

SPLENDID METAL PRODUCTS LIMITED

(Formerly Known as Sujana Metal Products Ltd)

Date: 14.09.2020

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: Un-Audited Financial Results for the quarter ended 30th June, 2020- Reg

Pursuant to Regulation 33 and Regulation 30 read with Para A of Part A of Schedule III of the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015, we hereby inform that the Resolution Professional has taken on record as of today i.e 14th September, 2020, the Un-Audited Financial Results (Standalone and Consolidated) for the quarter ended 30th June, 2020 and the Limited Review Report of the Auditors thereon.

Please find enclosed herewith the Un-Audited Financial Results (Standalone and Consolidated) of the Company for the quarter ended 30th June, 2020 alongwith the Limited Review Report thereon submitted by the Statutory Auditors of the Company.

Kindly take the same 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)

SPLENDID METAL PRODUCTS LIMITED

(Formerly Known as Ssang Metal Products Ltd)

STATEMENT OF UN-AUDITED STANDALONE AND CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER ENDED JUNE 30, 2020

	Particulars	Rs.in lakhs			
		Standalone			Year Ended
		Quarter ended		30-Jun-19	
		30-Jun-20	31-Mar-20	30-Jun-19	31-Mar-20
		(Un Audited)	(Audited)	(Un Audited)	(Audited)
1	Part - I				
	Revenue from operations				
	(a) Gross Sales/Income from Operation	45.55	274.53	1,378.95	2,019.50
	(b) Other operating income	124.95	410.10	2.25	1,118.05
	Total income from operations (not)	170.50	684.63	1,381.20	3,137.55
2	Other income	0.68	132.09	6.11	160.60
3	Total Income (1+2)	171.18	816.72	1,387.31	3,298.15
4	Expenses				
	a) Cost of materials consumed	1.93	74.53	1,209.78	1,528.40
	b) Changes in inventories of finished goods, work in process and stock-in-trade	-	(389.23)	910.74	604.41
	c) Employee benefits expense	120.95	173.95	175.86	697.63
	d) Finance costs	0.04	2.10	0.20	3.89
	e) Depreciation and amortisation expense	743.16	747.09	1,643.71	3,897.27
	f) Other expenses	292.24	606.16	710.80	2,081.46
	Total expenses	1,158.32	1,214.60	4,651.09	8,813.06
5	Profit before exceptional items & tax (3-4)	(987.14)	(397.88)	(3,263.78)	(5,514.91)
6	Exceptional Items	(102.86)	(53.62)		(53.62)
7	Profit/(Loss) before tax (5+6)	(1,090.00)	(451.50)	(3,263.78)	(5,568.53)
8	Tax Expense				
	(a) Current Tax				
	(b) Deferred Tax	599.60	(75.33)	(519.92)	(1,229.03)
	Total Tax expense	599.60	(75.33)	(519.92)	(1,229.03)
9	Net Profit after tax (7-8)	(1,689.60)	(376.17)	(2,743.86)	(4,339.50)
10	Minority Interest				
11	Other Comprehensive income/(expense) net of taxes				
12	Total Comprehensive income as per Ind AS (9+11)	(1,689.60)	(376.17)	(2,743.86)	(4,339.50)
13	Total Profit/(Loss) for the year attributable to :				
	-- Owners of the Company	(1,689.60)	(376.17)	(2,743.86)	(4,339.50)
	-- Non controlling Interests				
14	Other Comprehensive Income/(Loss)				
	-- Owners of the Company				
	-- Non controlling Interests				
15	Total Comprehensive income/(Loss) for the year attributable to :				
	-- Owners of the Company	(1,689.60)	(376.17)	(2,743.86)	(4,339.50)
	-- Non controlling Interests				
16	Paid-up equity share capital				
	(Face value - Rs. 5 per equity share)				15,050.54
17	Other Equity excluding Revaluation Reserves				(134,554.67)
18	Earnings per share (of Rs. 5 each) (before extraordinary items) (not annualised)				
	- Basic (Rs.)	(0.56)	(0.12)	(0.91)	(1.44)
	- Diluted (Rs.)	(0.56)	(0.12)	(0.91)	(1.44)
19	Earnings per share (of Rs. 5 each) (after extraordinary items) (not annualised)				
	- Basic (Rs.)	(0.56)	(0.12)	(0.91)	(1.44)
	- Diluted (Rs.)	(0.56)	(0.12)	(0.91)	(1.44)

