*Against which bank guarantee of Rs. 215 lakhs has been issued.		

SPLENDID METAL PRODUCTS LIMITED

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(Rupees in lakhs)

33. Details of Loans as on 31.03.2019 as Follows:

i) Balances as on 31.03.2019

Bank name	As at March 31, 2019	As at March 31, 2018
Andhra Bank	7,590.21	7,590.21
Bank of Baroda	10,435.14	10,434.08
Bank of India	48,890.98	48,890.96
IDBI Bank	3,790.65	3,790.65
Indian Bank	7,549.56	7,549.56
Indian Overseas Bank	28,957.80	28,956.53
Edelweises ARC Ltd (KBL)	6,228.68	6,259.83
Lakshmi Vilas Bank	8,592.47	8,590.08
Oriental Bank of Commerce	7,951.13	7,951.13
Punjab National Bank	68,475.92	68,478.71
State Bank of Patiala	32,189.35	31,659.35
SASF	12,286.82	12,286.82
Others (Hire Purchase Loans)	-	-
Total :	2,42,938.72	2,42,437.91

Interest Rs. 26,723.26 lakhs on borrowings from Banks, FIS are not provided during the financial year 2018-19, had this provided the loss for the year increased from Rs. 1,06,054.38 lakhs to 1,32,777.64 lakhs and cumulative loss upto 31th March 2019 will be increased from Rs. 1,87,778.57 lakhs to 2,42,857.33 lakhs.

- 34** The Company's significant leasing arrangements are in respect of operating leases for premises (office, stores, godowns, etc.). The leasing arrangements, which are not non-cancellable, range between ten months and three years generally, and are usually renewable by mutual consent on agreed terms. The aggregate lease rentals Rs. 71.57 lakhs (31.03.2018:Rs.76.07 lakhs) payable are charged as rent in to the statement of profit and loss.
- 35** Previous periods figures have been regrouped/reclassified wherever necessary to correspond with the current years's classification/disclosure.
- 36** Balances of Unsecured loans, receivables, payables and loans and advances are subjects to their confirmation and reconciliations.

See accompanying notes forming part of the Financial Statements 1-36.

As per our report of even date attached

For SPLENDID METAL PRODUCTS LIMITED

For T. Raghavendra & Associates

Chartered Accountants

FRN No: 003329S

T. Raghavendra

Mem. No : 023806

R. K. Birla

Managing Director

(DIN: 00118776)

T. Sathisan

Resolution Professional

IBBI/IPA-001/IP P00105/2017-2018/10212

S. Hanumantha Rao

Director

(DIN: 00118801)

Shaik Ibraheem

Company Secretary

Place : Hyderabad

Date : 15th June 2019

Place : Hyderabad

Date : 15th June 2019

SPLENDID METAL PRODUCTS LIMITED

Regd Office: No. 18, Nagarjuna Hills, Panjagutta, Hyderabad - 500 082.

CIN : L28120TG1988PLC008610

29th Annual General Meeting- Saturday, 14th December, 2019

ATTENDANCE SLIP

(Please complete this attendance slip and hand it over at the entrance of the Hall)

I, hereby record my presence at the 29th Annual General Meeting of the Company to be held on Saturday, 14th day of December, 2019 at Vedika, The Venue, Sri Sai Goverdhan Kunj, 5th Floor, 501/A, Opp: Dominos Pizza, SR Nagar, Hyderabad - 500 038, Telangana at 10.30 am

Folio No. / DP ID Client ID:.....

Full Name of the Shareholder in Block Letters:.....

No. of Shares held:.....

Name of Proxy (if any) in Block Letters:.....

*Strike out whichever is not applicable

Signature of the Shareholder/Proxy/Representative*

ELECTRONIC VOTING PARTICULARS

EVEN	User ID	Password
112634		

SPLENDID METAL PRODUCTS LIMITED

Regd Office: No. 18, Nagarjuna Hills, Panjagutta, Hyderabad - 500 082.