Registered & Corporate Office : 18, Nagarjuna Hills, Punjagutta, Hyderabad - 500 082, TELANGANA, INDIA

Tel.: +91 (40) 2335 1882, 2335 1885 Fax : +91 (40) 2335 8499 E-mail : smplexim@yahoo.co.in

CIN : L28120TG1988PLC008610

SPLENDID METAL PRODUCTS LIMITED

(Formerly Known as Sujana Metal Products Ltd)

	Particulars	Consolidated			
		Quarter ended			Year Ended
		30-Jun-20	31-Mar-20	30-Jun-19	31-Mar-20
		(Un Audited)	(Audited)	(Un Audited)	(Audited)
	Part - I				
1	Revenue from operations				
	(a) Gross Sales/Income from Operation	45.55	274.53	1,372.77	2,019.50
	(b) Other operating income	126.05	406.80	2.25	1,118.05
	Total income from operations (net)	171.60	681.33	1,375.02	3,137.55
2	Other income	0.68	136.30	6.11	164.81
3	Total Income (1+2)	172.28	817.63	1,381.13	3,302.36
4	Expenses				
	a) Cost of materials consumed	1.93	74.53	1,209.78	1,528.40
	b) Changes in inventories of finished goods, work in process and stock-in-trade		(389.23)	910.74	604.41
	c) Employee benefits expense	120.95	173.95	175.86	697.63
	d) Finance costs	0.08	2.16	0.20	4.07
	e) Depreciation and amortisation expense	757.08	758.12	1,659.67	3,952.95
	f) Other expenses	294.40	2,872.73	710.84	4,344.58
	Total expenses	1,174.44	3,492.26	4,667.09	11,132.04
5	Profit before exceptional items & tax (3-4)	(1,002.17)	(2,674.63)	(3,285.96)	(7,829.68)
6	Exceptional Items	(102.86)	(53.62)		(53.62)
7	Profit/(Loss) before tax (5+6)	(1,105.03)	(2,728.25)	(3,285.96)	(7,883.30)
8	Tax Expense				
	(a) Current Tax	599.60	(76.58)	519.92	(1,230.28)
	(b) Deferred Tax	599.60	(76.58)	519.92	(1,230.28)
	Total Tax expense				
9	Net Profit after tax (7-8)	(1,704.63)	(2,651.67)	(3,805.88)	(6,653.02)
10	Minority Interest	(5.70)	(21.68)	(7.28)	(40.20)
11	Other Comprehensive income/(expense) net of taxes	-	-	-	-
12	Total Comprehensive income as per Ind AS (9+11)	(1,698.92)	(2,629.99)	(3,798.60)	(6,612.82)
13	Total Profit/(Loss) for the year attributable to :				
	-- Owners of the Company	(1,698.92)	(2,629.99)	(3,798.60)	(6,612.82)
	-- Non controlling Interests				
14	Other Comprehensive Income/(Loss)				
	-- Owners of the Company	-	-	-	-
	-- Non controlling Interests	-	-	-	-
15	Total Comprehensive income/(Loss) for the year attributable to :				
	-- Owners of the Company	(1,698.92)	(2,629.99)	(3,798.60)	(6,612.82)
	-- Non controlling Interests				
16	Paid-up equity share capital (Face value - Rs. 5 per equity share)				
17	Other Equity excluding Revaluation Reserves				
18	Earnings per share (of Rs. 5 each) (before extraordinary items) (not annualised)				
	- Basic (Rs.)	(0.56)	(0.87)	(1.26)	(2.20)
	- Diluted (Rs.)	(0.56)	(0.87)	(1.26)	(2.20)
19	Earnings per share (of Rs. 5 each) (after extraordinary items) (not annualised)				
	- Basic (Rs.)	(0.56)	(0.87)	(1.26)	(2.20)
	- Diluted (Rs.)	(0.56)	(0.87)	(1.26)	(2.20)

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CIN : L28120TG1988PLC008610

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Notes:

- 1 The above results have been reviewed and recommended by the Resolution Professional along with erstwhile Directors at their meeting held on 14th September 2020
- 2 The figures for the 4th quarter ended March 31,2020 are the balancing figures between the audited figures in respect of the full financial year ended March 31, 20 and published year to date figures upto third quarter ended December 31,2019
- 3 The company primarily engaged in the manufacturing and trading of steel and steel products business, which in the context of IND AS 108, is considered as a single segment in the above disclosures.
- 4 Figures of the previous quarters/year have been regrouped and reclassified wherever necessary
- 5 Interest Rs. 6680.82 lakhs on borrowings from Banks,FIS for the period ended 30th June,2020 not provided, had this provided the loss for the quarter would have been increased from Rs.1008.50lakhs to Rs.7689.32 lakhs and accumulated loss from Rs.1,81563.10 to Rs.2,70,364.14. The dues to Banks/Fis as on 31.03.2020 as per company Rs.2,42,860.64 lakhs, where as the actual claims made by Banks/Fis and admitted by Resolution Professional Rs.363207.57 lakhs.
- 6 Punjab National Bank filed before NCLT,Hyderabad bench, Hyderabad, is admitted and the commencement of the Corporate Insolvency Resolution Process against the company is ordered which ordinarily shall get completed with in 180days, reckoning from the day this order is passed i.e 04-April-2019 (Posted in Website on 16th April 2019).
- 7 Sri T.Sathisan ,Resolution Professional of the company authorised Sri G.S Raju to sign Financial results on his behalf off.
- 8 The above results will be placed on www.sujana.com

Place : Mumbai

Date : 14th September 2020

For Splendid Metal Products Ltd


G.S Raju
Director



**INDEPENDENT AUDITOR'S REVIEW REPORT ON REVIEW OF INTERIM FINANCIAL RESULTS
TO THE RESOLUTION PROFESSIONAL OF SPENDID METAL PRODUCTS LIMITED**

The Resolution Professional,
Splendid Metal Products Limited
18 Nagarjuna Hills,
Panjagutta,
Hyderabad – 500082.

- 1) We have reviewed the accompanying statement of un-audited financial results of Splendid Metal Products Ltd ("the Company"), Hyderabad for the quarter ended 30th June 2020 ("the Statement"), being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing obligations and Disclosure Requirements) Regulations, 2015, as modified by Circular No CIR/CFD/FAC/62/ 2016 dated July 5, 2016.

This Statement, which is the responsibility of the Company's Management and approved by Mr. Sathisan, Resolution Professional, appointed by NCLT, Hyderabad Bench, Hyderabad vide order dated 04/04/2019 and Managing Director of the Company, has been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to issue a report on the Statement based on our review

- 2) We conducted our review in accordance with the Standard on Review Engagement (SRE) 2410, "Review of Interim Financial Information performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial statements are free of material misstatements. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provide less assurance than an audit. We have not performed an audit and accordingly, we do not express an opinion.
- 3) We did not carry out a review of the consolidated results of the Company.
- 4) Attention is also invited to the following:
- a) The Company has defaulted in repayment of dues to Banks/Financial Institutions and all loans outstanding were classified as NPA's and were recalled by all the Banks. Note 5 forming part of the Statement regarding Interest on Working Capital Loans and Term Loans not provided for. The accumulated loss as on 30th June 2020 would have been increased from Rs. **1,81,563.10 lakhs to Rs.2,70,364.14 lakhs** had the company provided the interest which are at last known rates. The dues to Banks/FIs as on 30.06.2020 as per company is Rs. **2,42,860.64 lakhs**, whereas the actual claims made by Banks/FIs and admitted by Resolution Professional is Rs. **3,63,207.57 lakhs**.