CIN : L28120TG1988PLC008610

PROXY FORM

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

I/We, being the Member(s) of shares of the above named Company, hereby appoint

Name:	Address:
E-mail Id	Signature:
or failing him;	
Name:	Address:
E-mail Id	Signature:
or failing him;	
Name:	Address:
E-mail Id	Signature:

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 29th Annual General Meeting of the Company, to be held on the Saturday, 14th day of December, 2019 at Vedika, The Venue, Sri Sai Goverdhan Kunj, 5th Floor, 501/A, Opp: Dominos Pizza, SR Nagar, Hyderabad - 500 038, Telangana and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.	Resolutions
Ordinary Business	
1	Adoption of Audited Standalone Financial Statements and Consolidated Financial Statements for the year ended 31st March, 2019 and the Reports of Directors & Auditors thereon.
2	Re-appointment of Shri S.Hanumantha Rao, who retires by rotation.
Special Business	
3	Ratification of remuneration of the Cost Auditor of the Company

Signed this day of December, 2019.

Signature of the shareholder

Signature of Proxy holder(s).....



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. For the Resolutions, Explanatory Statement and Notes, please refer to the Notice of the 29th Annual General Meeting.
3. Please complete all details including details of member(s) in above box before submission.

Form No. MGT - 12

POLLING PAPER

[Pursuant to section 109(5) of the Companies Act, 2013 and rule 21(1)(c) of the Companies (Management and Administration) Rules, 2014]

CIN : L28120TG1988PLC008610
Name of the Company : Splendid Metal Products Limited (Formerly known as Sujana Metal Products Limited)
Registered office : Plot No.18, Municipal No. 8-2-248/1/7/18, West Wing, First Floor,
Nagarjuna Hills, Panjagutta , Hyderabad- 500082, Telangana.

BALLOT PAPER

S.No.	Particulars	Details
1.	Name of the First Named Shareholder (In block letters)	
2.	Postal address	
3.	Registered folio No. / *Client ID No. (*Applicable to investors holding shares in dematerialized form)	
4.	Class of Share	Equity

I hereby exercise my vote in respect of Ordinary/ Special resolution enumerated below by recording my assent or dissent to the said resolution in the following manner:

Item No.	Resolution	No. of shares held by me	I assent to the resolution	I dissent from the resolution
	Ordinary Business			
1.	Adoption of Audited Standalone Financial Statements and Consolidated Financial Statements for the year ended 31st March, 2019 and the Reports of Directors & Auditors thereon.			
2.	Re-appointment of Shri S.Hanumantha Rao, who retires by rotation.			
	Special Business			
3.	Ratification of remuneration of the Cost Auditor of the Company.			
Place:				
Date:		(Signature of the shareholder)		

INSTRUCTIONS:

1. This Ballot paper is for the members who have not voted through e-voting facility. A member can opt for only one mode of voting i.e., either through e-voting or by Ballot paper. If a Member casts votes in both the modes, then vote cast through e-voting shall prevail and Ballot paper shall be treated as invalid.
2. The vote should be cast either in favour or against by putting the tick (✓) mark in the column provided for assent or dissent. Ballot paper bearing tick marks in both the columns will be treated as invalid. Please do not use pencil.
3. This form should be completed and signed by the Member/Proxy Holder as per the specimen signatures registered with the Company/Depository. In case of joint holding this form should be completed and signed by the first named member.
4. Any cutting/overwriting on this Ballot paper should be signed by the shareholder/proxy holder.
5. Unsigned, incomplete, improperly or incorrectly tick marked Ballot papers will be rejected. A Ballot paper will also be rejected if it is received torn, defaced or mutilated to an extent which makes it difficult for the Scrutinizer to identify either the member or as to whether the votes are in favour or against or if the signature cannot be verified.
6. The decision of Scrutinizer on the validity of the Ballot paper and any other related matter shall be final.
7. The Scrutinizer will collate the votes downloaded from the e-voting system and votes cast through Ballot paper to declare the final result for each of the Resolutions enumerated above.
8. The Results shall be declared on or after the date of AGM of the Company. The Results declared along with the Scrutinizer's Report shall be placed on the Company's website: www.sujana.com and on the website of www.bighshareonline.com within two(2) days of passing of the resolutions at the AGM of the Company and communicated to the Stock Exchanges.

INTENTIONALLY KEPT BLANK