- b) The Company's Trade Receivables aggregating to Rs. **1,275.46** Crores are more than three years old. The company has not provided any bad debts in the books of account during the quarter. We are unable to form an opinion on the extent to which the debts may be recoverable.
- c) The Company's Loans and Advances aggregating to Rs. **103.53** Crores are more than three years old and in respect of which the company has not provided for bad debts. We are unable to form an opinion on the extent to which the debts may be recoverable.
- d) The Company is not regular in payment of undisputed statutory dues towards ESI, TDS, Service Tax and Income Tax during the year ended 30th June 2020.
- e) The Company has an advance of **Rs.5.17** Crores are more than 365 days old and hence shall be treated as Deposits received under the Companies Act 2013 and the same has to be returned within one year as per the provisions of the Act.
- f) 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 30th June 2020 by **Rs.2,010.38** Crores and the Company's ability to continue a going concern is in doubt.
- g) With regard to investments in unquoted equities of subsidiary's for a value of **Rs.5,046.93** lakhs are valued at cost of investment however the present realizable value of these are not ascertained by the management hence the same is subject to current valuation.
- h) A winding up petition filed by Standard Bank (Mauritius) Ltd., in the High Court of Telangana & 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. The petition for winding up was closed due to insolvency resolution proposals have been initiated before NCLT, Hyderabad and the High Court of TS advised the petitioner to move before NCLT, Hyderabad.
- i) The Company is not regular in payment of undisputed statutory dues towards ESI, Provident Fund, TDS and Goods & Service Tax during the year ended 30th June 2020.
- j) Bank Statements were not available with the Company for all the Banks except that of Vizag Branch.
- k) 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



**T. RAGHAVENDRA & ASSOCIATES****Chartered Accountants**

No. 22, Krishna Apartments, 5th Floor,
Tilak Road, Abids, Hyderabad - 500 001.
Phones : 2475 2031, 2475 2032

- 5) Based on our review conducted as stated above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the aforesaid Indian Accounting Standards and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as modified by circular No. CIR/CFD/FAC /62/2016 dated July 5, 2016, including the manner in which it is to be disclosed, or that it contains any material misstatement
- 6) Further we also report that we have traced the number of shares as well as the percentage of shareholding in respect of aggregate amount of public shareholding and the number of shares as well as the percentage of shares pledged/ encumbered and non-encumbered in respect of the aggregate amount of the promoters and promoter group shareholding in terms of clause 35 of the Listing Agreements from the details furnished by the Management and the particulars relating to undisputed investor complaints from the details furnished by the Registrars.

Place: Hyderabad
Date: 14th September 2020

For T.Raghavendra & Associates
Chartered Accountants
FRN : 003329S
FRN:003329S
M.No:023806
T.Raghavendra
Mem No. 023806





The Resolution Professional,
Splendid Metal Products Limited
18 Nagarjuna Hills,
Panjagutta,
Hyderabad – 500082.

1. We have reviewed the unaudited consolidated financial results of Splendid Metal Products Limited (the "Company"), its subsidiaries (the Parent and its subsidiaries hereinafter referred to as the "Group"), jointly controlled entities and associate companies for the quarter ended 30th June 2020 which are included in the accompanying 'Consolidated Statement of Profit and Loss for the quarter ended on 30th June 2020 (the "Statement")'. The Statement is being submitted by the Parent pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, which has been initiated by us for identification purposes.

2. This Statement, which is the responsibility of the Parent's Management and approved by the Parent's Resolution Profession / Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013, and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.

3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by the Institute of Chartered Accountants of India. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion. We also performed procedures in accordance with the circular issued by the SEBI under Regulation 33 (8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, to the extent applicable.

4. The Statement includes the results of the entities listed in Annexure A.

5. Based on our review conducted and procedures performed as stated in paragraph 3 above and based on the consideration of the review reports of the other auditors referred to in paragraph 6 below, nothing has come to our attention that causes us to believe that the accompanying Statement has not been prepared in all material respects in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard and other accounting principles generally accepted in India and has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, including the manner in which it is to be disclosed, or that it contains any material misstatement.





6. Attention is also invited to the following:

- a) The Company has defaulted in repayment of dues to Banks/Financial Institutions and all loans outstanding were classified as NPA's and were recalled by all the Banks. Note 5 forming part of the Statement regarding Interest on Working Capital Loans and Term Loans not provided for in the accounts. The accumulated loss as on 30th June 2020 would have been increased from **Rs.1,96,138.30** lakhs to **Rs.2,84,939.35** lakhs had the company provided for the same.
- b) The dues to Banks/FIs as on 30.06.2020 as per company is **Rs. 2,42,860.64** lakhs, whereas the actual claims made by Banks/FIs and admitted by Resolution Professional is **Rs.3,63,207.57** lakhs.
- c) The Company's Trade Receivables aggregating to **Rs. 1,320.02** Crores is more than three years old. The company has not provided any bad debts in the books of account during the quarter. We are unable to form an opinion on the extent to which the debts may be recoverable.
- d) The Company's Loans and Advances aggregating to **Rs. 108.78** Crores are more than three years old and in respect of which the company has not provided for bad debts. We are unable to form an opinion on the extent to which the debts may be recoverable.
- e) The Company has an advance of **Rs.5.64** Crores are more than 365 days old and hence shall be treated as Deposits received under the Companies Act 2013 and the same has to be returned within one year as per the provisions of the Act.
- f) The Company is not regular in payment of undisputed statutory dues towards ESI, TDS and Goods & Service Tax during the period ended 30th June 2020.
- g) With regard to investments in unquoted equities of subsidiary's for a value of **Rs. 5,046.93** lakhs are valued at cost of investment however the present realizable value of these are not ascertained by the management hence the same is subject to current valuation.
- h) 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 30th June 2020 by **Rs. 2,023.24** Crores and the Company's ability to continue a going concern is in doubt.
- i) A winding up petition filed by Standard Bank (Mauritius) Ltd., in the High Court of Telangana & 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. The petition for winding up was closed due to insolvency resolution proposals have been initiated before NCLT, Hyderabad and the High Court of IS advised the petitioner to move before NCLT, Hyderabad.
- j) 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.
- k) 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



**T. RAGHAVENDRA & ASSOCIATES**

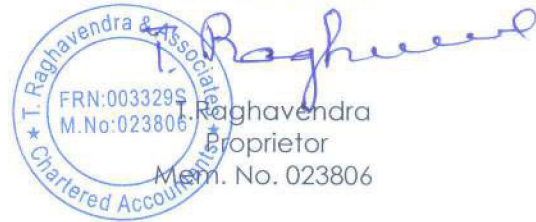
Chartered Accountants

No. 22, Krishna Apartments, 5th Floor,
Tilak Road, Abids, Hyderabad - 500 001.
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7. The consolidated unaudited financial results includes the interim financial statements/ financial information/ financial results of three subsidiaries which have not been reviewed by their auditors, whose interim financial statements/ financial information/ financial results reflect total revenue of **Rs. 1.10** lakhs, total net loss after tax of **Rs.15.02** lakhs for the quarter ended June 30, 2020, as considered in the consolidated unaudited financial results, based on their interim financial statements/ financial information/ financial results which have not been reviewed/audited by their auditors. According to the information and explanations given to us by the Management, these interim financial statements / financial information / financial results are not material to the Group.

Our conclusion on the Statement is not modified in respect of the matters set out in paragraphs 6 and 7 above.

For T.Raghavendra & Associates
Chartered Accountants
FRN No. 003329S



Place: Hyderabad
Date : 14th September 2020

Annexure-A

List of Entities Consolidated

Sl. No.	Name of the Company
A	Subsidiaries Direct
01.	Glade Steels Limited
02.	Alpha Ventures Limited
03.	Asian Tide
B	Subsidiaries Indirect
01.	Optimix Enterprises Limited